



ManpowerGroup®

CREATING NEW ENERGY  
IS HUMANLY POSSIBLE



Investor Presentation | November 2017





HARNESSING THE WINDS OF CHANGE  
IS HUMANLY POSSIBLE

## Forward-Looking Statement

This presentation includes forward-looking statements which are subject to known and unknown risks and uncertainties. Actual results might differ materially from those projected in the forward-looking statements. Additional information concerning factors that could cause actual results to materially differ from those in the forward-looking statements can be found in the Company's Annual Report on Form 10-K dated December 31, 2016. Forward-looking statements can be identified by forward-looking words such as "expect," "anticipate," "intend," "plan," "may," "will," "believe," "seek," "estimate," and similar expressions.

*Please note that ManpowerGroup's 2016 Annual Report is available online at [www.manpowergroup.com](http://www.manpowergroup.com) in the section titled "Investor Relations." This presentation includes constant currency growth rates, which are further explained in our Annual Report.*

# Nearly 70 Years of Global Workforce Expertise

## Global Workforce Solutions Company

**Source** *IT Staffing* *Project Solutions*  
*Professional Recruiting*  
*Permanent Recruiting* *Contingent Staffing*

**Develop** *Leader Development*  
*Skills Training*  
*Workforce Consulting* *End-User Services*

**Manage** *Workforce Planning*  
*Managed Service Provider*  
*Career Transition* *Recruitment Process Outsourcing*  
*Workforce Consulting*

- ▶ Providing meaningful work for over **600,000** people everyday
- ▶ Connecting **millions** of job seekers with work every year, globally
- ▶ Finding talent for clients from small/medium to Fortune 100 companies



Revenues of  
**\$20 billion**



**80**

Countries &  
Territories



**2,800**

Offices



**28K**

Employees

# Globally Recognized Leader

## Recent Accolades



One of the World's Most Ethical Companies for seven consecutive years - more than any organization in the industry



FTSE4Good

Named to FTSE4Good Index for nine consecutive years



Recognized in 2016 and 2017 as one of the most sustainable companies in the professional services industry



Named to the DJSI - the gold standard for corporate sustainability leaders - for eight consecutive years



Recognized since 2012 with a Gold Star CSR rating, the highest score on EcoVadis' environmental, social and ethical supplier performance assessment



Received a perfect score on the Corporate Equality Index for the third consecutive year



Recognized by 2020 Women on Boards campaign as a Winning "W" Company annually since 2011



Named one of Fortune's World's Most Admired Companies for 14 consecutive years



Earned RPO leader designation for six consecutive years and TAPFIN is recognized as an MSP leader for third year in a row



Named global RPO leader for seven consecutive years and TAPFIN is recognized as MSP leader for the fourth consecutive year



Ranked 146 on the 2017 FORTUNE 500



Ranked 1,238 on the 2017 Global 2000



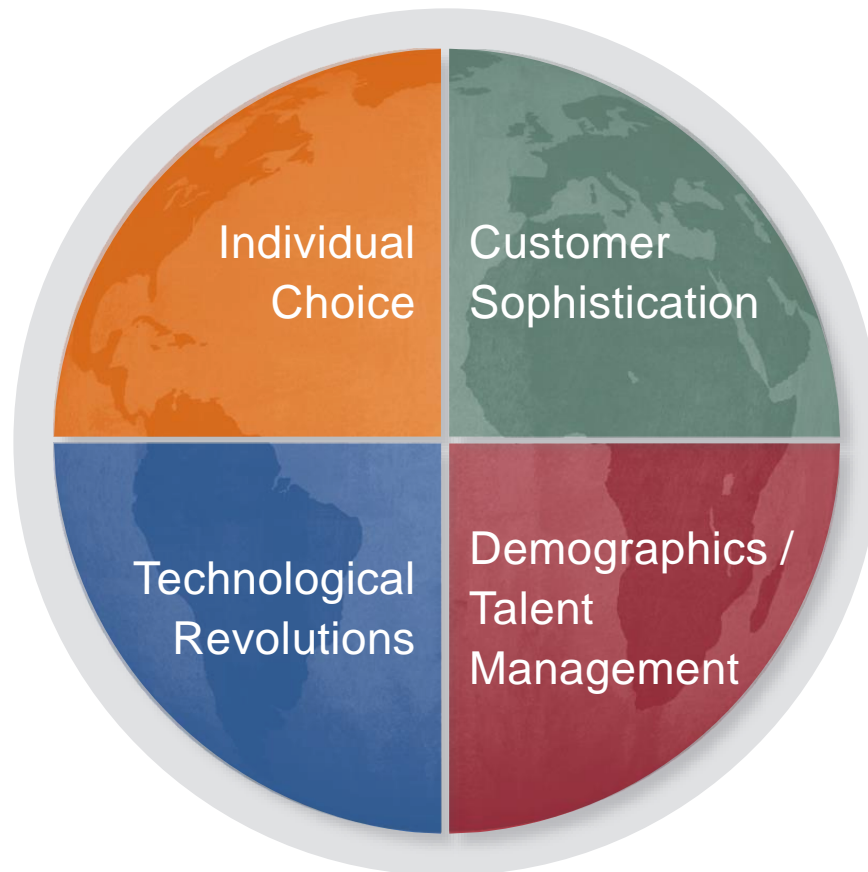
One of America's Top Corporations for Women's Business Enterprises for nine consecutive years



One of Corporate Responsibility magazine's 100 Best Corporate Citizens since 2014



# Forces Driving Client Priorities



This time of  
**CERTAIN  
UNCERTAINTY**  
and change  
**REQUIRES** new  
ways of getting  
work done

Our  
**INNOVATIVE  
WORKFORCE  
SOLUTIONS**  
provide flexibility  
and agility to our  
clients as they  
face these  
challenges.

