
FIRST QUARTER 2021

INVESTOR PRESENTATION



Your Team.
Local. Trusted. Nationwide.

April 29, 2021

Your Team.

FORWARD-LOOKING STATEMENTS & NON-GAAP MEASURES

Forward-looking statements in this presentation are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those projected. Such risks and uncertainties include, but are not limited to: we may be more sensitive to revenue fluctuations than other companies, which could result in fluctuations in the market price of our common stock; payments on accounts receivable may be slower than expected, or amounts due on receivables or notes may not be fully collectible; we are dependent on the services of our executive officers and other key employees, the loss of any of whom may have a material adverse effect on our business, financial condition and results of operations; restrictions imposed by independence requirements and conflict of interest rules may limit our ability to provide services to clients of the attest firms with which we have contractual relationships and the ability of such attest firms to provide attestation services to our clients; our goodwill and intangible assets could become impaired, which could lead to material non-cash charges against earnings; our goodwill and intangible assets could become impaired, which could lead to material non-cash charges against earnings; certain liabilities resulting from acquisitions are estimated and could lead to a material non-cash impact on earnings; governmental regulations and interpretations are subject to changes, which could have a material adverse effect on revenue; changes in the United States healthcare environment, including new healthcare legislation, may adversely affect the revenue and margins in our healthcare benefit businesses; we are subject to risks relating to processing customer transactions for our payroll and other transaction processing businesses; cyber attacks or other security breaches involving our computer systems or the systems of one or more of our vendors could materially and adversely affect our business; we are subject to risk as it relates to software that we license from third parties; we could be held liable for errors and omissions; the future issuance of additional shares could adversely affect the price of our common stock; our principal stockholders may have substantial control over our operations; we require a significant amount of cash for interest payments on our debt and to expand our business as planned; terms of our credit facility may adversely affect our ability to run our business and/or reduce stockholder returns; our failure to satisfy covenants in our debt instruments will cause a default under those instruments; we are reliant on information processing systems and any failure of these systems could have a material adverse effect on our business, financial condition and results of operations; we may not be able to acquire and finance additional businesses which may limit our ability to pursue our business strategy; the business services industry is competitive and fragmented; if we are unable to compete effectively, our business, financial condition and results of operations may be negatively impacted; there is volatility in our stock price. A more detailed description of such risks and uncertainties may be found in the Company's filings with the Securities and Exchange Commission.

All forward-looking statements made in this presentation are made only as of the end of the first quarter of 2021. The Company does not undertake any obligation to publicly update or correct any forward-looking statements to reflect events or circumstances that subsequently have occurred or of which it thereafter has become aware since the end of the first quarter of 2021.

The Company has included certain Non-GAAP measures in this presentation. Non-GAAP measures are commonly used by the Company, its shareholders and debt holders to evaluate, assess and benchmark the Company's operational results and to provide an additional measure with respect to the Company's ability to meet future debt obligations. Reconciliations for Non-GAAP measures can be found in the Appendix.



CBIZ is a leading provider of financial, insurance and advisory services tailored to help our clients and their businesses grow and succeed.



