



April 18, 2024

# ManpowerGroup First Quarter Results



ManpowerGroup®













# FORWARD-LOOKING STATEMENT

This presentation contains statements, including statements regarding economic and geopolitical uncertainty, trends in labor demand and the future strengthening of such demand, financial outlook, including any residual costs resulting from the wind-down of the Proservia business in Germany, demand for specific skills, including the market for green skills, the impact of AI and digital transformation on labor markets and across specific industries, the outlook for our business in the regions in which we operate as well as key countries within those regions, the Company's strategic initiatives and technology investments, including transformation programs, and the positioning of future growth for our brands, that are forward-looking in nature and, accordingly, are subject to risks and uncertainties regarding the Company's expected future results. The Company's actual results may differ materially from those described or contemplated in the forward-looking statements due to numerous factors. These factors include those found in the Company's reports filed with the SEC, including the information under the heading "Risk Factors" in its Annual Report on Form 10-K for the year ended December 31, 2023, which information is incorporated herein by reference.

The Company assumes no obligation to update or revise any forward-looking statements. We reference certain non-GAAP financial measures, which we believe provide useful information for investors. We include a reconciliation of these measures, where appropriate, to GAAP on the Investor Relations section of our website at [manpowergroup.com](https://www.manpowergroup.com).

# ManpowerGroup 2024 First Quarter Results

## Consolidated Financial Highlights

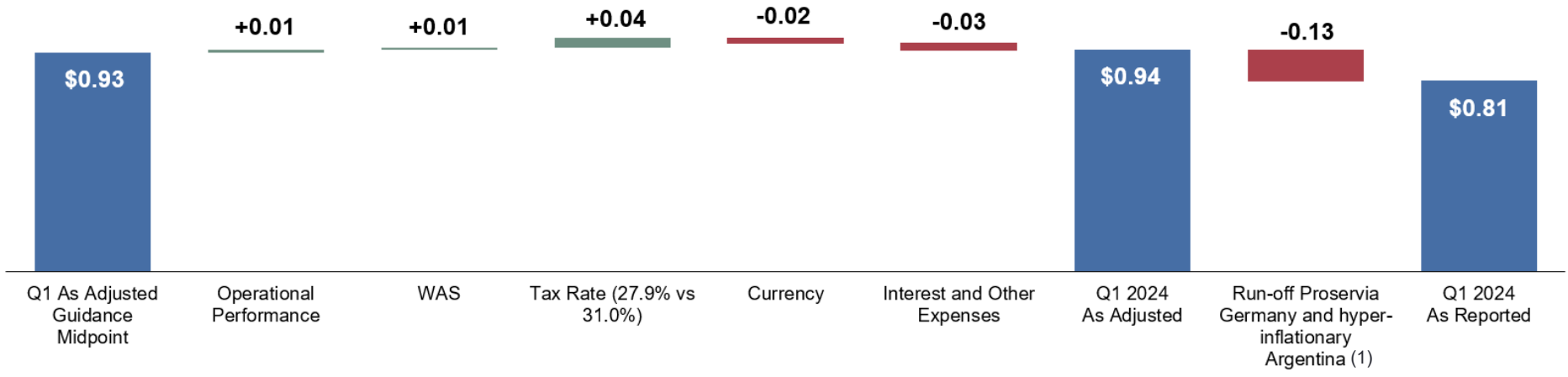
As Reported	As Adjusted <sup>(1)</sup>	Q1 Financial Highlights
 -7% -5% CC -5% OCC	 -7% -6% CC -5% OCC	<b>Revenue \$4.4B</b>
 -90 bps	 -70 bps	<b>Gross Margin 17.3%</b> (17.5% as adjusted)
 -41% -39% CC	 -40% -38% CC	<b>EBITA<sup>(2)</sup> \$74M</b> (\$80M as adjusted)
 -100 bps	 -100 bps	<b>EBITA Margin<sup>(2)</sup> 1.7%</b> (1.8% as adjusted)
 -46% -44% CC	 -42% -39% CC	<b>EPS \$0.81</b> (\$0.94 as adjusted)

(1) Excludes the impact of \$6.2M of operating losses for the run-off Proservia business in Germany and a non-cash currency translation charge of \$0.2M related to hyper-inflationary Argentina. Current period revenue and gross margin exclude the run-off Proservia business. Prior year period excludes the impact of restructuring costs.

(2) EBITA is a non-GAAP financial measure and is defined herein as Operating Profit before Amortization of Intangible Assets and Goodwill Impairment. Reported operating profit was \$66M, and operating profit margin was 1.5%. As adjusted, operating profit was \$72M, and operating profit margin was 1.6%.

# ManpowerGroup 2024 First Quarter Results

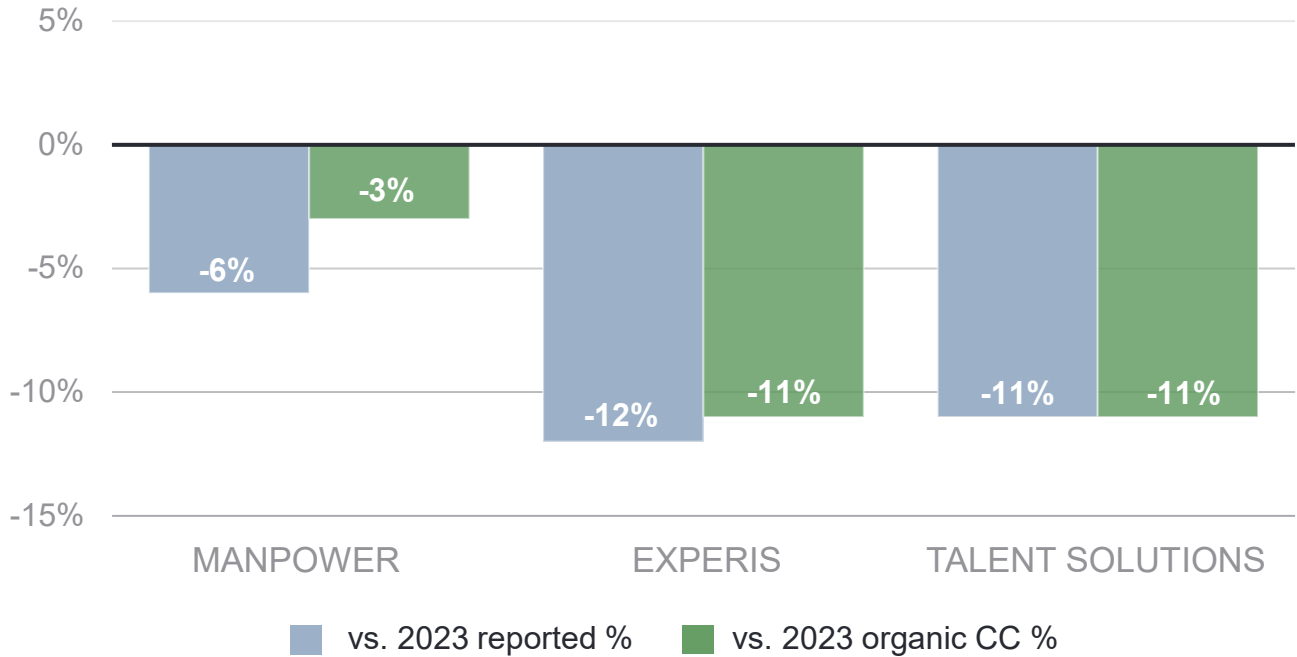
## EPS Bridge – Q1 vs. Guidance Midpoint