# Our Vision, Strategy and Values



We lead in the creation and delivery of **INNOVATIVE WORKFORCE SOLUTIONS** and services that enable our clients to win in the changing world of work.

VISION



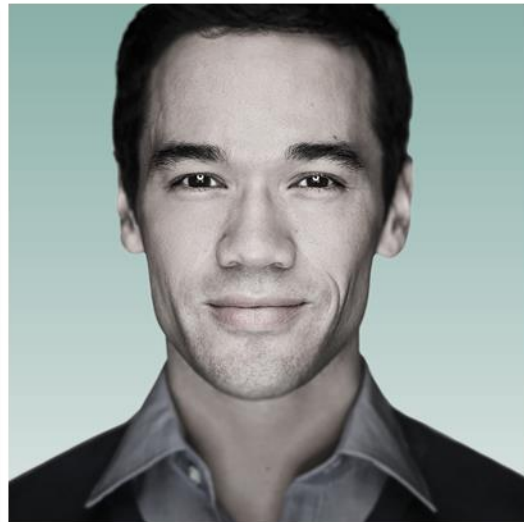
Deliver **INNOVATIVE WORKFORCE SOLUTIONS** to our large global and local clients by leveraging our:

- Global Footprint
- Extensive Portfolio of Products/Offerings
- Collaborative Organization Model

STRATEGY



VALUES



People  
Knowledge  
Innovation

# Strong and Connected Brands



ManpowerGroup®

We are a world leader in innovative workforce solutions and services, helping clients win through our family of brands and offerings.



Manpower®

## 62% of GP

Leverage our trusted brand, while driving relentless efficiency / productivity

- Targeted Sales
- Multi-channel delivery
- Centers of recruiting excellence



Experis®  
ManpowerGroup



ManpowerGroup®  
Solutions



Right  
Management®  
ManpowerGroup

## 38% of GP

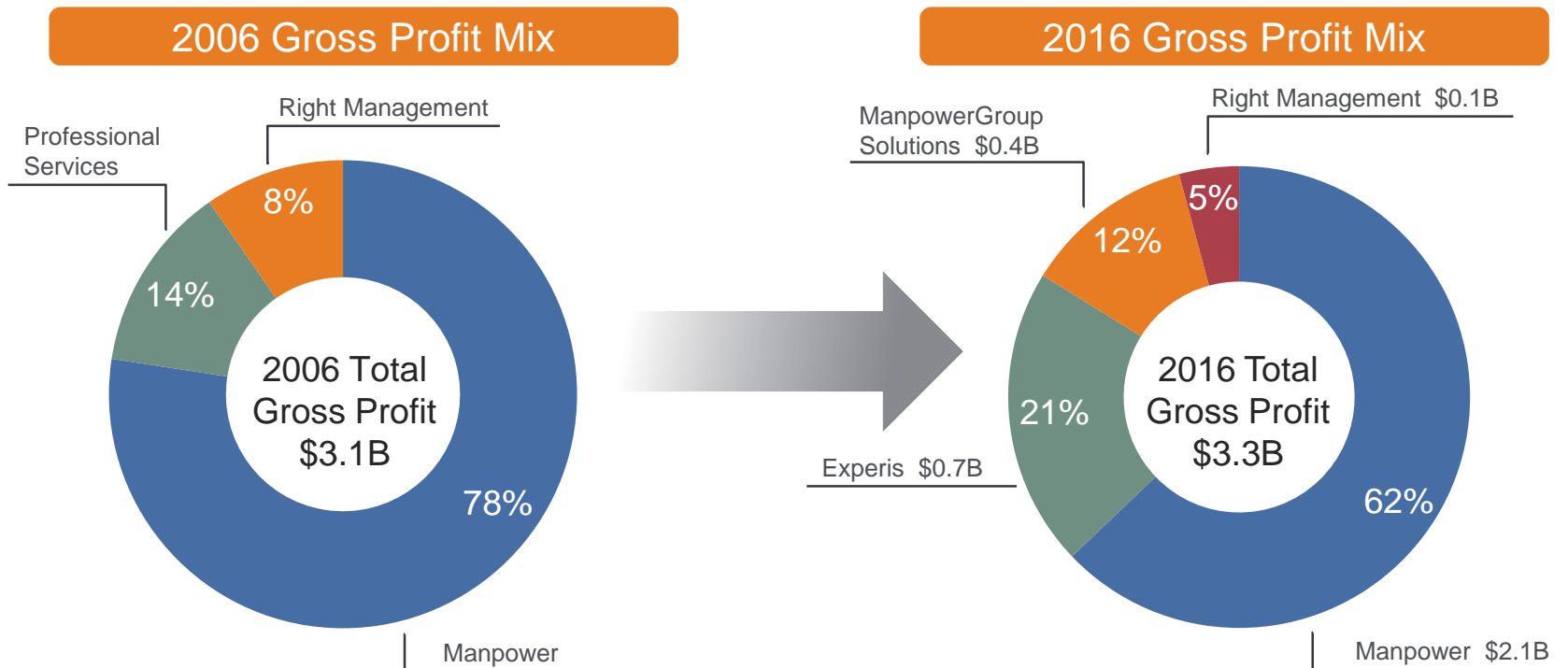
Drive higher growth and gross margin while investing more in changing our business mix

- |  |  |  |
|--|--|--|
| <ul style="list-style-type: none"><li>• Core growth in Experis IT</li><li>• Innovative talent resourcing</li><li>• Delivery excellence</li></ul> | <ul style="list-style-type: none"><li>• RPO, MSP, TBO, Proservia</li><li>• Expert workforce solutions that deliver performance</li></ul> | <ul style="list-style-type: none"><li>• Career Transition / Talent Management</li><li>• Tailored solutions to improve the effectiveness of organizations and individuals</li></ul> |
|--|--|--|