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NATIONAL SCALE

4,800+

Team Members

100+

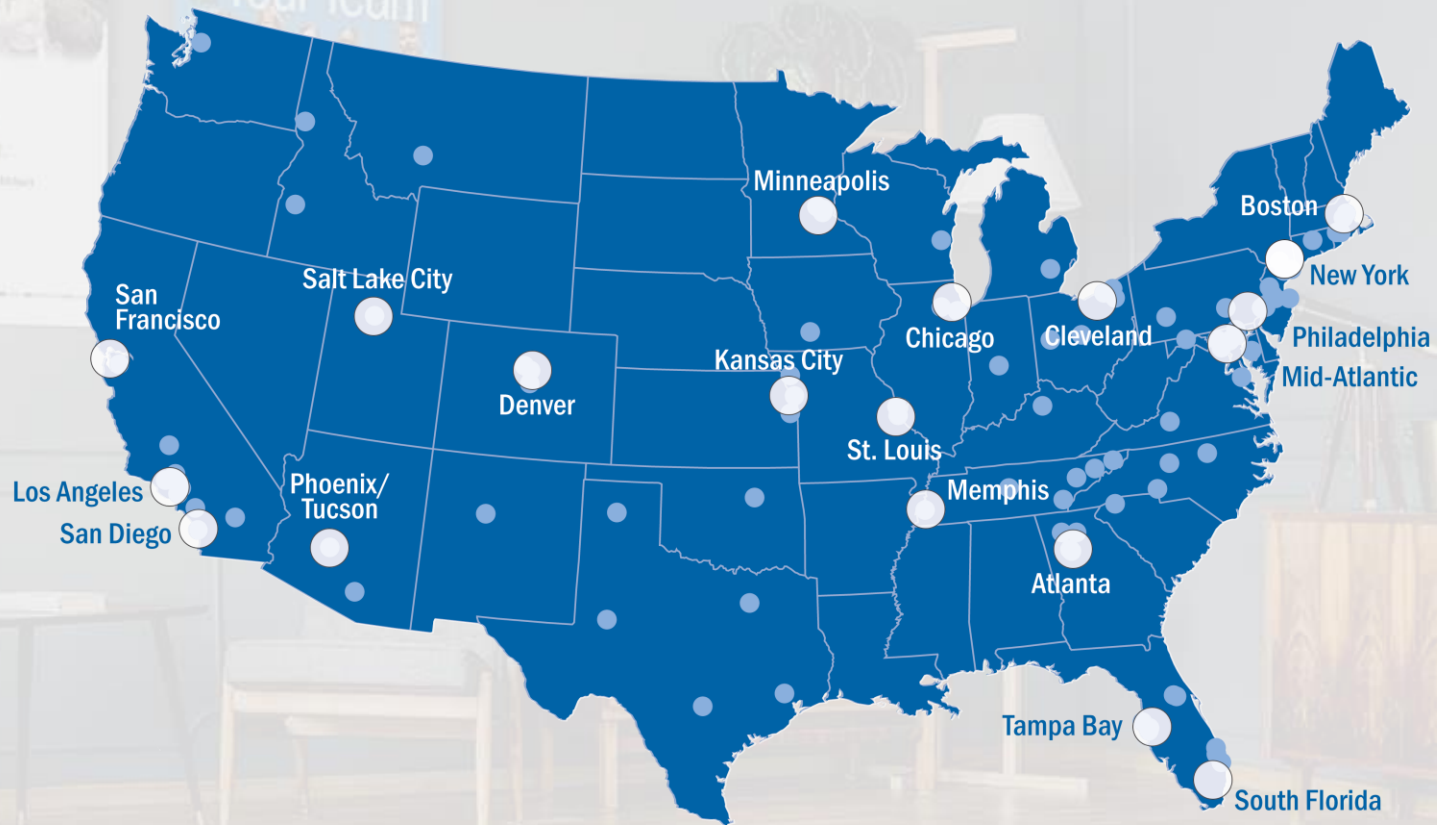
Offices

31

States

19

Major Markets



NYSE:CBZ

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SERVICES & REVENUE

65%

Financial Services

- Accounting and Tax
- Financial Advisory
- Transaction Advisory
- Risk & Advisory Services
- Valuation
- Litigation Support
- Government Health Care Consulting

31%

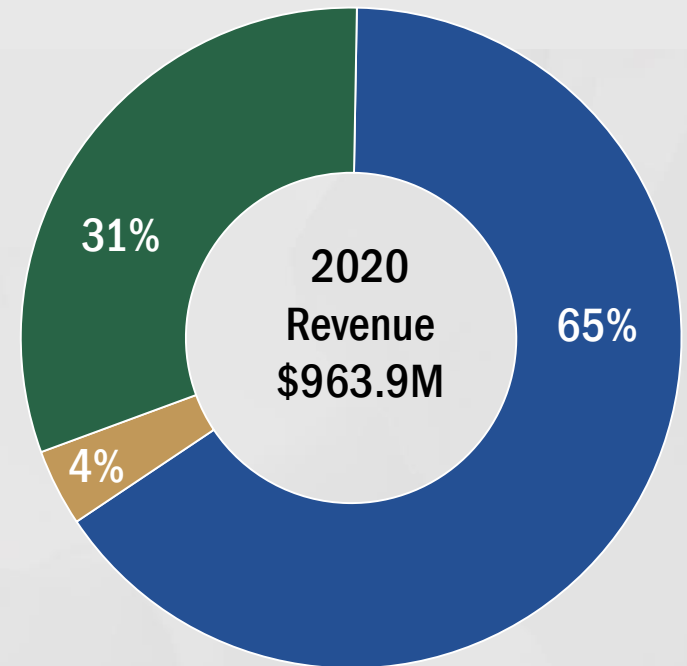
Benefits and Insurance Services

- Employee Benefits Consulting
- Payroll / Human Capital Management
- Property & Casualty
- Retirement Plan Services

4%

National Practices

- Technology Support



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RECURRING REVENUE

70%

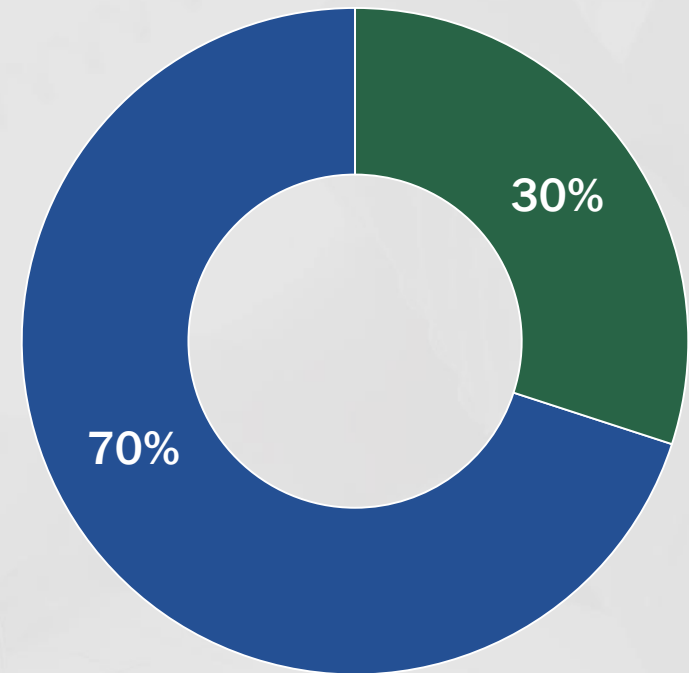
Recurring Services

- Annual Tax Compliance
- Group Health Benefits
- Government Health Care Consulting
- Property & Casualty
- Payroll
- Retirement Plan Services
- Technology Support

30%

Project-Based Work

- Compensation Studies
- Executive Search
- Financial Consulting
- Litigation Support
- Risk Advisory
- Transaction Advisory
- Valuation



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CLIENT PROFILE

National Resources – Personal Service

82,000+

Total Clients

~48,000

Business Clients

90%+

Client Retention
Rate

We out-local the nationals and out-national the locals.

