THE ADECCO GROUP

AD HOC ANNOUNCEMENT pursuant to Art. 53 Listing Rules of SIX Swiss Exchange
Group press release, Zurich, Switzerland, May 7, 2024

Q1 2024 RESULTS

Further strong market share gains, disciplined execution

HIGHLIGHTS

- Revenues flat[1] yoy, outperforming markets; Adecco's relative revenue growth +600 bps
- By GBU, Adecco, +1%[1] yoy, of which APAC +14%[1], Southern Europe & EEMENA +8%[1], DACH +7%[1]; LHH -5%[1], with Career Transition & Mobility +9%[1]; Akkodis -2%[1], with Consulting +5%
- Healthy 19.8% gross margin, +20 bps qoq, -100 bps yoy, mainly reflecting current business mix; pricing firm
- SG&A expenses, excl. one-offs, €978 million, reflecting strong G&A savings, focus on productivity
- Resilient 2.8% EBITA margin excl. one-offs, -30 bps yoy, or -10 bps yoy when excluding the impact from the timing of FESCO JV income, with gross margin developments substantially mitigated by rigorous cost discipline
- Operating income €122 million, -12% yoy, constant currency; Net income €73 million[4], -20% yoy
- Basic EPS €0.44, -20% yoy; Adjusted EPS €0.59, -18% yoy
- Improved cash performance: free cash flow +€72 million yoy, cash conversion 73%
- On track to deliver ~€150 million G&A savings, net, in run-rate terms, mid-2024

Denis Machuel, Adecco Group CEO, commented:
"The Group demonstrated strong operational progress in the first quarter. We achieved revenue stability and maintained firm pricing discipline amidst challenging market conditions while driving further cost improvement across the business. Adecco delivered significant market share gains with a healthy gross margin. Akkodis faced ongoing tech staffing headwinds while achieving solid growth in its higher-value consulting business, which lifted overall profitability. In LHH, Career Transition and Ezra once again outperformed, and the business delivered an improved margin. We remain laser-focused on the elements within our control – competitive outperformance and market share expansion, together with cost discipline. The G&A savings programme is on track, and at the same time, the Group is preserving resources, where appropriate, to ensure it can swiftly capitalise on the future market rebound."

KEY FIGURES

EUR millions, unless otherwise stated	Q1 24	Q1 23	CHANGE Reported	Organic
Revenues	5,717	5,892	-3%	0%[1]
Gross profit	1,130	1,224	-8%	-6%
SG&A expenses, excl. one-offs[2]	(978)	(1,056)	-7%	-6%
EBITA excl. one-offs[2]	157	184	-15%	-12%
Operating income	122	144	-15%	-12%[3]
Net income[4]	73	92	-20%	
Basic EPS	0.44	0.55	-20%	
Adjusted EPS[5]	0.59	0.72	-18%	
Gross profit margin	19.8%	20.8%	-100 bps	-100 bps
EBITA margin excl. one-offs	2.8%	3.1%	-30 bps	
Cash flow from operating activities	(67)	(116)	+49	
Free Cash Flow	(93)	(165)	+72	
Cash conversion ratio[2]	73%	47%		
Net debt/EBITDA excl. one-offs[2]	2.7x	2.7x		

Unless otherwise noted, all growth rates in this release refer to the same period in the prior year. 1 On an organic and trading days adjusted basis. 2 For further details on the use of non-GAAP measures in this release, please refer to the 2023 Annual Report. 3 In constant currency terms. 4 Attributable to Adecco Group shareholders. 5 Please see page 13 for the description of this non-GAAP measure.

Q1 FINANCIAL PERFORMANCE

Revenues

First quarter revenues of EUR 5,717 million were stable on an organic, TDA basis (2 percent lower organic, 3 percent lower reported). Currency translation had a net negative impact of approximately 150 basis points, and working days had a net negative impact of approximately 150 basis points.