**Permanent Recruitment Growth**

**Sustainability, Mission and Values**

# Shift Toward Higher Value Solutions and Services

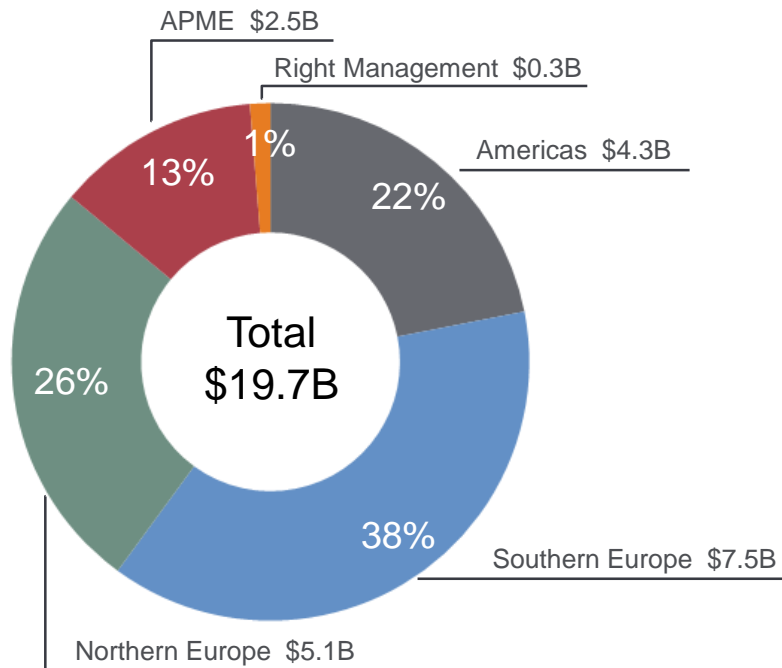


- ★ Strong growth in our higher value solutions and services coupled with solid Manpower brand performance.
- ★ ManpowerGroup Solutions' Gross Profit 5-year CAGR of 10%; 2016 up 11% in constant currency.
- ★ Market-leading Recruitment Processing Outsourcing and Managed Service Provider offerings.
- ★ Proservia end-user services offering expanding across Europe with strong growth in France and Germany.
- ★ Permanent recruitment represents 14.7% of total Gross Profit in 2016; an all-time high.