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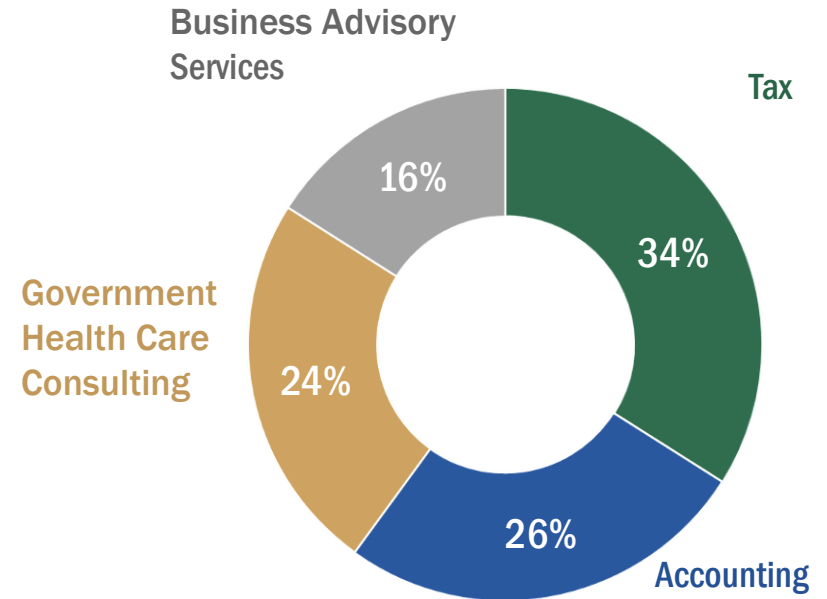
FINANCIAL SERVICES

TOP 10

Accounting Provider Nationally 2020
by Accounting Today

TOP 10

Top 50 Accounting Firms 2022
by Vault



2020

Revenue
\$629.8M

Operating Income
\$104.6M

Operating Margin
16.6%

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BENEFITS AND INSURANCE SERVICES

TOP 20

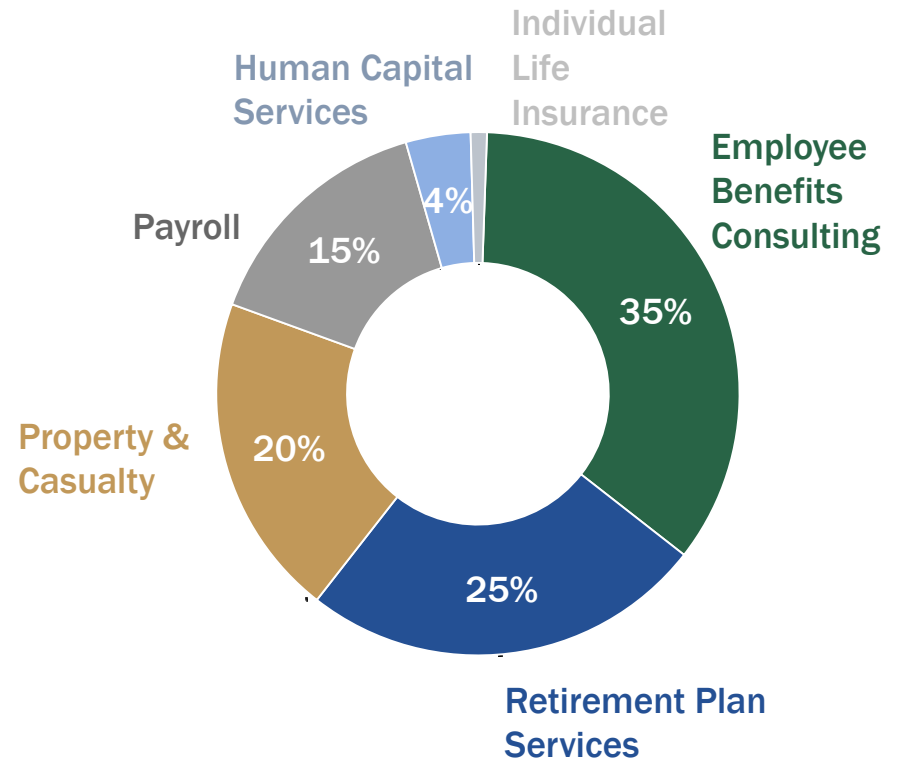
Broker of U.S. Business 2020
by BI Magazine