(1) Detail of items included on slide 3.

# ManpowerGroup 2024 First Quarter Results

## Business Line Revenue Q1 2024<sup>(1)</sup>

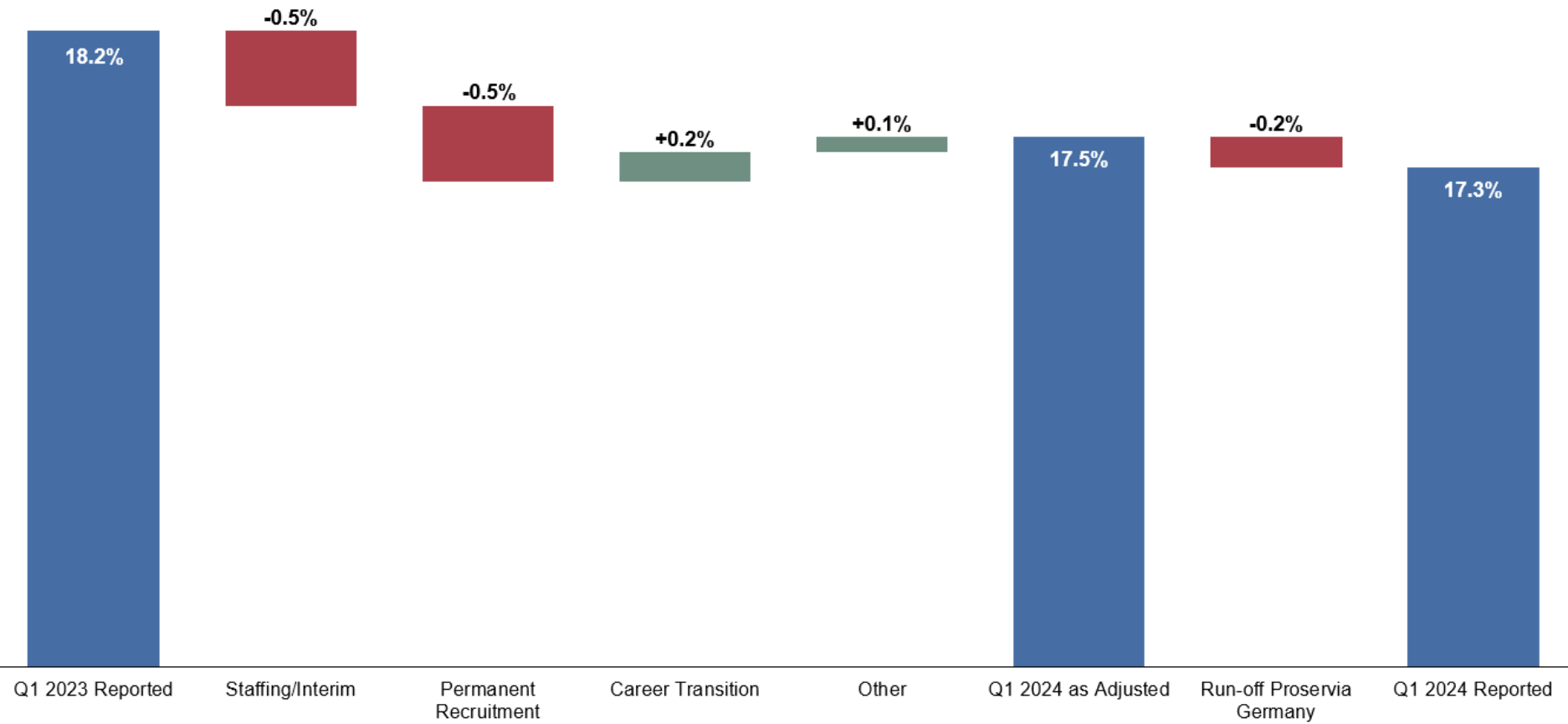


- ★ Manpower posted a modest organic CC revenue rate of decline, stable from the Q4 trend.
- ★ Experis organic CC revenue rate of decline was stable from the Q4 trend reflecting improvement in the U.S. trend offset by decreases in continental Europe.
- ★ Talent Solutions reported organic CC revenue decline, driven by RPO where the revenue rate of decline was stable from the Q4 trend. MSP reported flat revenues representing an improvement from the Q4 trend, while Right Management revenue growth remained solid due to increased Outplacement activity.

(1) Business line classifications can vary by entity and are subject to change as service requirements change.