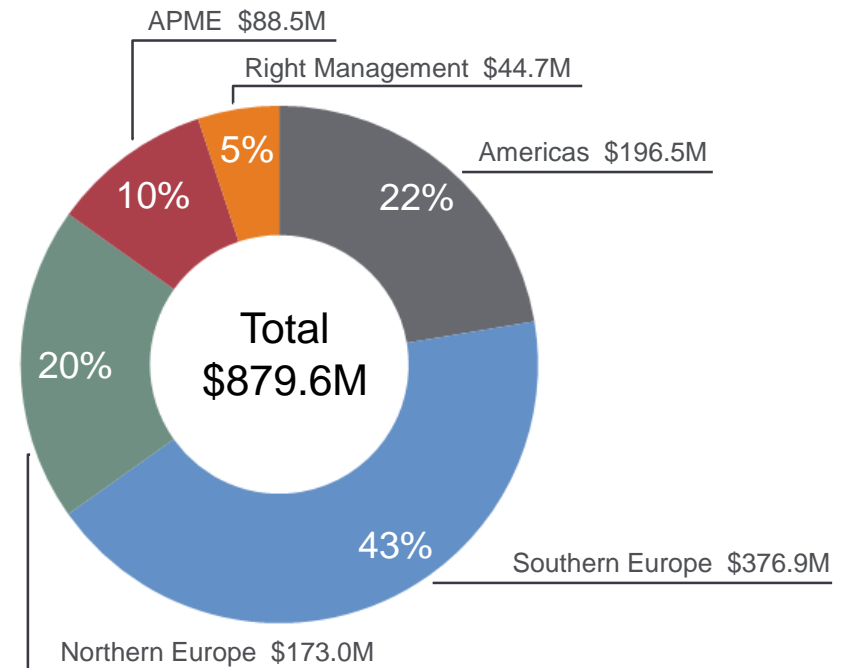


# Strength Through Diversification

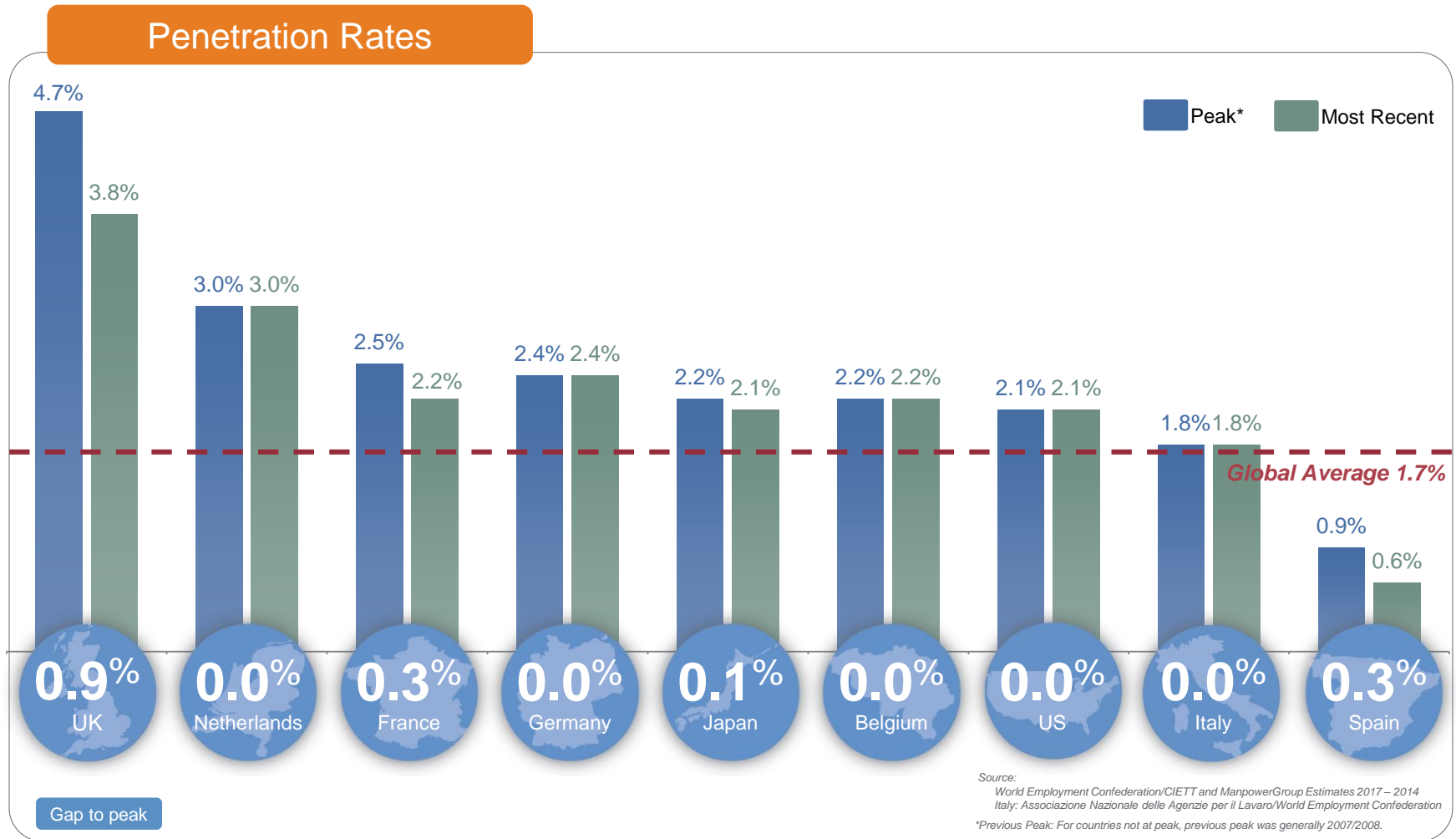
## 2016 Segment Revenues



## 2016 Operating Unit Profit



# Secular Trends Providing More Opportunity Globally



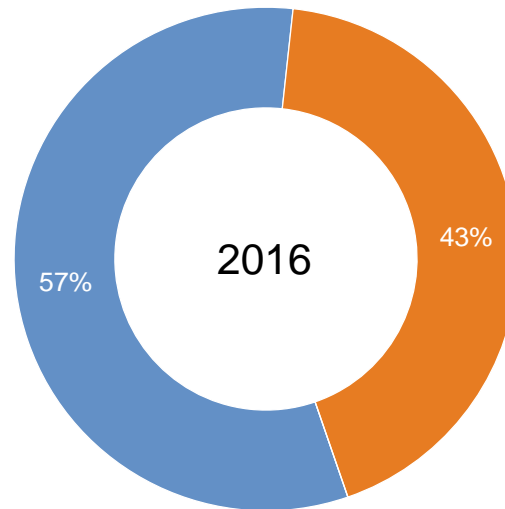
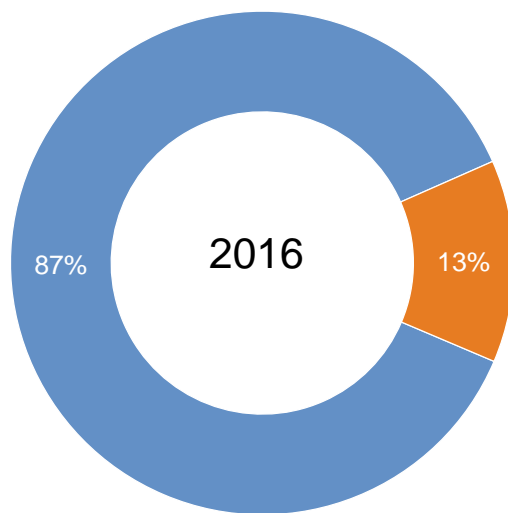
**Favorable workforce trends are expected to drive penetration rates beyond previous peak levels**

# Emerging Market Investments Delivering Strong Returns

## Emerging Markets Revenue

## Emerging Markets Billable Hours

Represents 13% of company revenues and 43% of billable hours.



- As the emerging markets population continues to expand and labor rates equalize, we expect to see significant revenue and profitability growth.
- Leading market position with 334 offices across 27 emerging markets generating revenues of \$2.5B in 2016.