TOP 100

Retirement Plan Adviser 2020
by PLANADVISER

BEST

Places to Work in Insurance 2020
by BI Magazine



2020

Revenue
\$297.8M

Operating Income
\$49.4M

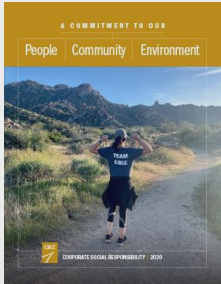
Operating Margin
16.6%

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OUR CULTURE & RECOGNITION



CEO **ACTION** FOR
DIVERSITY & INCLUSION



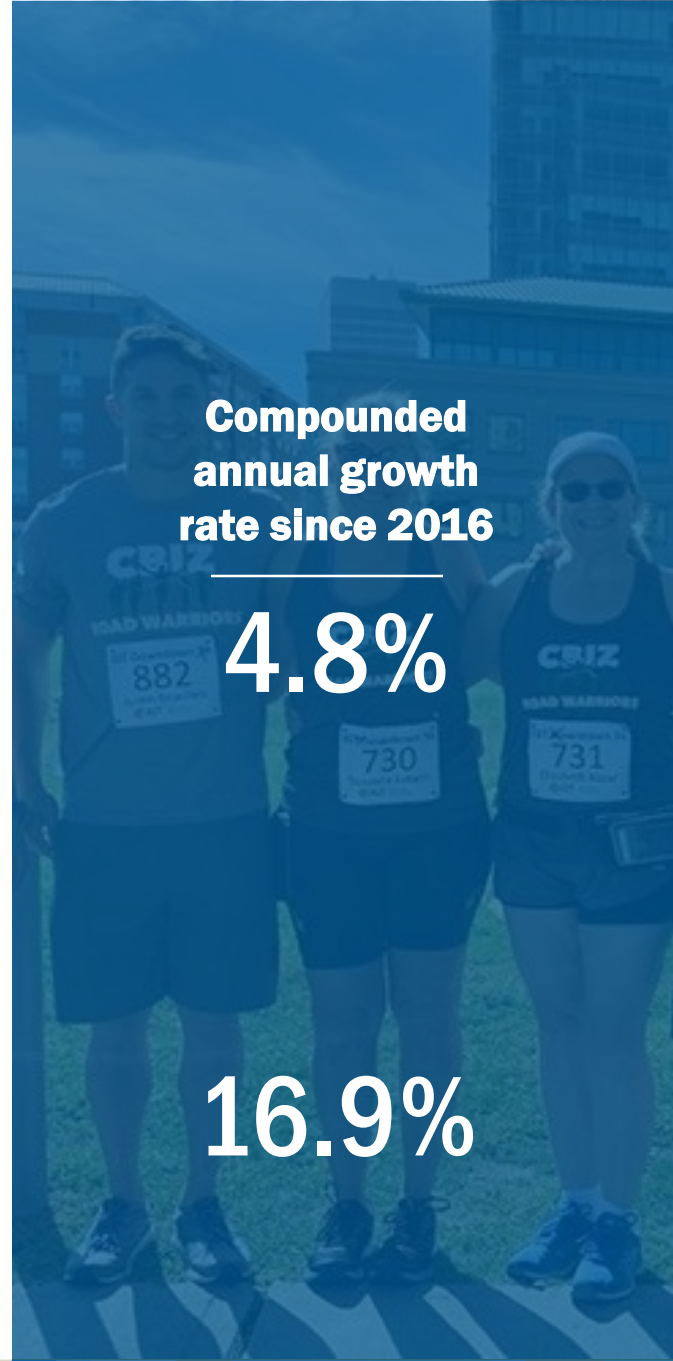
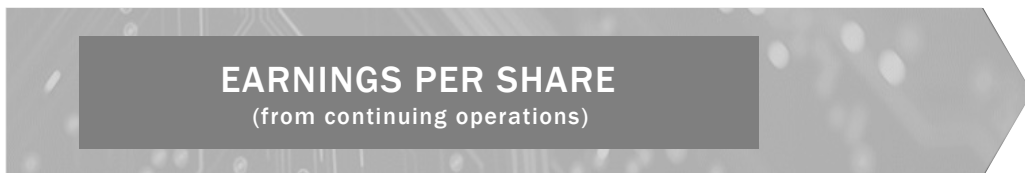
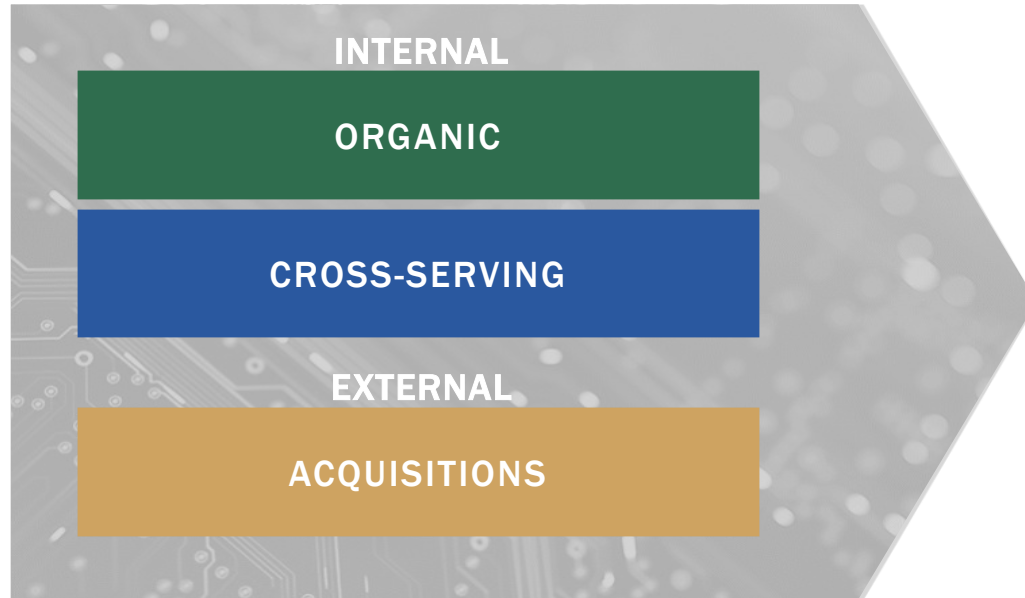

Commitment to Community
including
9 Million+
Lbs. of Food
Donated
since 2009

[Corporate Social Responsibility | CBIZ, Inc.](#)