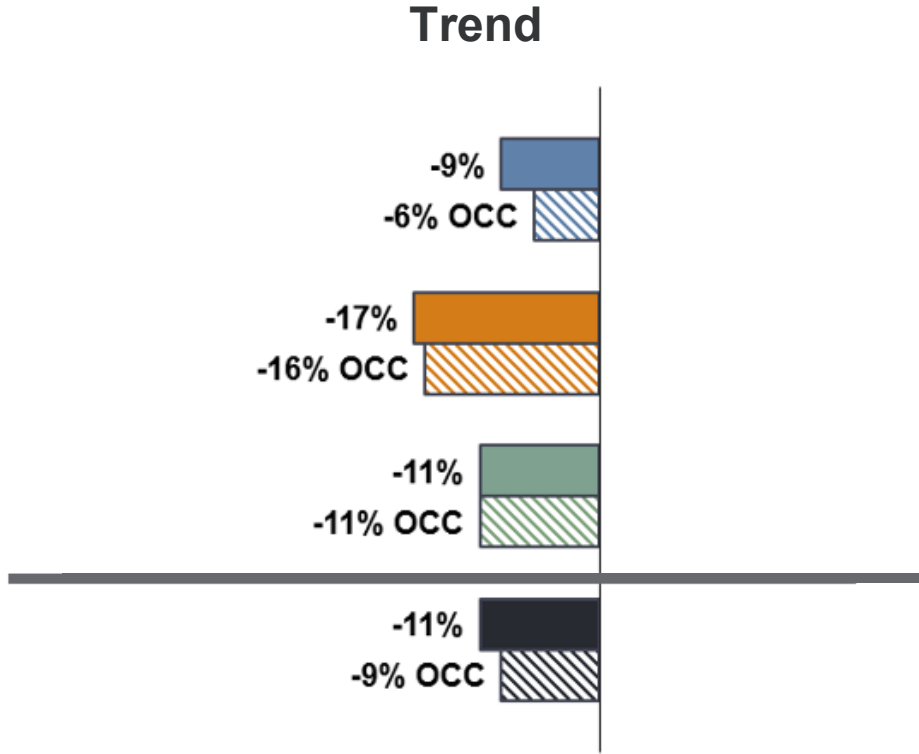
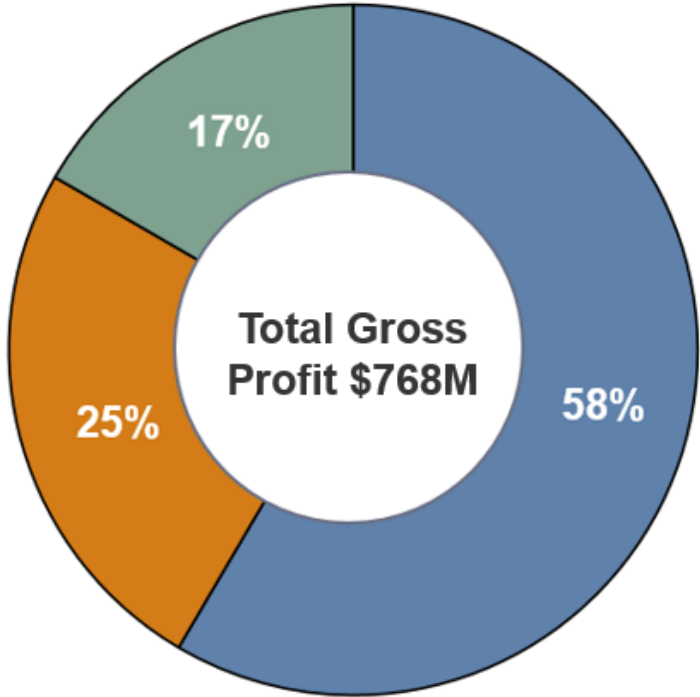
# ManpowerGroup 2024 First Quarter Results

## Consolidated Gross Margin Change



# ManpowerGroup 2024 First Quarter Results

## Business Line Gross Profit – Q1 2024<sup>(1)</sup>



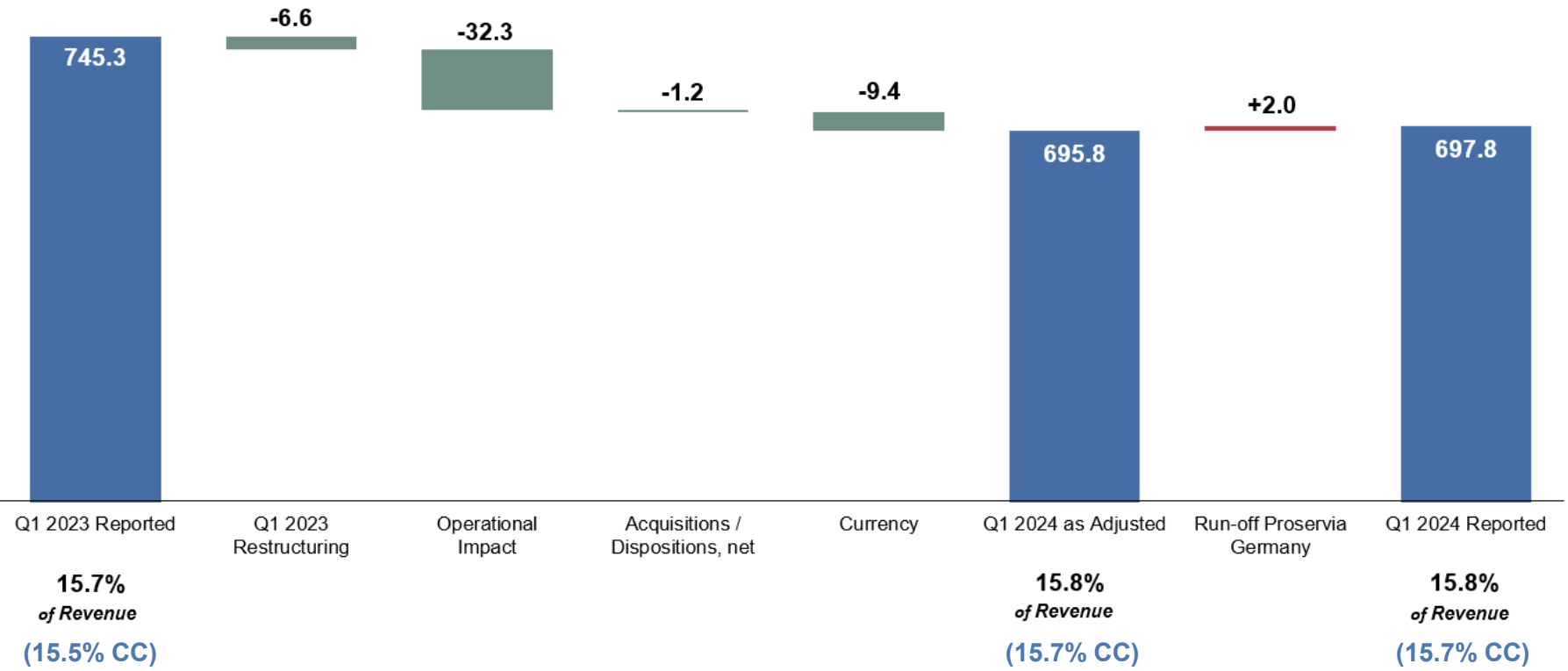
■ Manpower   
 ■ Experis   
 ■ Talent Solutions   
 ■ ManpowerGroup – Total

(1) Business line classifications can vary by entity and are subject to change as service requirements change. Shown excluding run-off Proservia Germany in the current period.