# Financial Update



# Financial Summary

## Q3 Financial Highlights

▲ 7%  
▲ 4% CC

Revenue **\$5.5B**

▼ 40 bps

Gross Margin **16.5%**

▲ 8%  
▲ 4% CC

Operating Profit **\$228M**

▲ 10 bps

OP Margin **4.2%**

▲ 9%  
▲ 6% CC

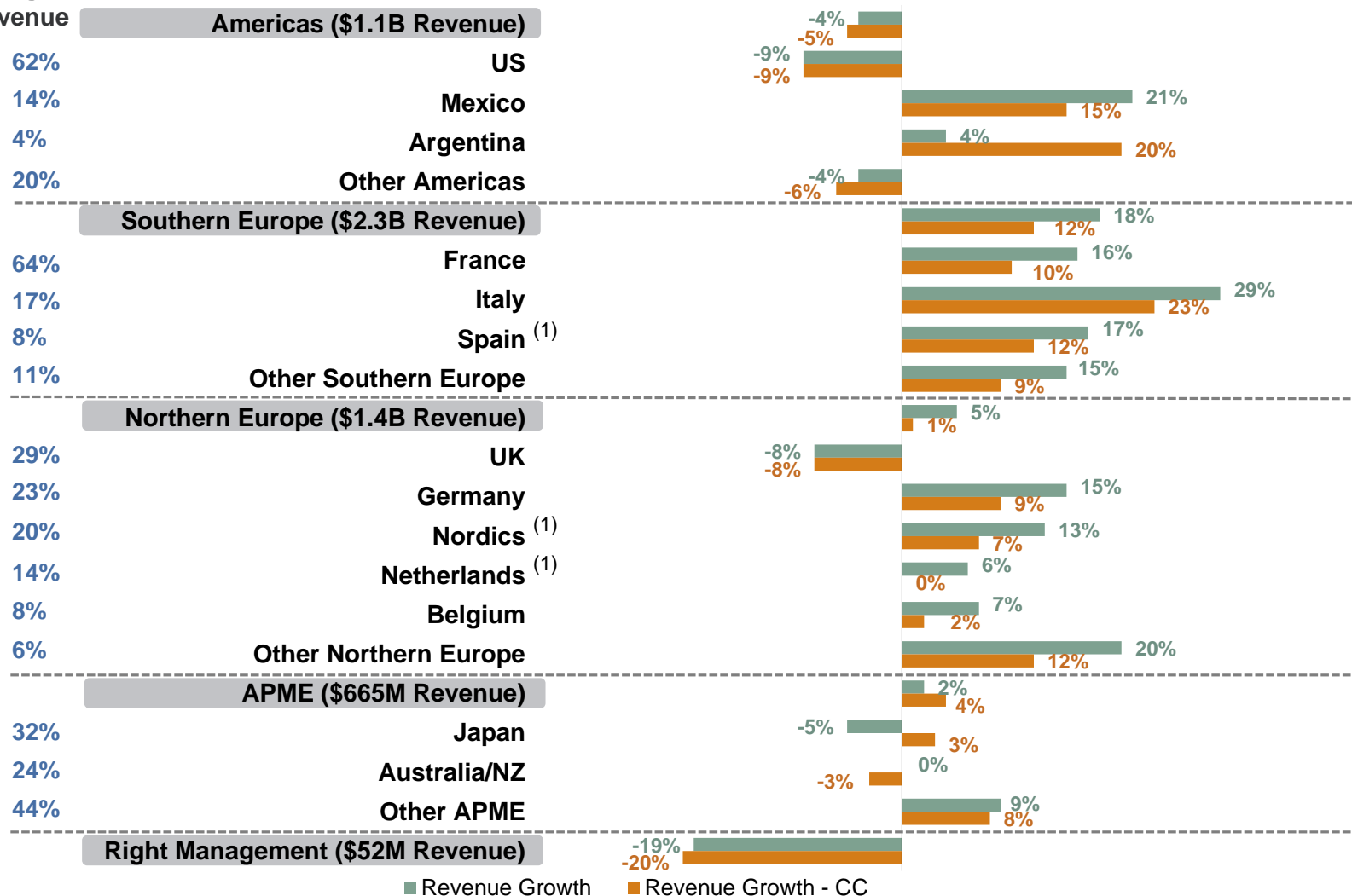
EPS **\$2.04**

*Throughout this presentation, the difference between reported variances and Constant Currency (CC) variances represents the impact of changes in currency on our financial results. Constant Currency is further explained on our Web site.*

# Financial Summary

## Q3 Revenue Growth YOY

% of Segment  
Revenue

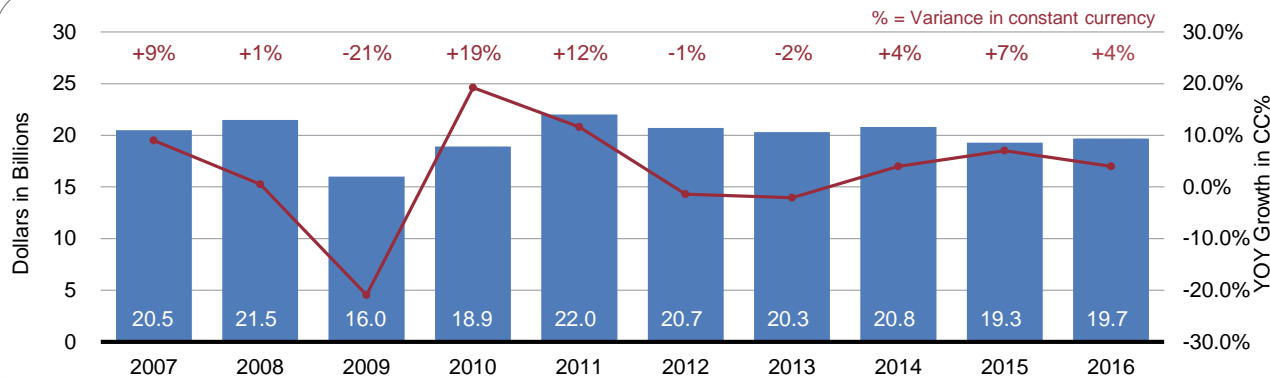


(1) On an organic basis, revenue for Spain increased 9% (+4% in CC), the Nordics increased 11% (+6% in CC), and the Netherlands increased 6% (flat in CC).