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FOCUS ON GROWTH



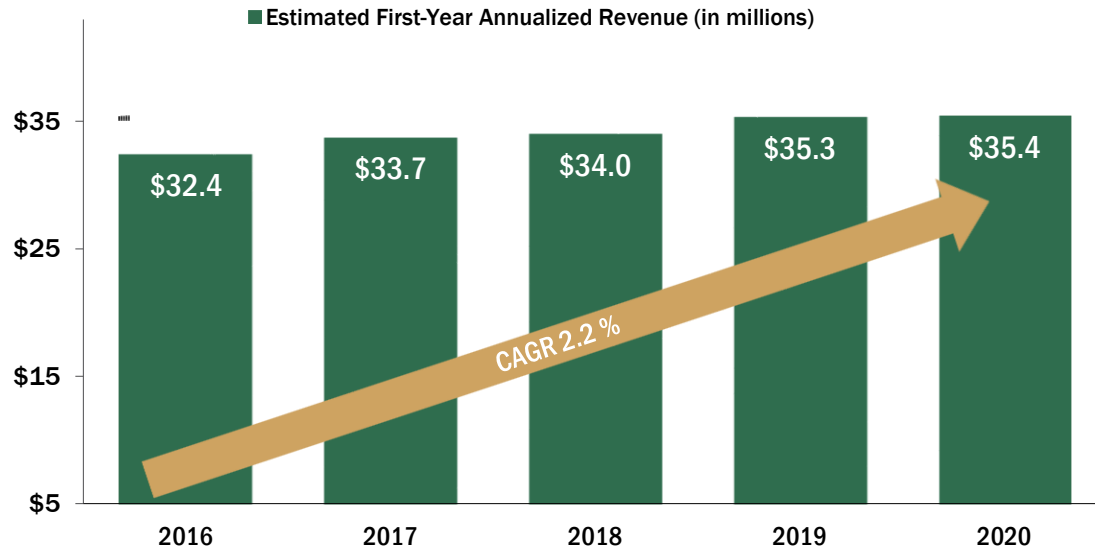
Compounded
annual growth
rate since 2016

4.8%

16.9%

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GROWTH BY CROSS-SERVING



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GROWTH BY ACQUISITION

ATTRIBUTES

- Successful local or regional company
- Cultural fit
- Strong leadership
- Desire for greater national platform and enhanced client service capabilities
- Cross-serving potential

STRATEGY

- Access to growing geographic markets
- Focus on high-growth industries and service niches
- Full integration
- Immediately accretive
- Access to top talent

STRUCTURE

- Consideration based on TTM EBITDA
- 50%+ paid up front
- Balance paid on multi-year earnout contingent when reasonable growth targets are achieved
- Proceeds paid using a mix of cash and stock
- Value based on past and future performance

Immediately Accretive to Shareholders

Financial Overview



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KEY FINANCIAL HIGHLIGHTS

	2016	2020	TOTAL GROWTH	CAGR
REVENUE (IN MILLIONS)	\$799.8	\$963.9	20.5%	4.8%
PRE-TAX INCOME (IN MILLIONS)	\$67.0	\$103.5	54.5%	11.5%
PRE-TAX MARGIN	8.4%	10.7%	230 bps	
GAAP EPS (FROM CONTINUING OPERATIONS)	\$0.76	\$1.42	86.8%	16.9%

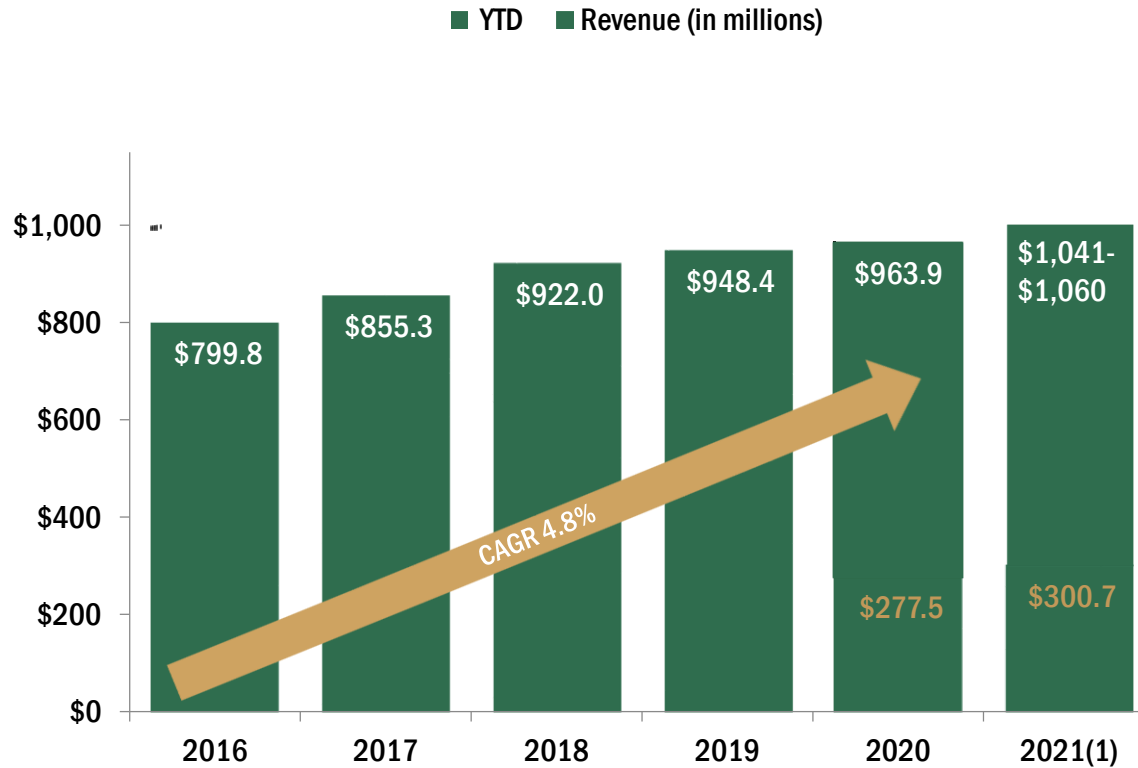
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YTD HIGHLIGHTS & 2021 GUIDANCE

SEGMENT	YTD 2021 SAME-UNIT REVENUE GROWTH	YTD 2021 TOTAL REVENUE GROWTH	2021 GUIDANCE
FINANCIAL SERVICES	4.5%	8.1%	
BENEFITS AND INSURANCE SERVICES	1.6%	9.6%	
NATIONAL PRACTICES	3.0%	3.0%	
REVENUE	3.6%	8.4%	8% to 10%
GAAP EPS (FROM CONTINUING OPERATIONS)		39.4%	12% to 15%
TAX RATE		24.1%	~25%
SHARE COUNT		54.4M	54.0M to 54.5M