# ManpowerGroup 2024 First Quarter Results

## SG&A Expense Bridge – Q1 YoY

(in millions of USD)





# ManpowerGroup 2024 First Quarter Results

## Americas Segment

(23% of Revenue)

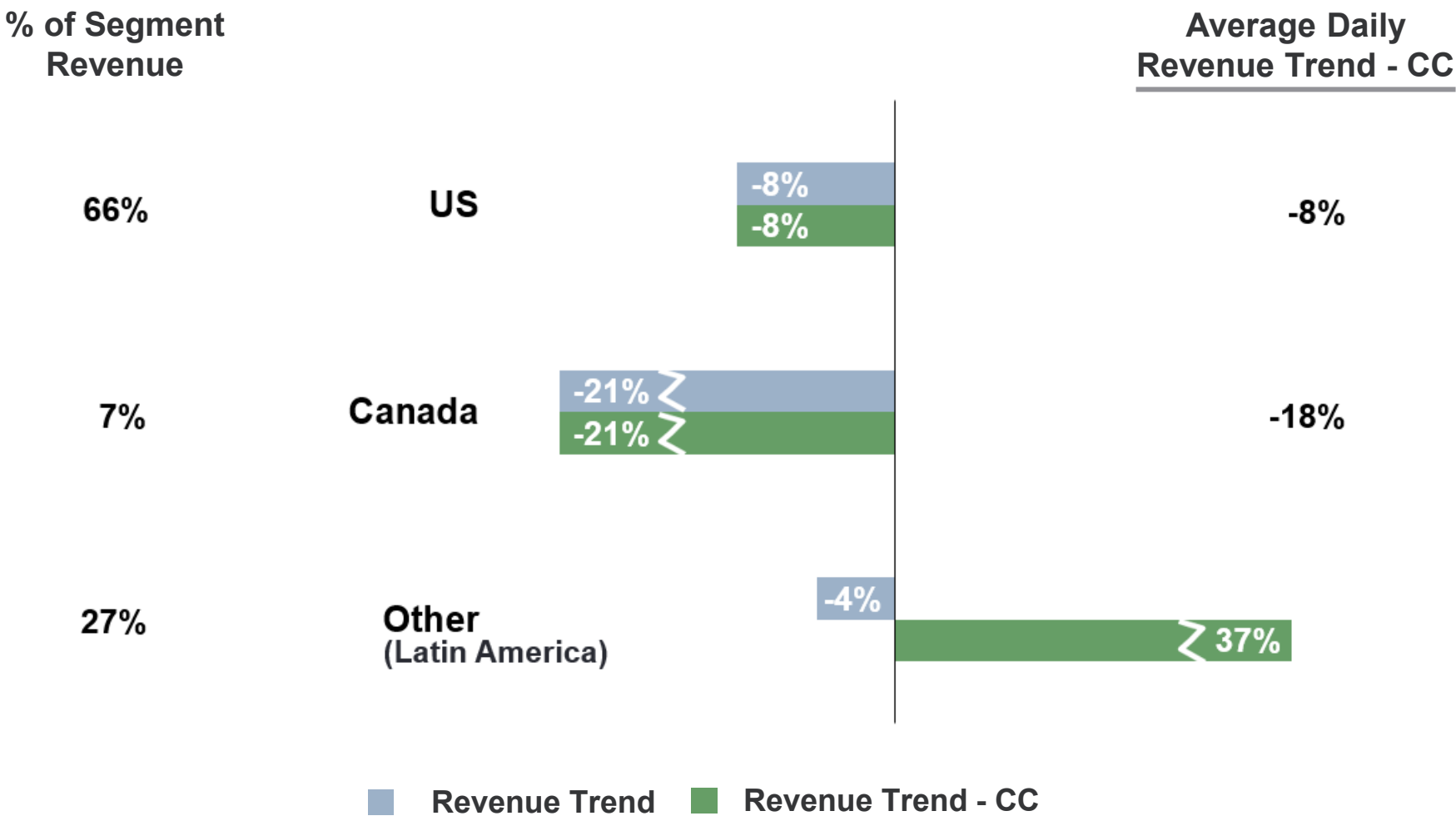
As Reported <sup>(1)</sup>	<b>Q1 Financial Highlights</b>
<p>↓ -8%</p> <p>↓ -1% CC</p>	<b>Revenue \$1.0B</b>
<p>↓ -46%</p> <p>↓ -43% CC</p>	<b>OUP \$26M</b>
<p>↓ -180 bps</p>	<b>OUP Margin 2.5%</b>

(1) Prior year period includes the impact of restructuring costs. As adjusted to exclude these costs, OUP Margin change was -190 bps vs the prior year.

Operating Unit Profit (OUP) is the measure that we use to evaluate segment performance. OUP is equal to segment revenues less direct costs and branch and national headquarters operating costs.