At the Global Business Unit ("GBU") level, organically and TDA, Adecco revenues were up 1 percent (2 percent lower reported), Akkodis revenues were 2 percent lower (6 percent reported), and LHH revenues were 5 percent lower (6 percent reported).

By service line, Career Transition grew 9 percent organically (8 percent reported), and Outsourcing, Consulting & Other Services revenues rose 7 percent (5 percent reported). In contrast, Training, Up-skilling & Re-skilling revenues were flat (1 percent lower reported), Flexible Placement was 3 percent lower (5 percent reported), while Permanent Placement was 16 percent lower (17 percent reported).

Q1 Revenues (change year-on-year)

Group, by growth driver		Group, by Global Business Unit	Reported	Organic, TDA	Group, by Service Line	Reported	Organic
Organic, TDA	**0%**	Adecco	-2%	+1%	Flexible Placement	-5%	-3%
TDA	-1.5%	Akkodis	-6%	-2%	Permanent Placement	-17%	-16%
Currency	-1.5%	LHH	-6%	-5%	Career Transition	+8%	+9%
M&A	0%				Outsourcing, Consulting & Other Services	+5%	+7%
					Training, Up-skilling & Re-skilling	-1%	0%
Group	**-3%**	**Group**	**-3%**	**0%**	**Group**	**-3%**	**-2%**

Gross profit

Gross profit was EUR 1,130 million, 6 percent lower organically (8 percent reported). Gross margin, at 19.8 percent, was healthy, up 20 basis points sequentially and 100 basis points lower year-on-year, mainly reflecting current business mix and firm pricing. Currency effects had no impact.

By service line, on an organic basis, margin expanded 10 basis points in Career Transition. In Flexible Placement margin was 50 basis points lower, in Permanent Placement 40 basis points lower, in Outsourcing, Consulting & Other Services 20 basis points lower, while Training, Up-skilling & Re-skilling margin was flat.

Selling, General & Administrative expenses (SG&A)

SG&A expenses excluding one-offs were EUR 978 million, 6 percent lower organically (7 percent reported). As a percentage of revenues, SG&A excluding one-offs was 17.1 percent, an improvement of 80 basis points. Average company-based Full-time Employees ("FTEs") reduced 6 percent to 35,697.

As part of its ongoing G&A savings plan, the Group delivered EUR 26 million net savings in the quarter relative to the 2022 baseline period, representing a 13 percent reduction versus the Group's targeted 15 percent reduction.

EBITA

EBITA excluding one-offs was EUR 157 million, 12 percent below the prior year period on an organic basis. The FESCO JV contributed EUR 5 million income, from EUR 16 million in the previous year period. The EBITA margin, excluding one-offs, was 2.8 percent, 30 basis points lower, or 10 basis points when excluding the impact from the timing of FESCO JV income.

One-off costs were EUR 13 million, from EUR 12 million in the prior year period, mainly reflecting restructuring charges taken to secure G&A savings.

Amortisation of Intangibles

Amortisation of intangible assets was EUR 22 million in the quarter, from EUR 28 million in the prior year period.

Operating income

Due to the aforementioned items, the Group generated an operating income of EUR 122 million, 12 percent lower in constant currency.

Net income and EPS

The net income attributable to Adecco Group shareholders was EUR 73 million, which was 20 percent lower year-on-year, mainly reflecting lower operating income. The result also reflects:

- Interest expense of EUR 17 million, flat when compared to the prior year period.
- Other income/(expenses), net, of EUR 1 million, compared to EUR (1) million in the prior year period.
- Income taxes of EUR 33 million, compared to EUR 34 million in the prior year period.

The Group's effective tax rate, including discrete events, was 31 percent, compared to 27 percent in the prior year period.

Basic EPS was EUR 0.44, 20 percent lower. Adjusted EPS, which is the Group's net income excluding a total EUR 26 million, net, for amortisation of intangibles, one-off costs, and associated tax effects, divided by basic weighted-average shares outstanding, was EUR 0.59, 18 percent lower.