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REVENUE

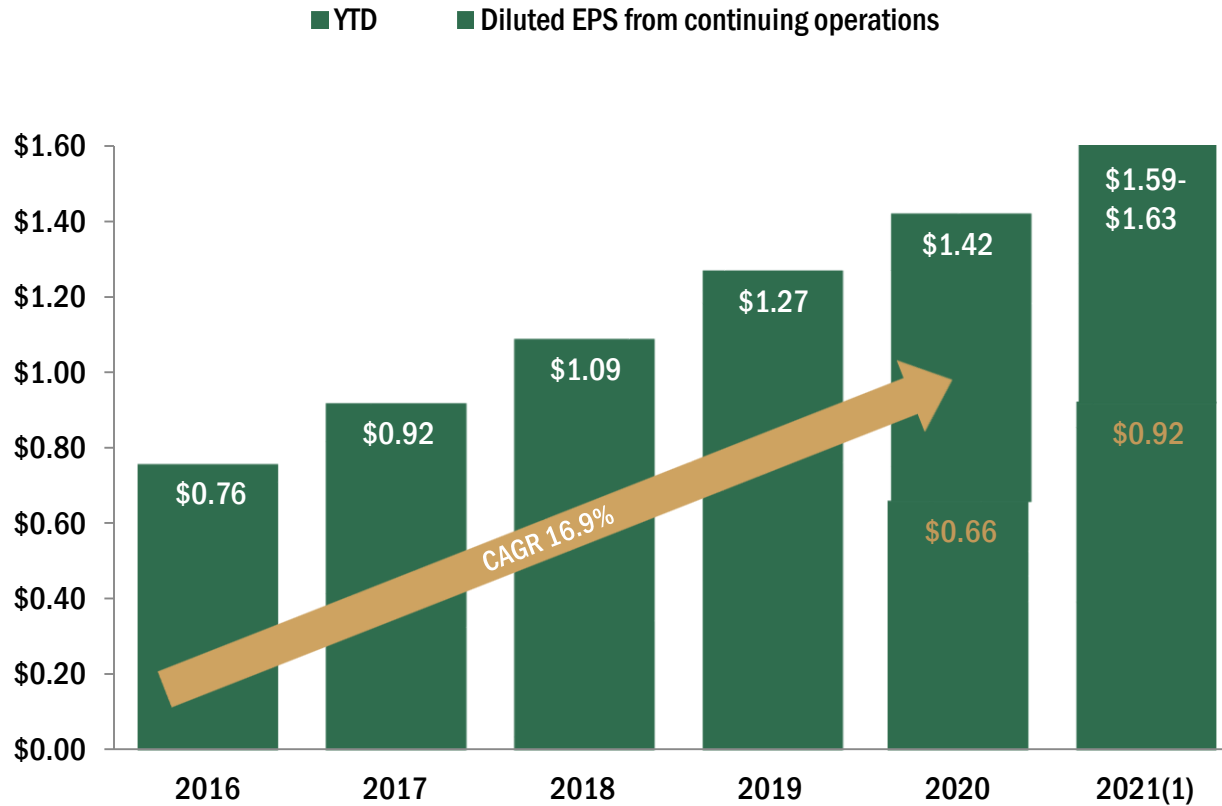


(1) Reflects guidance issued by the Company on April 29, 2021. This guidance speaks only as of this date and this presentation does not constitute confirmation or updating of guidance.

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DILUTED EARNINGS PER SHARE

(from continuing operations)

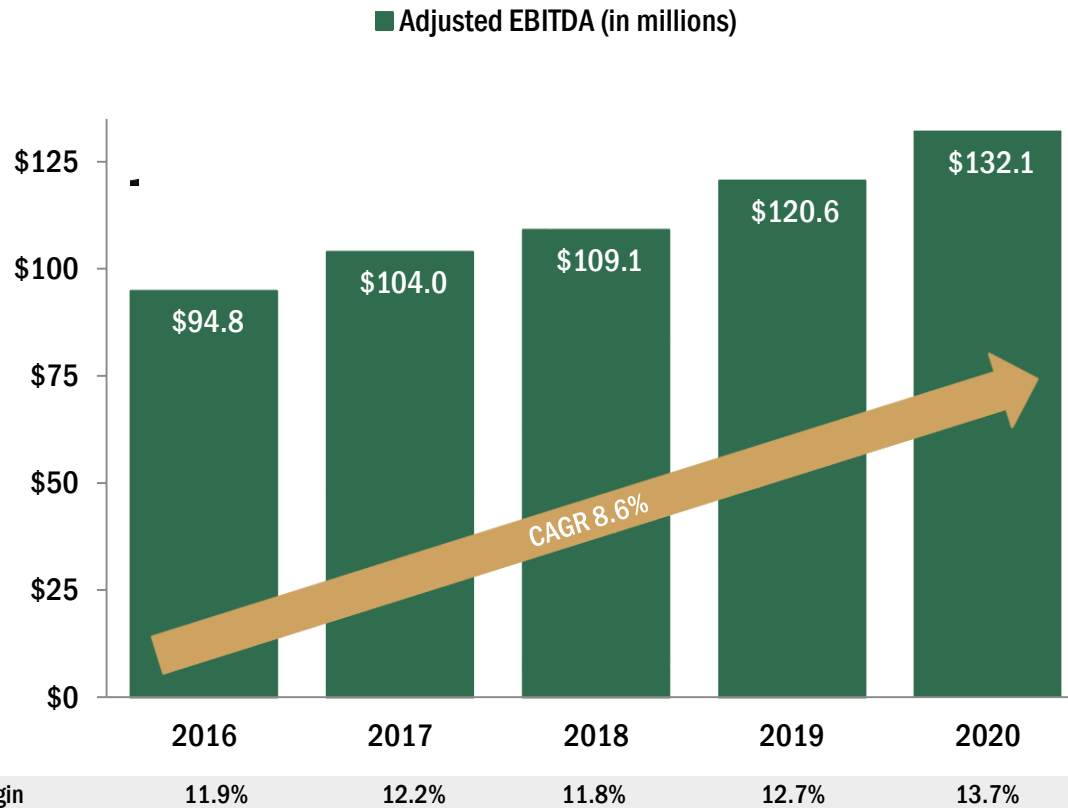


(1) Reflects guidance issued by the Company on April 29, 2021. This guidance speaks only as of this date and this presentation does not constitute confirmation or updating of guidance.