# ManpowerGroup 2024 First Quarter Results

## Americas – Q1 Revenue Trend YoY



# ManpowerGroup 2024 First Quarter Results

## Southern Europe Segment

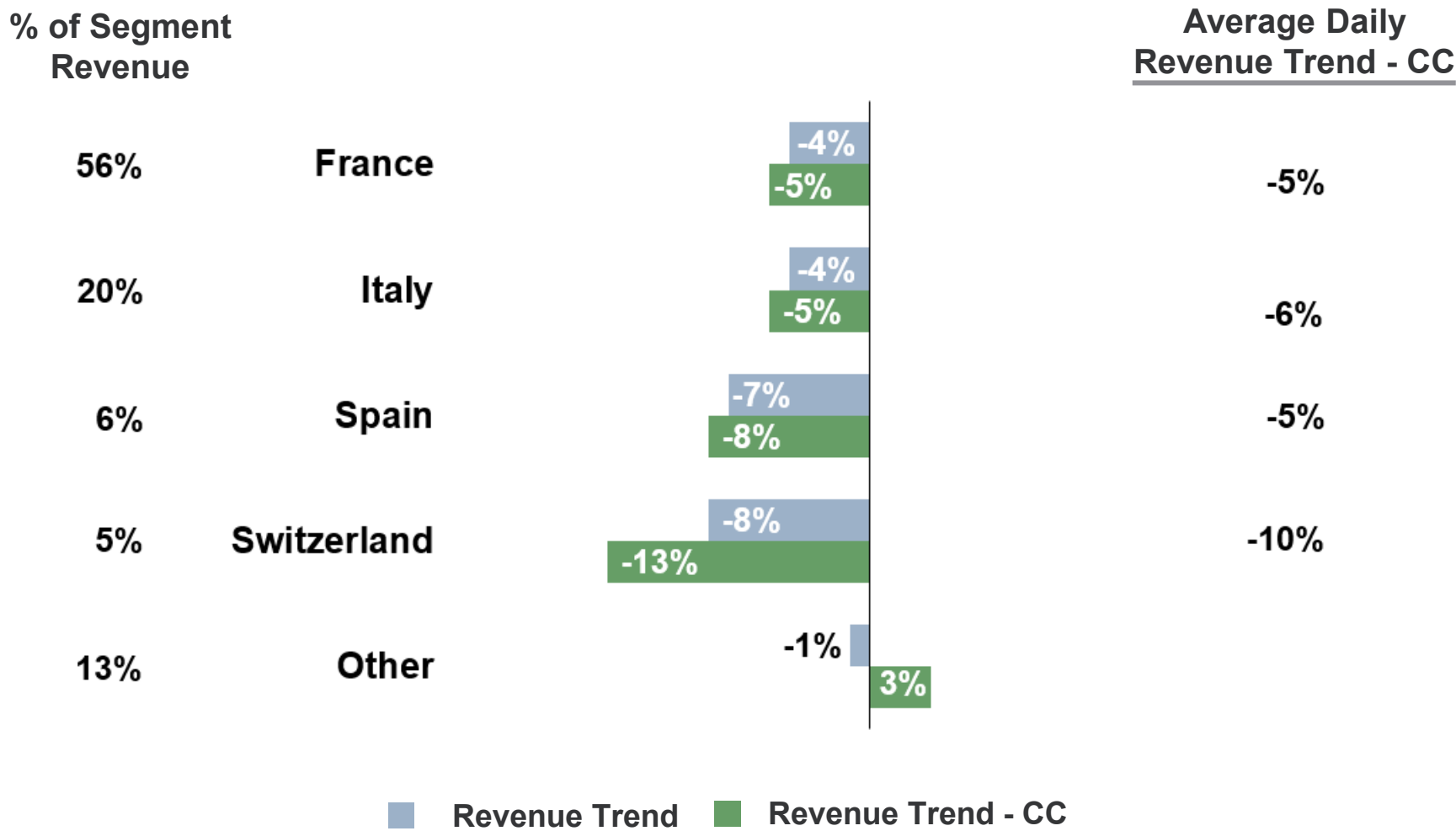
(45% of Revenue)

As Reported <sup>(1)</sup>	<b>Q1 Financial Highlights</b>
<p>↓ -4%</p> <p>↓ -5% CC</p>	<p><b>Revenue \$2.0B</b></p>
<p>↓ -22%</p> <p>↓ -23% CC</p>	<p><b>OUP \$70M</b></p>
<p>↓ -80 bps</p>	<p><b>OUP Margin 3.5%</b></p>

(1) Prior year period includes restructuring costs. As adjusted to exclude these costs, OUP Margin change was -90 bps vs the prior year.

# ManpowerGroup 2024 First Quarter Results

## Southern Europe – Q1 Revenue Trend YoY



# ManpowerGroup 2024 First Quarter Results

## Northern Europe Segment

(20% of Revenue)

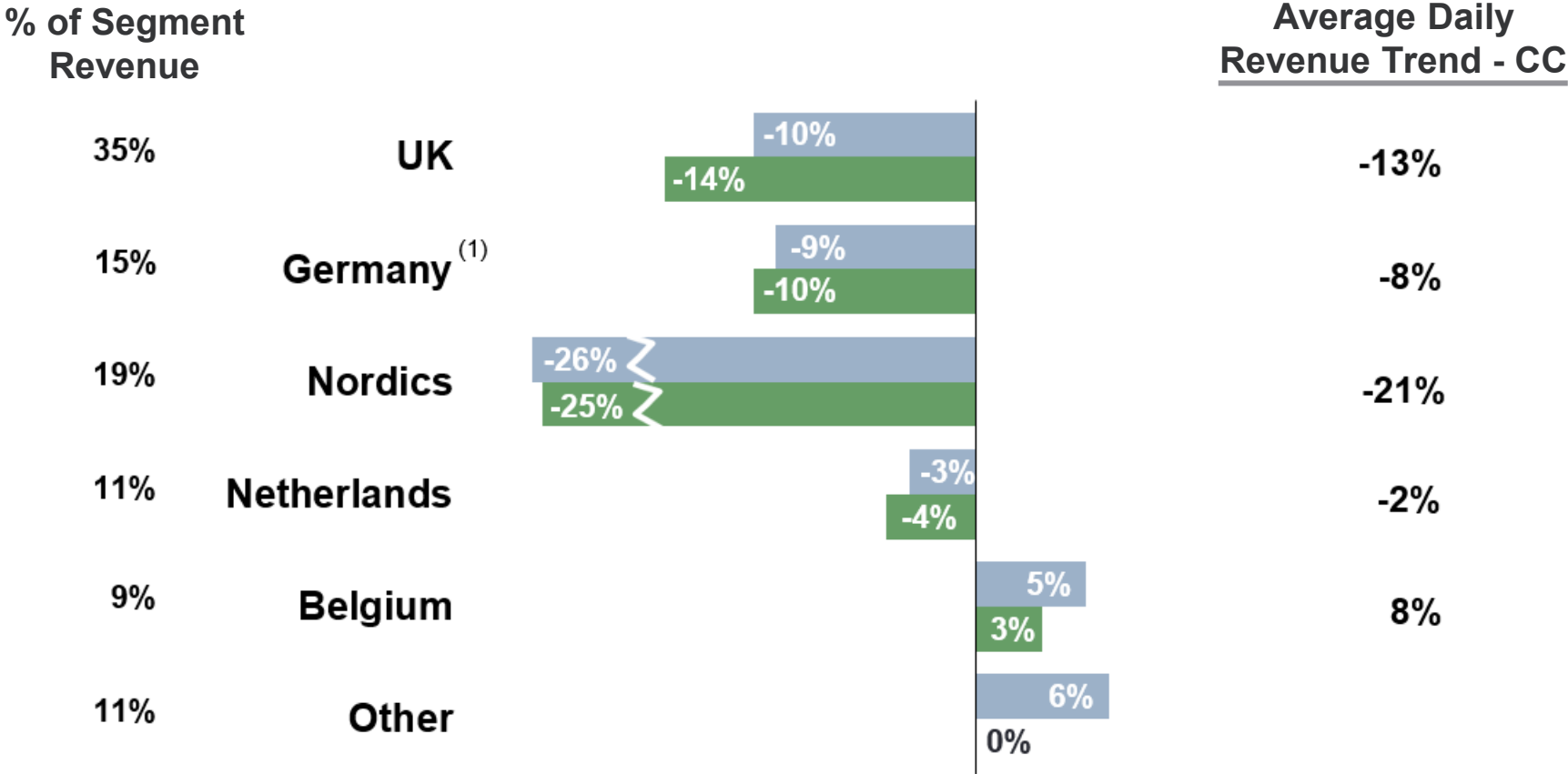
As Reported	As Adjusted <sup>(1)</sup>	Q1 Financial Highlights
<p>↓ -10%</p> <p>↓ -12% CC</p>	<p>↓ -11%</p> <p>↓ -13% CC</p>	<p><b>Revenue \$870M</b>  <b>(\$866M as adjusted)</b></p>
<p>NM <sup>(2)</sup></p> <p>NM <sup>(2)</sup></p>	<p>↓ -17%</p> <p>↓ -24% CC</p>	<p><b>OUP \$0M</b>  <b>(\$6M as adjusted)</b></p>
<p>↓ -50 bps</p>	<p>↓ -10 bps</p>	<p><b>OUP Margin 0.0%</b>  <b>(0.7% as adjusted)</b></p>