# Historical Trends

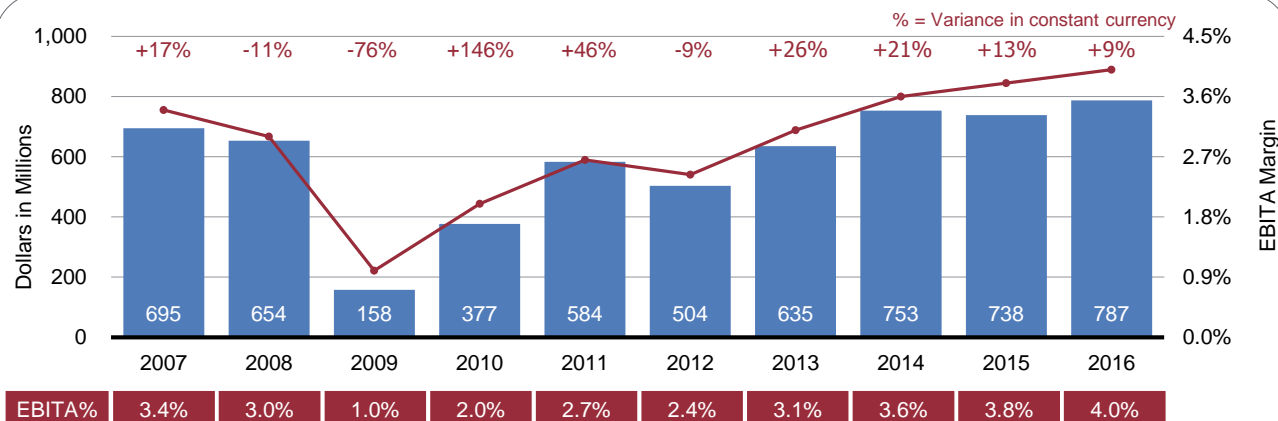
## Revenue



## 4% Target Achieved in 2016

- 160 bps improvement in EBITA margin since 2012, reaching our 4% target in 2016, an all-time record with strong results in all brands and offerings.
- We remain committed to seizing growth opportunities aligned with our strategy, achieving good leverage on that growth and building on our leading global workforce solutions company.

## EBITA<sup>(1)</sup>

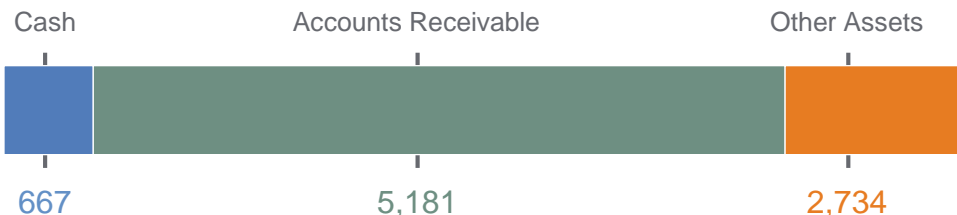


(1) EBITA, as adjusted for items shown on the Financial Sheet on our web site. As reported, EBITA was \$722M in 2015, \$546M in 2013, \$448M in 2012, \$563M in 2011, (\$83M) in 2010, \$64M in 2009, \$516M in 2008 and \$825M in 2007; and EBITA% was 3.7%, 2.7%, 2.2%, 2.6%, -0.4%, 0.4%, 2.4% and 4.0%, respectively.

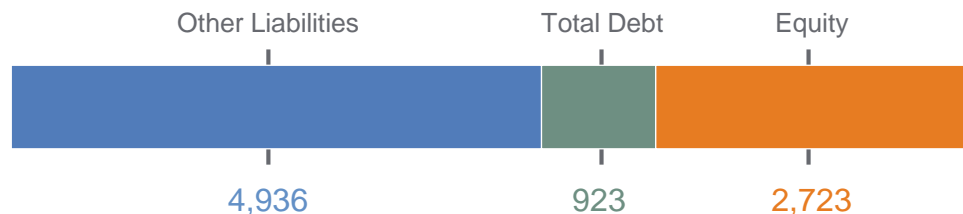
# Balance Sheet

September 30, 2017 (\$ in millions)

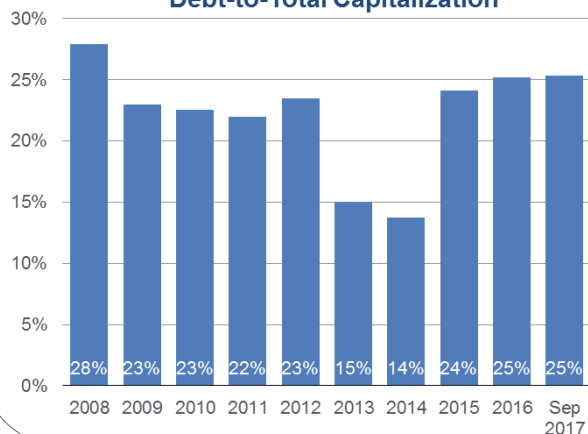
## Assets 8,582



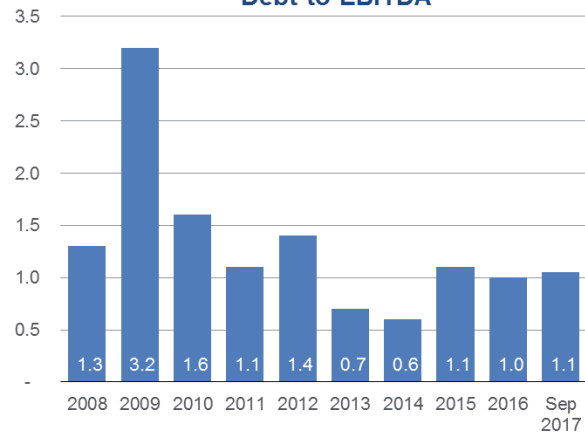
## Liabilities & Equity 8,582



### Debt-to-Total Capitalization



### Debt-to-EBITDA\*



\*Total Debt divided by EBITDA, as adjusted for items shown on the Financial Sheet on our web site.