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ADJUSTED EBITDA

See Appendix for GAAP Reconciliation

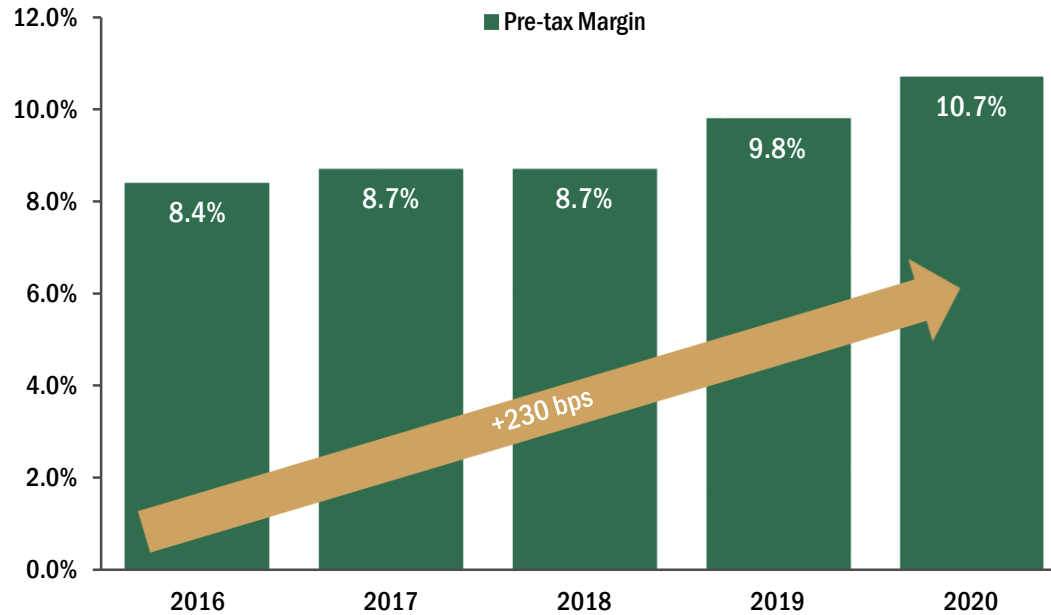


CAPITAL STRUCTURE

	STRATEGIC ACQUISITIONS <ul style="list-style-type: none"> • Focused on high-growth opportunities • Typically complete three to five annually 	SHARE REPURCHASES <ul style="list-style-type: none"> • Strategic approach • Neutralize impact of newly issued shares 	CAPEX <ul style="list-style-type: none"> • Facility improvements • Office equipment 	DEBT LEVERAGE <ul style="list-style-type: none"> • Strong cash flow from operations • \$400M unsecured credit facility
YTD	\$3.7M	\$33.1M	\$1.1M	1.1X
2020	\$88.8M	\$58.5M	\$11.7M	0.8X
2019	\$37.3M	\$27.2M	\$13.9M	0.9X
2018	\$41.7M	\$17.5M	\$14.6M	1.3X
2017	\$39.9M	\$19.7M	\$11.9M	1.8X
2016	\$51.1M	\$9.1M	\$4.7M	3.0X

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OPERATING LEVERAGE



Adjusted G&A Margin (1)	2016	2017	2018	2019	2020
	4.5%	3.8%	4.3%	4.5%	4.6%

Goal: Pre-tax income margin improvement of 20 to 50 bps per year

(1) See Appendix for GAAP reconciliation.

INVESTMENT GOALS

OPERATIONAL LEVERAGE

- Established national platform
- Full integration of acquired businesses
- Infrastructure provides margin expansion opportunity

FINANCIAL STRENGTH

- Strong balance sheet
- Strong and consistent cash flow
- Credit facility provides flexible source of funds
- 90%+ client retention rates
- 70% recurring revenue
- Long-standing diverse client base
- Broad geographic / industry / client exposure mitigates risk

RESULTS

- Proven ability to grow earnings at a faster rate than revenue growth
- 2016 – 2020 Revenue Growth CAGR: 4.8%
- 2016 – 2020 EPS Growth CAGR: 16.9%

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FINANCIAL GOALS

2021 Guidance⁽¹⁾

8% TO 10%
REVENUE GROWTH

12% TO 15%
EPS GROWTH

CONTINUED STRONG
CASH FLOW

Long-Term Goals - Beyond 2021

Earnings Growth 2X Revenue

Operating Leverage

Revenue Growth

(1) Reflects guidance issued by the Company on April 29, 2021. This guidance speaks only as of this date and this presentation does not constitute confirmation or updating of guidance.