(1) Current period excludes the impact of \$6.2M of operating losses for the run-off Proservia business in Germany. Prior year period variances exclude restructuring costs.

(2) Variances are not meaningful.

# ManpowerGroup 2024 First Quarter Results

## Northern Europe – Q1 Revenue Trend YoY



(1) Variances are adjusted to exclude the impact of the run-off Proservia business in Germany from the current period.

# ManpowerGroup 2024 First Quarter Results

## APME Segment

(12% of Revenue)

As Reported <sup>(1)</sup>	<b>Q1 Financial Highlights</b>
<p>↓ -12%</p> <p>↓ -5% CC</p> <p>↓ -4% OCC</p>	<p><b>Revenue \$535M</b></p>
<p>↓ -6%</p> <p>↑ 3% CC</p> <p>↑ 5% OCC</p>	<p><b>OUP \$20M</b></p>
<p>↑ +20 bps</p>	<p><b>OUP Margin 3.7%</b></p>

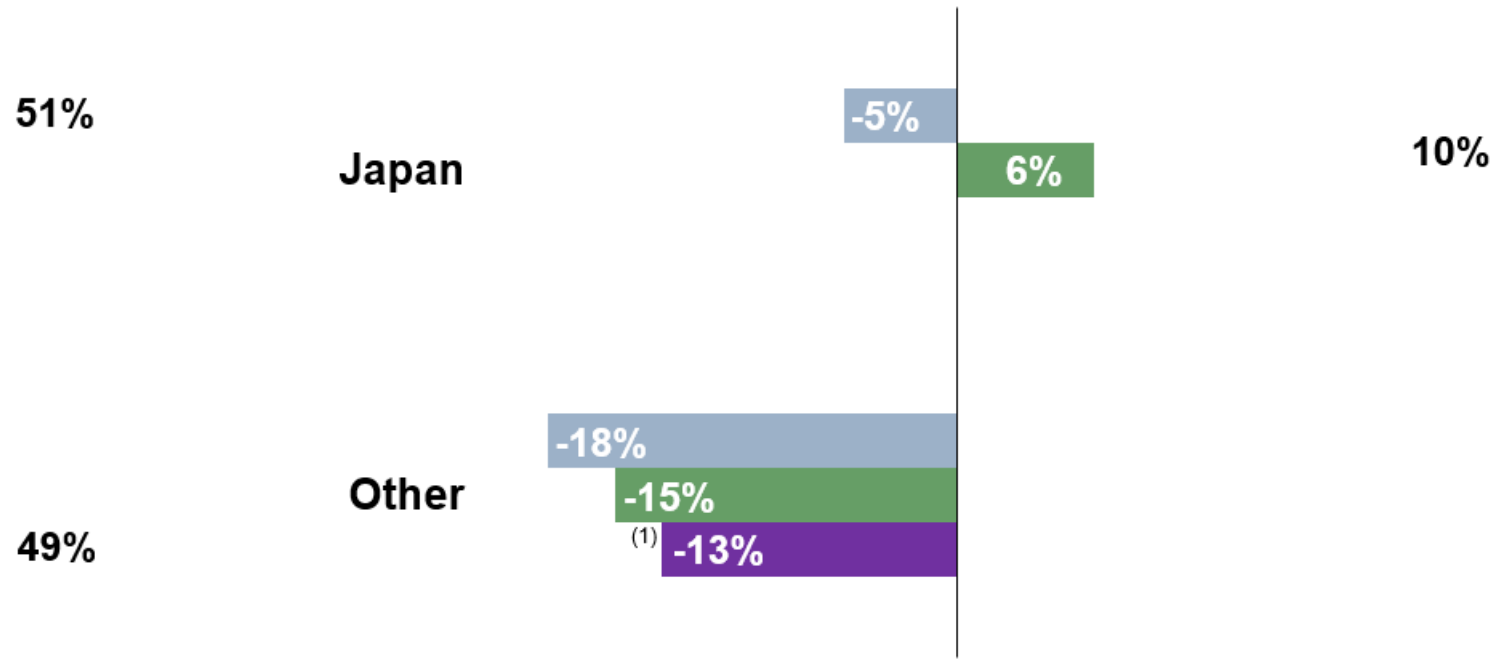
(1) Prior year period includes restructuring costs. As adjusted to exclude these costs, OUP variance was -16% on a reported basis, -8% CC, and -7% OCC. OUP Margin change was -20 bps vs the prior year.

# ManpowerGroup 2024 First Quarter Results

## APME – Q1 Revenue Trend YoY

**% of Segment Revenue**

**Average Daily Revenue Trend - CC**



■ Revenue Trend   
 ■ Revenue Trend - CC   
 ■ Revenue Trend - OCC

(1) Impact reflects business performance after adjusting for loss of revenues due to Philippines sale.