## Strong balance sheet with good liquidity to support future growth

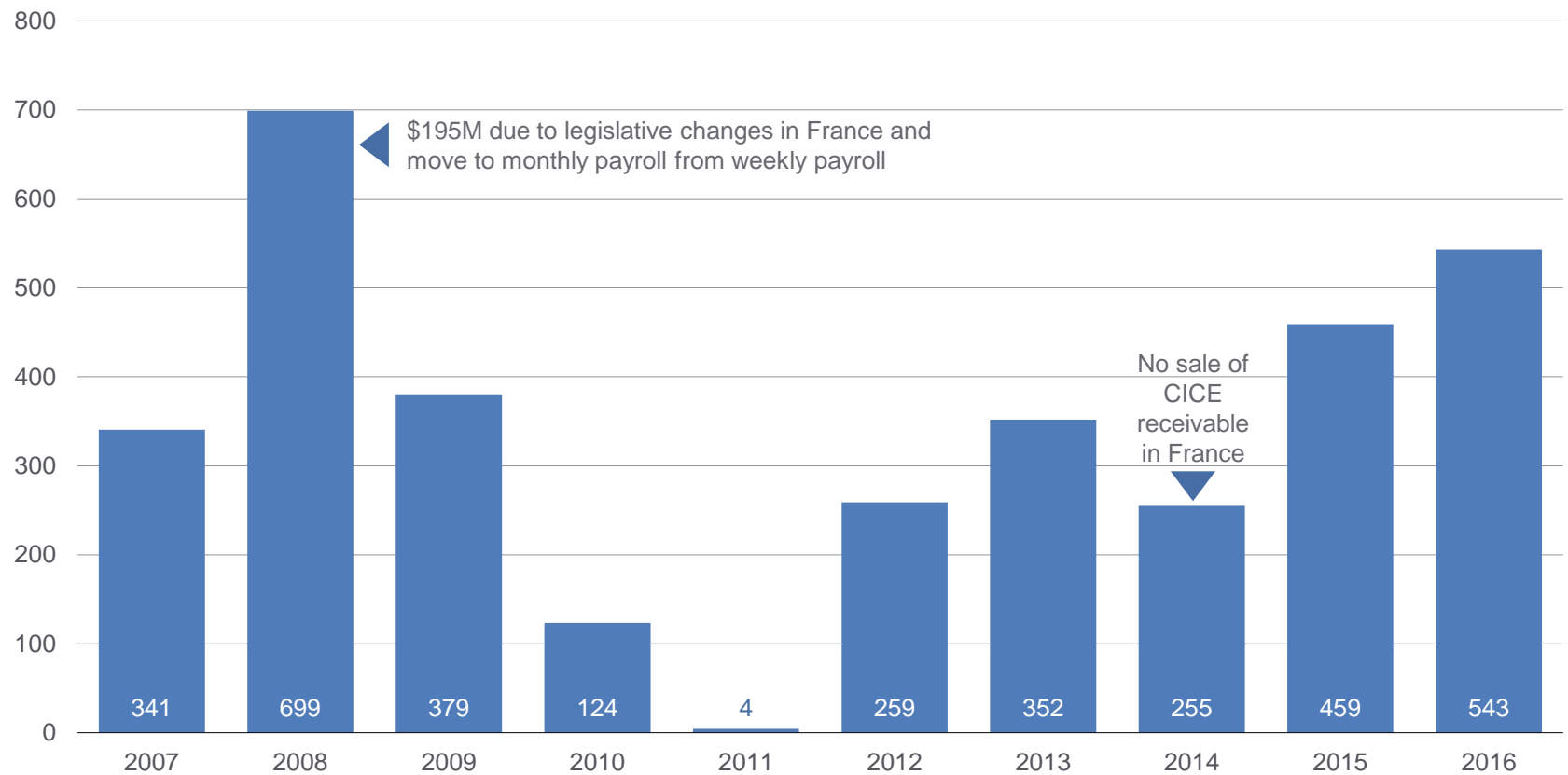
- Net debt of \$256M
- Total debt-to-total capitalization at 25%
- Debt-to-EBITDA of 1.1x\*
- Untapped \$600M revolver

## Focused on reducing capital deployed

- Cost of accounts receivable included in all client profitability analyses and management incentive calculations

# Free Cash Flow

(\$ in millions)



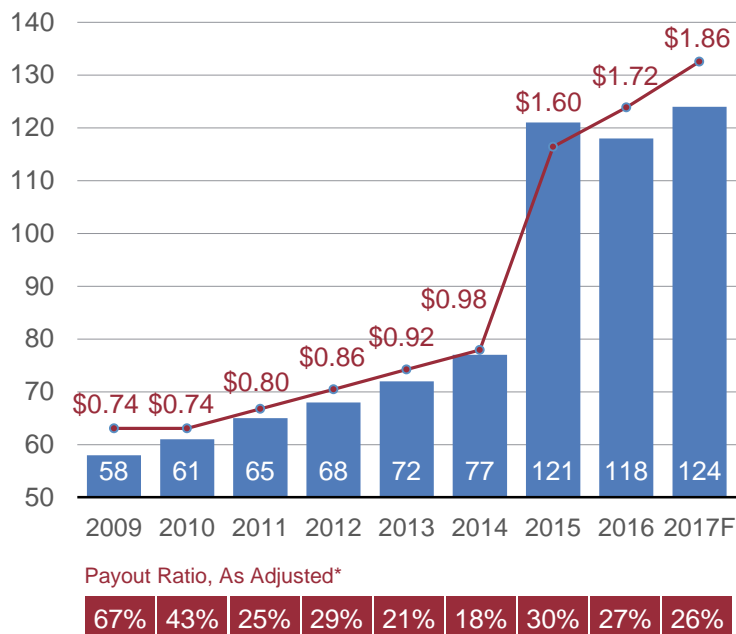
**Strong cash flow with counter-cyclical features provides liquidity entering into recessionary cycles.**



# Returning Cash to Shareholders

(\$ in millions, except share and per share amounts)