Cash flow and net debt

The Group delivered an outflow in Cash flow from Operating Activities of EUR 67 million in the quarter, compared to an outflow of EUR 116 million in the prior year period. Lower business income was more than offset by favourable working capital development of EUR 74 million above the previous year period. DSO was 53 days, one day more than in the prior year period. Capital expenditures were EUR 26 million in the quarter, from EUR 49 million in the previous year period. Free Cash Flow was EUR 72 million higher year-on-year, at minus EUR 93 million in the quarter, compared to minus EUR 165 million in the prior year period.

At the end of Q1 24, net debt was EUR 2,660 million. The Net Debt to EBITDA ratio, excluding one-offs, was 2.7x, in line with management expectations. The Group has a solid financial structure, with fixed interest rates on 79 percent of its outstanding gross debts, no financial covenants on any of its outstanding debts, and strong liquidity resources, including an undrawn EUR 750 million revolving credit facility.

GLOBAL BUSINESS UNIT RESULTS

Unless otherwise noted, all growth rates in this section refer to the same period in the prior year, with revenues stated on an organic and trading days adjusted (TDA) basis and EBITA or EBITA margins stated, excluding one-offs.

ADECCO

EUR millions, unless otherwise stated	Revenues				EBITA margin excl. one-offs	
	Q1 24	Q1 23	CHANGE (yoy)		Q1 24	CHANGE
			Reported	Organic, TDA		(bps, yoy)
Adecco	**4,368**	**4,447**	**-2%**	**+1%**	**3.0%**	**(50)**
France	1,097	1,179	-7%	-7%	2.4%	(100)
Northern Europe	536	579	-7%	-6%	0.8%	(100)
DACH	426	406	+5%	+7%	1.9%	(70)
Southern Europe & EEMENA	1,083	1,035	+5%	+8%	5.7%	+20
Americas	639	684	-7%	-1%	0.6%	+60
APAC	588	565	+4%	+14%	4.7%	(200)

Quarterly revenue and EBITA margin excl. one-offs for 2023 reflect new Company reporting policies, effective Jan 1, 2024

Adecco delivered strong relative revenue growth of +600 basis points in the period, taking share across most of its territories.

Revenues were 1 percent higher, a good result in challenging markets. Revenue growth was strong in APAC, Southern Europe & EEMENA and DACH. Northern Europe and France were weak, while the Americas were broadly stable.

Flexible Placement revenues were stable. Outsourcing revenues were up 6 percent organically, and Permanent Placement revenues were up 1 percent organically. On a sector basis, growth was strongest in retail and logistics. Autos demand was robust, while manufacturing was weak.

Gross margin was healthy, if below prior-year levels, reflecting the current geographic, sector, and solutions mix, while pricing was firm.

The EBITA margin, at 3.0 percent, was 50 basis points lower, mainly reflecting mix, and a lower contribution from the FESCO JV, equivalent to a 25-basis points impact, partly countered by G&A savings and better productivity. Gross profit per Selling FTE rose 2 percent while selling FTEs reduced 4 percent.

SEGMENT RESULTS

ADECCO FRANCE

- Revenues were 7 percent lower, reflecting a challenging trading backdrop, with notable weakness in manufacturing, logistics, chemicals, and retail. Growth in consulting was a highlight.
- The EBITA margin of 2.4 percent mainly reflects lower volumes in addition to costs associated with the exit of specific outsourcing contracts.

ADECCO NORTHERN EUROPE

- Revenues were 2 percent lower in UK & Ireland, 1 percent lower in Belux, and 12 percent lower in the Nordics, reflecting a tough market and regulatory change in Norway. The region performed well compared to competitors. In sector terms, financial services were weak, while manufacturing was soft.
- The EBITA margin mainly reflects adverse solutions mix and lower volumes partly mitigated by solid pricing and good cost management.