# ManpowerGroup 2024 First Quarter Results

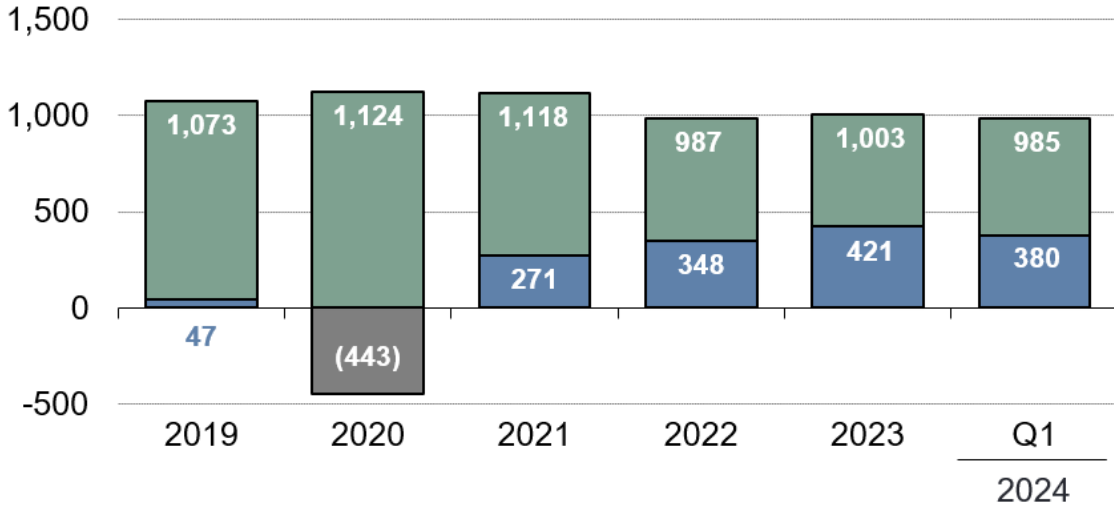
## Cash Flow Summary

(in millions of USD)	2024	2023
Net Earnings	40	78
Non-cash Provisions and Other	39	44
Change in Operating Assets/Liabilities	37	2
Cash Flow from Operating Activities	116	124
Capital Expenditures	(12)	(13)
<b>Free Cash Flow</b>	<b>104</b>	<b>111</b>
Change in Debt	4	(11)
Acquisitions of Businesses, including Contingent Considerations, net of cash acquired	1	-
Other Equity Transactions	(10)	(7)
Repurchases of Common Stock	(50)	(30)
Effect of Exchange Rate Changes	(25)	5
Change in Cash	24	68

# ManpowerGroup 2024 First Quarter Results

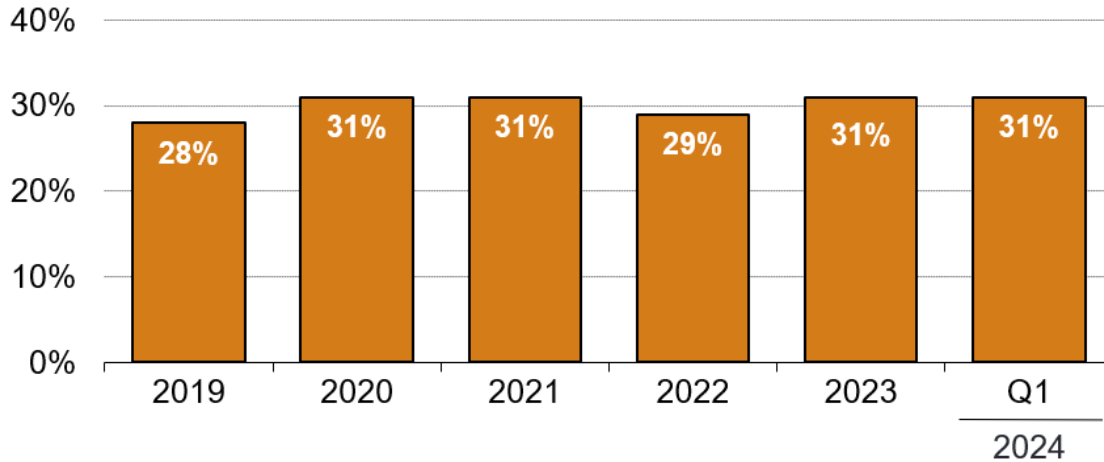
## Balance Sheet Highlights

**Total Debt**  
(in millions of USD)



- Total Debt
- Net Debt
- Net (Cash)

**Total Debt to Total Capitalization**



# ManpowerGroup 2024 First Quarter Results

## Second Quarter 2024 Outlook

<b>Revenue</b>	<b>Total</b>	Down 5-9% (Down 2-6% CC)
	<b>Americas</b>	Down 5-9% (Up 4% / Flat CC)
	<b>Southern Europe</b>	Down 4-8% (Down 2-6% CC)
	<b>Northern Europe</b>	Down 8-12% (Down 7-11% CC)
	<b>APME</b>	Down 6-10% (Down 1-5% CC) (Up 1% / Down 3% OCC)
<b>Gross Profit Margin</b>		17.5 – 17.7%
<b>EBITA<sup>(1)</sup> Margin</b>		2.4 – 2.6% as adjusted <sup>(2)</sup>
<b>Operating Profit Margin</b>		2.2 – 2.4% as adjusted <sup>(2)</sup>
<b>Tax Rate</b>		32.5% as adjusted <sup>(2)</sup>
<b>EPS</b>		\$1.24 – \$1.34 as adjusted <sup>(2)</sup> (unfavorable \$0.07 currency)

Estimates are assuming FX rates of 1.070 for Euro, 1.25 for GBP, 0.0067 for JPY and 0.0012 for ARS.

- (1) EBITA is a non-GAAP financial measure and is defined herein as Operating Profit before Amortization of Intangible Assets and Goodwill Impairment.
- (2) Including the Proservia Germany Business run-off losses, mid-point estimates are 2.4% for EBITA Margin, 2.2% for Operating Profit Margin, 34.0% for the Tax Rate and \$1.21 for EPS.

# ManpowerGroup 2024 First Quarter Results

## Key Take Aways



Continuation of challenging environment in North America and Europe during the quarter, solid demand in APME and Latin America.