Appendix



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2020 WORKPLACE AWARDS

National Workplaces

2020 Top Entry Level Employer

2020 Top Intern Employer

Best Workplaces in Consulting and Professional Services

2020 Workplace Excellence Seal of Approval

2020 Best Places to Work in Insurance

2019 & 2020 Top 101 Best & Brightest Companies in the Nation

Local Health & Wellness

Alpharetta, GA
Atlanta, GA
Brentwood, TN
Cleveland, OH
Cleveland, TN
Cumberland, MD
Kansas City, MO
Knoxville, TN
Memphis, TN
Minneapolis, MN
Murfreesboro, TN
New York, NY
Overland Park, KS
Philadelphia, PA
Phoenix, AZ
Plymouth Meeting, PA
Providence, RI
South Florida
Woodstock, GA

Local Office Workplaces

Akron, OH*
Alpharetta, GA
Atlanta, GA
Boca Raton, FL*
Boston, MA
Brentwood, TN
Chicago, IL*
Cleveland, OH*
Delray Beach, FL
Denver, CO
Encino, CA
High Point, NC*
Los Angeles, CA
Memphis, TN
Naperville, IL*
Network Solutions
New York, NY*
Oxnard, CA
Philadelphia, PA
Phoenix, AZ*
Plymouth Meeting, PA
Providence, RI*
San Diego, CA*
San Francisco, CA
San Jose, CA
Tampa Bay, FL*
Tucson, AZ*
Uniontown, OH*
Woodstock, GA

Certifications & Rankings

Great Place to Work Certification

2021 Vault Accounting 50

2021 Most Prestigious Accounting Firms

2021 Best Accounting Firms for Audit & Assurance*

2021 Best Accounting Firms for Forensic Accounting

2021 Best Accounting Firms for Tax Accounting

Best Practices for Supporting Workers 50+

2021 Vault Top 100 Best Internships

2020 Women on Boards

National Health & Wellness

2020 Health & Wellness Seal of Approval

2020 Healthiest 100 Workplaces in America

2019 & 2020 Best and Brightest in Wellness

Credibility

Top 100 Retirement Plan Advisers

Barron's 2020 Top 50 Institutional Consulting Teams

ADJUSTED EBITDA RECONCILIATION

GAAP RECONCILIATION

Income from Continuing Operations to Non-GAAP Financial Measures (1)

(In thousands)

	THREE MONTHS ENDED	
	MARCH 31,	
	2021	2020
Income from continuing operations	\$ 50,216	\$ 36,862
Interest expense	877	1,119
Income tax expense	15,972	13,453
Gain on sale of operations, net	-	(95)
Depreciation	2,553	2,283
Amortization	3,699	3,421
Adjusted EBITDA	\$ 73,317	\$ 57,043

- (1) CBIZ reports its financial results in accordance with GAAP. This table reconciles Non-GAAP financial measures to the nearest GAAP financial measure, "Income from continuing operations". Adjusted EBITDA is not defined by GAAP and should not be regarded as an alternative or replacement to any measurement of performance or cash flow under GAAP. Adjusted EBITDA is commonly used by the Company, its shareholders and debt holders to evaluate, assess, and benchmark the Company's operational results and to provide an additional measure with respect to the Company's ability to meet future debt obligations.

ADJUSTED EBITDA RECONCILIATION

GAAP RECONCILIATION

Reconciliation of GAAP Income from Continuing Operations to Adjusted EBITDA (1)

(In thousands)

	Year Ended December 31,				
	2020	2019	2018	2017	2016
Income from continuing operations.....	\$ 78,347	\$ 71,049	\$ 61,573	\$ 51,032	\$ 40,607
Interest expense.....	4,983	5,765	6,645	6,675	6,593
Income tax expense.....	25,141	21,840	18,267	23,288	26,399
Loss (gain) on sale of operations, net.....	509	(417)	(1,025)	(45)	(855)
Depreciation.....	9,568	8,283	6,140	5,274	5,378
Amortization.....	13,571	14,062	17,535	17,787	16,720
Adjusted EBITDA (2).....	\$ 132,119	\$ 120,582	\$ 109,135	\$ 104,011	\$ 94,842

- (1) CBIZ reports its financial results in accordance with GAAP. This table reconciles Non-GAAP financial measures to the nearest GAAP financial measure, "Income from continuing operations". Adjusted EBITDA is not defined by GAAP and should not be regarded as an alternative or replacement to any measurement of performance or cash flow under GAAP. Adjusted EBITDA is commonly used by the Company, its shareholders and debt holders to evaluate, assess and benchmark the Company's operational results and to provide an additional measure with respect to the Company's ability to meet future debt obligations.

ADJUSTED G&A MARGIN RECONCILIATION

GAAP RECONCILIATION

Reconciliation of GAAP Corporate G&A Expenses to Corporate G&A Expenses Excluding Deferred Compensation Plan (1)

(In thousands)

	Year Ended December 31,				
	2020	2019	2018	2017	2016
Corporate G&A expenses	\$ 46,066	\$ 44,406	\$ 39,173	\$ 33,295	\$ 36,319
Deferred compensation plan (income) / expense (2).....	1,587	1,987	(417)	1,172	684
Corporate G&A expenses excluding deferred compensation plan	<u>\$ 44,479</u>	<u>\$ 42,419</u>	<u>\$ 39,590</u>	<u>\$ 32,123</u>	<u>\$ 35,635</u>
Corporate G&A % of revenue.....	4.8%	4.7%	4.2%	3.9%	4.6%
Corporate G&A excluding deferred compensation plan % of revenue.....	4.6%	4.5%	4.3%	3.8%	4.5%

- (1) CBIZ reports its financial results in accordance with GAAP. This table reconciles the nearest GAAP financial measure, "Corporate G&A expenses" to Non-GAAP financial measures.
- (2) CBIZ sponsors a deferred compensation plan, under which a CBIZ employee's compensation deferral is held in a rabbi trust and invested accordingly as directed by the employee. Income and expenses related to the deferred compensation plan are included in "Corporate general and administrative expenses" and are directly offset by deferred compensation gains or losses in "Other (expense) income, net." The deferred compensation plan has no impact on "Income from continuing operations before income tax expense."