Adecco DACH

- Revenues in Germany were up 8 percent, strongly outperforming the market and supported by strength in logistics, autos, and professional services. In Switzerland & Austria, revenues were up 4 percent.
- The EBITA margin mainly reflects fewer working days.

Adecco Southern Europe & EEMENA

- Revenue growth was strong, with Italy up 2 percent, Iberia up 17 percent, and EEMENA up 13 percent. All segments gained market share. In sector terms, logistics, autos, and food & beverages performed well.
- The EBITA margin expanded 20 basis points, reflecting positive mix, firm pricing, and growth investment.

Adecco Americas

- Latin America revenues grew 25 percent, led by Colombia and Brazil. Retail, metals & mining, and logistics were strong.
- In North America, revenues were 12 percent lower, outperforming competitors in a subdued market. On a sector basis, IT tech and autos were weak, while manufacturing and logistics were soft.
- The EBITA margin was 60 basis points higher, reflecting improved productivity, strong cost mitigation, and calibrated investment in the US network to drive future growth.

Adecco APAC

- Revenue growth was strong, up 14 percent and ahead of the market. Japan was up 10 percent, Asia up 4 percent, and India up 12 percent. In Australia & New Zealand, revenues were 57 percent higher, boosted by a significant government contract. Retail, IT Tech, and Defence sectors advanced strongly.
- The EBITA margin of 4.7 percent mainly reflects a lower contribution from the FESCO JV. Excluding FESCO, the margin benefited from higher volumes, improved productivity, and G&A savings.

AKKODIS

EUR millions, unless otherwise stated	Revenues				EBITA margin excl. one-offs	
	Q1 24	Q1 23	CHANGE (yoy)		Q1 24	CHANGE
			Reported	Organic, TDA		(bps, yoy)
Akkodis	928	992	-6%	-2%	5.8%	+100
North EMEA				-3%		
South EMEA				+1%		
North America				-14%		
Akkodis APAC				+6%		

Quarterly revenue and EBITA margin excl. one-offs for 2023 reflect new Company reporting policies, effective Jan 1, 2024

Akkodis' revenues were 2 percent lower (6 percent reported), challenged by the tough tech staffing market. Staffing revenues were 20 percent lower organically. However, Consulting & Solutions revenues were solid, growing 5 percent organically.

By segment:

- North EMEA revenues were 3 percent lower, reflecting weaker demand for software development expertise. Revenues in DataRespons were 8 percent lower, and in Germany, 3 percent lower. The latter was impacted by the repositioning of operations in the Smart Industry and elevated sickness rates.
- South EMEA revenues were 1 percent higher. Revenues in France were 1 percent lower, with strength in autos and aerospace, offset by easing demand in the financial services and telecoms sectors.

- North America revenues were 14 percent lower, impacted by the continued downturn in tech staffing, particularly in permanent placement, although Consulting & Solutions grew 39 percent.
- APAC revenues rose 6 percent, led by Japan, which delivered 8 percent revenue growth. This result reflected strength in Consulting & Solutions, supported by high utilisation rates.

Akkodis' EBITA margin expanded 100 basis points to 5.8 percent, reflecting lower volumes, more than offset by favourable services mix, synergies, and good cost management.

LHH

EUR millions, unless otherwise stated	Revenues				EBITA margin excl. one-offs	
	Q1 24	Q1 23	CHANGE (yoy)		Q1 24	CHANGE
			Reported	Organic, TDA		(bps, yoy)
LHH	440	468	-6%	-5%	7.3%	+50
Recruitment Solutions				-16%		
Career Transition & Mobility				+9%		
Learning & Development				-10%[1]		
Pontoon & Other				+3%		

Quarterly revenue and EBITA margin excl. one-offs for 2023 reflect new Company reporting policies, effective Jan 1, 2024. [1] yoy organic

Revenues in LHH were 5 percent lower (6 percent reported) in the first quarter. By segment:

- Market conditions remained challenging for Recruitment Solutions, and revenues were 16 percent lower. In gross profit terms, Recruitment Solutions was 19 percent lower, with the US 20 percent lower. There were signs of stabilisation, sequentially, in US permanent professional recruitment activities.
- Performance in Career Transition & Mobility was strong on a demanding comparison period, with revenues up 9 percent. The segment continued to gain share, with good growth across Canada, the US, the UK, and France in the quarter. Its pipeline remains solid.
- Learning & Development revenues were 10 percent lower organically, with General Assembly and Talent Development challenged in their end-markets. Ezra performed well, growing revenues by 64 percent organically and exiting the quarter with a substantial pipeline.
- In Pontoon, revenues were 8 percent higher, led by growth in Direct Sourcing. The tech sector downturn continued to challenge MSP/RPO activities.

The EBITA margin of 7.3 percent benefited from segment mix, mainly Career Transition & Mobility, good cost discipline, and protection of capacity in Recruitment Solutions to capture a future rebound in market activity.

Outlook

In the second quarter to date, volumes have been stable when compared to Q1 2024 levels. Revenue developments in Q2 2024 are expected to reflect a slightly tougher comparison period than in Q1 2024. The Group anticipates continued market share gain in a challenging macroeconomic environment while managing resources with agility, focusing on productivity and G&A savings. In Q2 24, the Group expects its gross margin to be broadly in line with Q1 24 levels. SG&A expenses, excluding one-offs, as a percentage of revenues are expected to improve modestly versus Q1 24, despite seasonality.

More information

The Q1 2024 results press release is available on the Investor Relations website. The Q1 2024 results presentation will be available at 09:00 a.m. CEST.

A live webcast for analysts and investors is scheduled today, May 7, starting at 09:30 a.m. CEST (08:30 a.m. BST). The webcast can be followed via the Investor Relations section of the Group's website.

Analysts and investors can ask questions by telephone: UK/Global +44 (0)20 7107 0613; USA +1 (1) 631 570 5613; Switzerland +41 (0)58 310 5000. Once joined via telephone, please press * and 1 to enter the queue. Please register at least 10 minutes before the start of the presentation.

A reply will be made available after the event.

Financial calendar

- Q2 2024 / Half Year 2024 results Aug 6 2024
- Q3 2024 results Nov 5, 2024

About The Adecco Group

The Adecco Group is the world's leading talent company. Our purpose is making the future work for everyone. Through our three global business units - Adecco, Akkodis and LHH - across 60 countries, we enable sustainable and lifelong employability for individuals, deliver digital and engineering solutions to power the Smart Industry transformation and empower organisations to optimise their workforces. The Adecco Group leads by example and is committed to an inclusive culture, fostering sustainable employability, and supporting resilient economies and communities. The Adecco Group AG is headquartered in Zurich, Switzerland (ISIN: CH0012138605) and listed on the SIX Swiss Exchange (ADEN).

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Revenues by segment

Revenues by segment	Q1		Variance % 24 vs 23				% of revenues[2)]
EUR millions	**2024**	2023 [1)]	EUR	Constant currency	Organic	Organic TDA	**Q1 2024**
Adecco France	1,097	1,179	-7%	-7%	-7%	-7%	19%
Adecco Northern Europe	536	579	-7%	-8%	-8%	-6%	9%
Adecco DACH	426	406	5%	3%	3%	7%	8%
Adecco Southern Europe & EEMENA	1,083	1,035	5%	5%	5%	8%	19%
Adecco Americas	639	684	-7%	-2%	-2%	-1%	11%
Adecco APAC	588	565	4%	12%	12%	14%	10%
Elimination	(1)	(1)					
Adecco	**4,368**	**4,447**	**-2%**	**0%**	**0%**	**1%**	**76%**
Akkodis	**928**	**992**	**-6%**	**-5%**	**-4%**	**-2%**	**16%**
LHH	**440**	**468**	**-6%**	**-5%**	**-6%**	**-5%**	**8%**
Elimination	***(19)***	***(15)***					
Adecco Group	**5,717**	**5,892**	**-3%**	**-1%**	**-2%**	**0%**	**100%**

1) Comparative period restated to conform to current year presentation of certain intercompany transactions in the determination of Revenues by segment.