Gross profit margin reflects resilient staffing margin trends and stable permanent recruitment trends at lower levels.



Good management of SG&A in a dynamic environment.

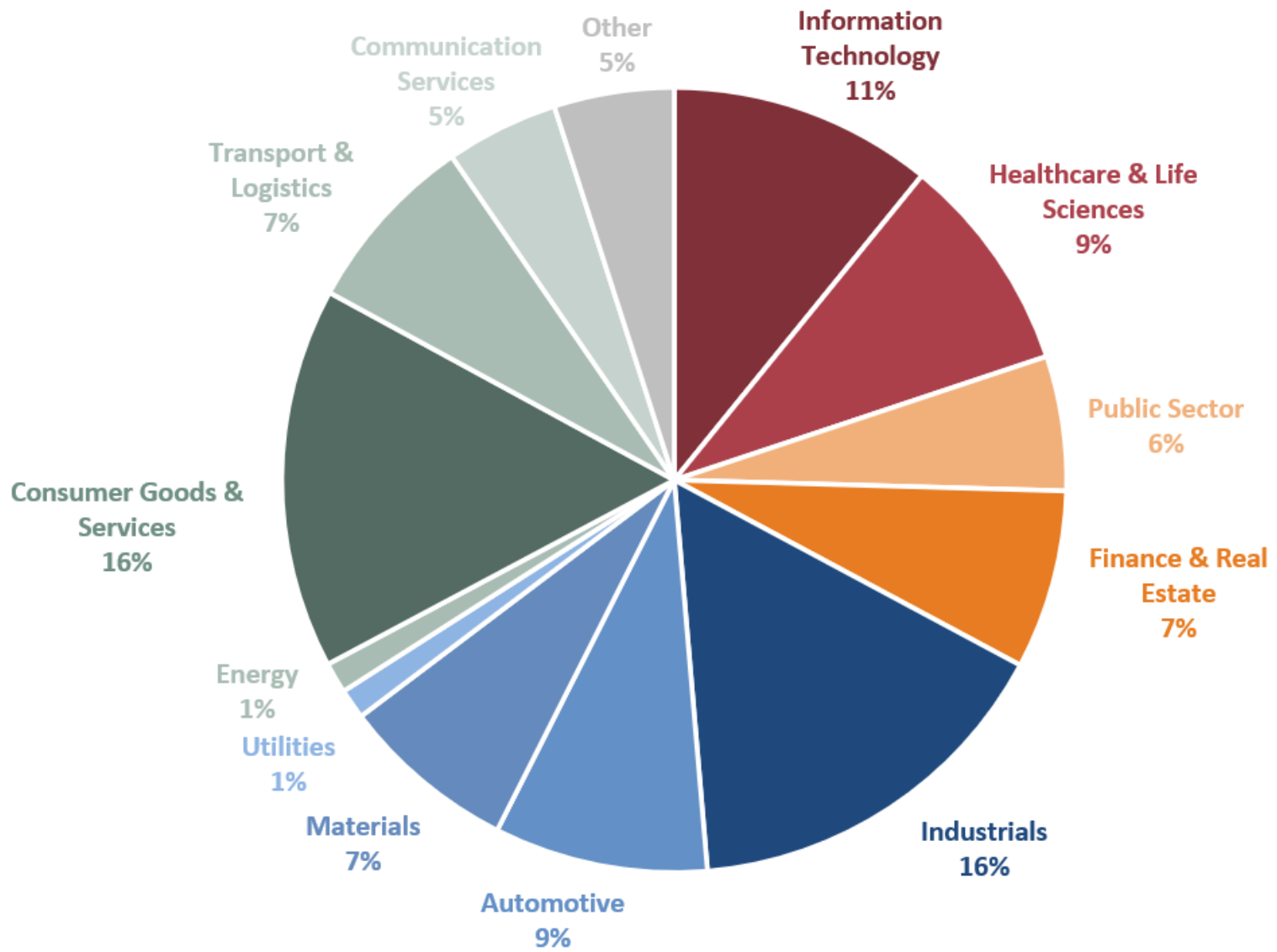


Recognized by Ethisphere as a World's Most Ethical company for the 15<sup>th</sup> time.

# Appendix

# ManpowerGroup 2024 First Quarter Results

## Industry Vertical Composition Based on Revenues – Q1 2024



Industry vertical composition has been updated to align with our Global Sales Verticals based on client segmentation.

# ManpowerGroup 2024 First Quarter Results

## Debt and Credit Facilities – March 31, 2024

(in millions of USD)

	Interest Rate	Maturity Date	Total Outstanding	Remaining Available <sup>(2)</sup>
<b>Euro Notes - €500M</b>	<b>1.809%</b>	<b>Jun 2026</b>	<b>538</b>	<b>-</b>
<b>Euro Notes - €400M</b>	<b>3.514%</b> <sup>(4)</sup>	<b>Jun 2027</b>	<b>429</b>	<b>-</b>
<b>Revolving Credit Agreement</b> <sup>(1)(2)</sup>	<b>6.454%</b>	<b>May 2027</b>	<b>-</b>	<b>600</b>
<b>Uncommitted lines and Other</b> <sup>(3)</sup>	<b>Various</b>	<b>Various</b>	<b>18</b>	<b>332</b>
<b>Total Debt</b>			<b>985</b>	<b>932</b>

(1) The \$600M agreement requires that we comply with a Leverage Ratio (net Debt-to-EBITDA) of not greater than 3.5 to 1 and a Fixed Charge Coverage Ratio of not less than 1.5 to 1, in addition to other customary restrictive covenants. As defined in the agreement, we had a net Debt-to-EBITDA ratio of 2.03 to 1 and a fixed charge coverage ratio of 3.17 to 1 as of March 31, 2024. In the agreement, net debt is defined as total debt less cash in excess of \$400M. As of March 31, 2024, there were \$0.4M of standby letters of credit issued under the agreement.

(2) Under the \$600M agreement, we have an option to increase the total availability under the facility by an additional \$300M.

(3) Represents uncommitted lines of credit & overdraft facilities. The total amount of the facilities as of March 31, 2024 was \$351.7M and subsidiary facilities accounted for \$301.7M of the total. Total subsidiary borrowings are limited to \$300M due to restrictions in our Revolving Credit Facility, with the exception of Q3 when subsidiary borrowings are limited to \$600M.

(4) This rate is the effective interest rate for this note, net of a favorable impact of a forward rate lock.