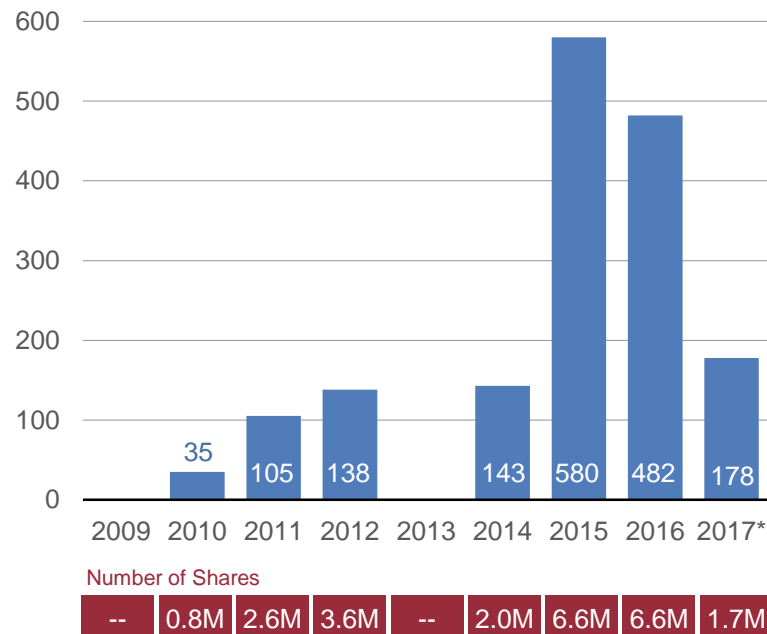
## Dividends



- Strong dividend performance. Current yield of 1.5%.
- Dividend regularly increased during periods of earnings growth.
- Dividend maintained during 2008/2009 recession.

\*Annual dividend payout per share divided by earnings per share-diluted, as adjusted for items shown on the Financial Sheet on our web site. 2017 payout ratio is based on the consensus earnings estimate as of October 2017.

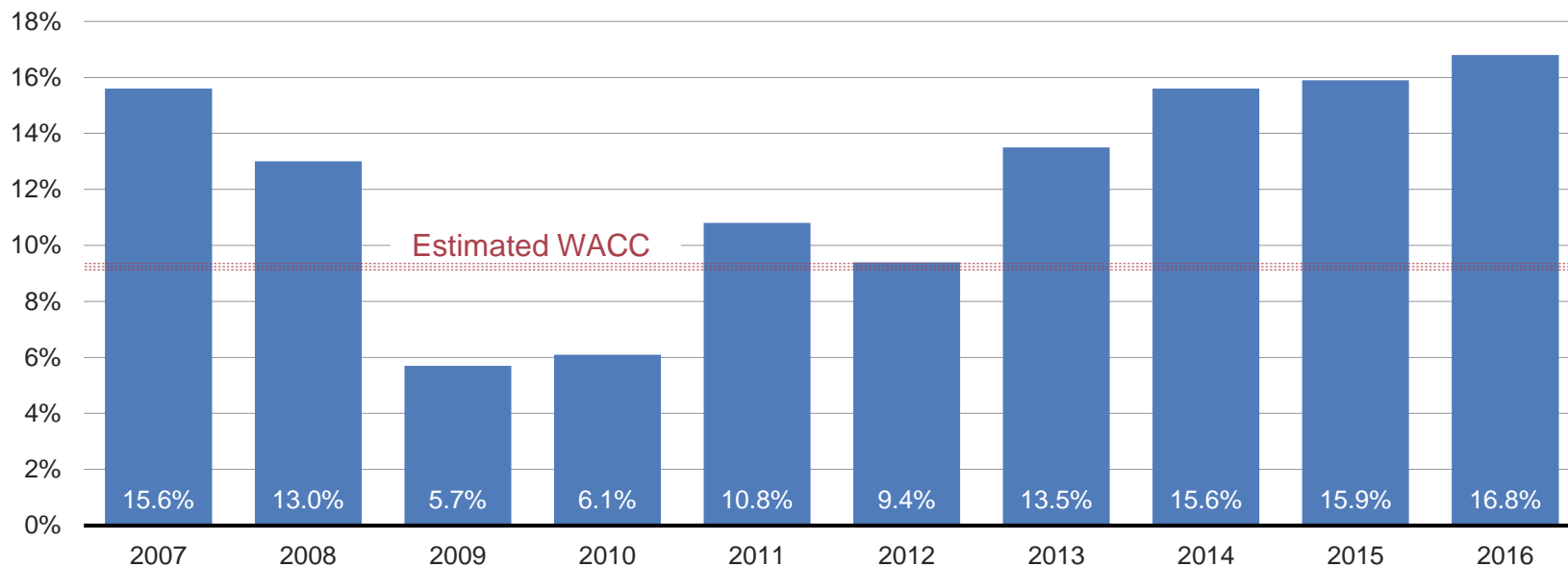
## Share Repurchases



- 14.9M shares (>19% of outstanding) repurchased since January 2015; 8% repurchased in 2011/12.
- As of September 30, 2017, 3.0M shares remain authorized for repurchase under the July 2016 authorization.

\*As of September 30, 2017

# Return on Invested Capital\* (ROIC)



- Economic profit, currently measured by ROIC, has been included in the CEO/CFO annual incentive plans for over 15 years. This is cascaded down to operational management.
- Rigorous cash management with a focus on DSO reduction.
- Primary driver of ROIC improvement is EBITA margin growth. EBITA margin > 4% yields ROIC > 16%.

*\*Defined here as operating profit after tax divided by the average monthly total of net debt (total debt less cash) and equity for the year, as adjusted for items shown on the Financial Sheet on our web site.*

# ManpowerGroup Strengths



Globally Recognized Industry Leader



Positive Secular Trends



Strong Assets, Connected Brands  
and World-Leading Offerings



Leading Position in Emerging Markets



Experienced Management