2) % of revenues before Elimination.

Revenues by service line

Revenues by service line	Q1		Variance % 24 vs 23		
EUR millions	**2024**	2023 [1)]	EUR	Constant currency	Organic
Flexible Placement	4,223	4,426	-5%	-3%	-3%
Permanent Placement	163	196	-17%	-16%	-16%
Career Transition	125	116	8%	9%	9%
Outsourcing, Consulting & Other Services	1,134	1,081	5%	7%	7%
Training, Up-skilling & Re-skilling	72	73	-1%	0%	0%
Adecco Group	**5,717**	**5,892**	**-3%**	**-1%**	**-2%**

1) Restated to conform to the current year presentation.

EBITA[1] and EBITA margin excluding one-offs by segment

EBITA	Q1		Variance % 24 vs 23		% of EBITA[2]
EUR millions	2024	2023	EUR	Constant currency	Q1 2024
Adecco France	27	40	-34%	-34%	12%
Adecco Northern Europe	4	10	-59%	-59%	2%
Adecco DACH	8	11	-24%	-24%	4%
Adecco Southern Europe & EEMENA	61	56	9%	9%	27%
Adecco Americas	4	-	n.m.	n.m.	2%
Adecco APAC	28	39	-27%	-27%	13%
Adecco	**132**	**156**	**-15%**	**-15%**	**60%**
Akkodis	**54**	**48**	**13%**	**13%**	**25%**
LHH	**32**	**32**	**1%**	**1%**	**15%**
Corporate and Other	**(61)**	**(52)**	**19%**	**19%**	
Adecco Group	**157**	**184**	**-15%**	**-15%**	**100%**

	Q1		
EBITA margin	2024	2023[3]	Variance bps
Adecco France	2.4%	3.4%	(100)
Adecco Northern Europe	0.8%	1.8%	(100)
Adecco DACH	1.9%	2.6%	(70)
Adecco Southern Europe & EEMENA	5.7%	5.5%	20
Adecco Americas	0.6%	0.0%	60
Adecco APAC	4.7%	6.7%	(200)
Adecco	**3.0%**	**3.5%**	**(50)**
Akkodis	**5.8%**	**4.8%**	**100**
LHH	**7.3%**	**6.8%**	**50**
Adecco Group	**2.8%**	**3.1%**	**(30)**

1) EBITA is a non-US GAAP measure and refers to operating income before amortisation and impairment of goodwill and intangible assets.

2) % of EBITA before Corporate and Other.

3) Recalculated considering the restatement of Revenues by segment.

EBITA[1] and EBITA margin by segment

EBITA	Q1		Variance % 24 vs 23		% of EBITA[2]
EUR millions	2024	2023	EUR	Constant currency	Q1 2024
Adecco France	26	40	-36%	-36%	13%
Adecco Northern Europe	4	10	-61%	-61%	2%
Adecco DACH	8	11	-25%	-25%	4%
Adecco Southern Europe & EEMENA	61	56	9%	9%	29%
Adecco Americas	3	-	n.m.	n.m.	1%
Adecco APAC	28	38	-26%	-26%	14%
Adecco	**130**	**155**	**-16%**	**-16%**	**63%**
Akkodis	**50**	**42**	**20%**	**20%**	**24%**
LHH	**26**	**29**	**-11%**	**-11%**	**13%**
Corporate and Other	**(62)**	**(54)**	**17%**	**17%**	
Adecco Group	**144**	**172**	**-16%**	**-16%**	**100%**

	Q1		
EBITA margin	2024	2023[3]	Variance bps
Adecco France	2.3%	3.4%	(110)
Adecco Northern Europe	0.7%	1.8%	(110)
Adecco DACH	1.9%	2.6%	(70)
Adecco Southern Europe & EEMENA	5.7%	5.5%	20
Adecco Americas	0.5%	-0.1%	60
Adecco APAC	4.7%	6.6%	(190)
Adecco	**3.0%**	**3.5%**	**(50)**
Akkodis	**5.4%**	**4.2%**	**120**
LHH	**5.9%**	**6.3%**	**(40)**
Adecco Group	**2.5%**	**2.9%**	**(40)**

1) EBITA is a non-US GAAP measure and refers to operating income before amortisation and impairment of goodwill and intangible assets.

2) % of EBITA before Corporate and Other.

3) Recalculated considering the restatement of Revenues by segment.

Reconciliation of EBITA to EBITA excluding one-offs

EBITA	EBITA excluding one-offs		One-offs		EBITA	
EUR millions	Q1 2024	Q1 2023	Q1 2024	Q1 2023	Q1 2024	Q1 2023
Adecco France	27	40	(1)	-	26	40
Adecco Northern Europe	4	10	-	-	4	10
Adecco DACH	8	11	-	-	8	11
Adecco Southern Europe & EEMENA	61	56	-	-	61	56
Adecco Americas	4	-	(1)	-	3	-
Adecco APAC	28	39	-	(1)	28	38
Adecco	**132**	**156**	**(2)**	**(1)**	**130**	**155**
Akkodis	**54**	**48**	**(4)**	**(6)**	**50**	**42**
LHH	**32**	**32**	**(6)**	**(3)**	**26**	**29**
Corporate and Other	**(61)**	**(52)**	**(1)**	**(2)**	**(62)**	**(54)**
Adecco Group	**157**	**184**	**(13)**	**(12)**	**144**	**172**

Consolidated statements of operations

EUR millions except share and per share information	Q1 2024	Q1 2023	Variance % EUR	Variance % Constant currency
Revenues	**5,717**	5,892	**-3%**	**-1%**
Direct costs of services[1]	(4,587)	(4,668)		
Gross profit	**1,130**	**1,224**	**-8%**	**-6%**
Selling, general, and administrative expenses[1]	(991)	(1,068)	-7%	-6%
Proportionate net income of equity method investment FESCO Adecco	5	16	-66%	-65%
EBITA[2]	**144**	**172**	**-16%**	**-14%**
Amortisation of intangible assets	(22)	(28)		
Operating income	**122**	**144**	**-15%**	**-12%**
Interest expense	(17)	(17)		
Other income/(expenses), net	1	(1)		
Income before income taxes	**106**	**126**	**-16%**	
Provision for income taxes	(33)	(34)		
Net income	**73**	**92**	**-21%**	
Net income attributable to noncontrolling interests	-	-		
Net income attributable to Adecco Group shareholders	**73**	**92**	**-20%**	
Basic earnings per share[3]	**0.44**	**0.55**	**-20%**	
Diluted earnings per share[4]	**0.44**	**0.55**	**-20%**	
Gross margin	*19.8%*	*20.8%*		
SG&A as a percentage of revenues	*17.3%*	*18.1%*		
EBITA margin	*2.5%*	*2.9%*		
Operating income margin	*2.1%*	*2.4%*		
Net income margin attributable to Adecco Group shareholders	*1.3%*	*1.6%*		

1) Comparative figures are restated to reflect the Group's change in accounting principle concerning the allocation of certain employee and client program costs between Selling, general and administrative expenses and Direct costs of services.

2) EBITA is a non-US GAAP measure and refers to operating income before amortisation and impairment of goodwill and intangible assets.

3) Basic weighted-average shares were 167,635,866 in Q1 2024 (167,161,231 in Q1 2023).

4) Diluted weighted-average shares were 168,252,854 in Q1 2024 (167,683,375 in Q1 2023).

Reconciliation for Adjusted EPS[1)]

EUR millions except share and per share information	Q1 2024	Q1 2023	Variance % EUR
Net income attributable to Adecco Group shareholders	**73**	**92**	**-20%**
Amortisation and impairment of goodwill and intangible assets	22	28	
One-offs in EBITA	13	12	
One-offs in Other income/(expenses), net	-	(3)	
Tax effects, other exceptional tax items	(9)	(9)	
Adjusted Net income attributable to Adecco Group shareholders[2)]	**99**	**120**	**-18%**
Basic earnings per share[3)]	0.44	0.55	-20%
Adjusted earnings per share[1), 3)]	0.59	0.72	-18%

1) Adjusted EPS is a non-US GAAP measure and refers to Net income attributable to Adecco Group shareholders before amortisation and impairment of goodwill and intangible assets, excluding one-off costs and exceptional tax items, divided by basic weighted-average shares outstanding.

2) Adjusted Net income attributable to Adecco Group shareholders is a non-US GAAP measure and refers to Net income attributable to Adecco Group shareholders before amortisation and impairment of goodwill and intangible assets, excluding one-off costs and exceptional tax items.

3) Basic weighted-average shares were 167,635,866 in Q1 2024 (167,161,231 in Q1 2023).

Consolidated balance sheets

EUR millions	31 March 2024	31 December 2023
Assets		
Current assets:		
– Cash and cash equivalents	441	556
– Trade accounts receivable, net	4,354	4,466
– Other current assets	558	466
Total current assets	**5,353**	**5,488**
Property, equipment, and leasehold improvements, net	541	560
Operating lease right-of-use assets	460	476
Equity method investments	206	184
Other assets	698	681
Intangible assets, net	904	927
Goodwill	4,131	4,114
Total assets	**12,293**	**12,430**
Liabilities and shareholders' equity		
Liabilities		
Current liabilities:		
– Accounts payable and accrued expenses	4,285	4,471
– Current operating lease liabilities	197	202
– Short-term debt and current maturities of long-term debt	511	521
Total current liabilities	**4,993**	**5,194**
Operating lease liabilities	313	323
Long-term debt, less current maturities	2,590	2,625
Other liabilities	688	687
Total liabilities	**8,584**	**8,829**
Shareholders' equity		
Adecco Group shareholders' equity:		
– Common shares	11	11
– Additional paid-in capital	538	557
– Treasury shares, at cost	(18)	(39)
– Retained earnings	3,471	3,398
– Accumulated other comprehensive income/(loss), net	(299)	(332)
Total Adecco Group shareholders' equity	**3,703**	**3,595**
Noncontrolling interests	6	6
Total shareholders' equity	**3,709**	**3,601**
Total liabilities and shareholders' equity	**12,293**	**12,430**

Consolidated statements of cash flows

EUR millions	Q1 2024	Q1 2023
Cash flows from operating activities		
Net income	73	92
Adjustments to reconcile net income to cash flows from operating activities:		
- Depreciation and amortisation	63	66
- Other charges		3
Changes in operating assets and liabilities, net of acquisitions and divestitures:		
- Trade accounts receivable	111	115
- Accounts payable and accrued expenses	(193)	(334)
- Other assets and liabilities	(121)	(58)
Cash flows used in operating activities	**(67)**	**(116)**
Cash flows from investing activities		
Capital expenditures	(26)	(49)
Cash settlements on derivative instruments	5	(27)
Other acquisition, divestiture and investing activities, net	(10)	(2)
Cash flows used in investing activities	**(31)**	**(78)**
Cash flows from financing activities		
Net increase/(decrease) in short-term debt	12	9
Cash flows from financing activities	**12**	**9**
Effect of exchange rate changes on cash, cash equivalents and restricted cash	**(17)**	**(14)**
Net decrease in cash, cash equivalents and restricted cash	**(103)**	**(199)**
Cash, cash equivalents and restricted cash:		
- Beginning of period	646	909
- End of period	543	710