THE ADECCO GROUP

AD HOC ANNOUNCEMENT pursuant to Art. 53 Listing Rules of SIX Swiss Exchange
Group press release, Zurich, Switzerland, August 3, 2023

Q2 2023 RESULTS

Strong revenue growth, further market share gain, good cost management

- Revenues +4% yoy organic TDA[1]; excellent performance in Adecco, +5%, with growth across all regions, in Akkodis consulting, +12%, and in LHH Career Transition, +101%
- Further market share gain; Adecco's relative revenue growth +800 bps in Q2 23
- Healthy 20.7% gross margin, 50 bps lower organically, mainly reflecting current business mix
- SG&A excl. one-offs lower, at 17.7% of revenues, from 17.9% in Q2 22 and 18.4% in Q1 23, supported by a reduction in G&A costs and productivity improvement
- Group productivity +3% yoy; Adecco productivity +3% qoq with FTEs -2% qoq
- Robust 3.1% EBITA margin excl. one-offs; underlying sequential improvement of 30 basis points when excluding the timing impact of FESCO JV income
- On track to deliver G&A savings; year-end expected run-rate €60 million
- Operating income €117 million, flat year-on-year
- Basic EPS €0.37; Adjusted EPS €0.67

Denis Machuel, Adecco Group CEO, commented:
"The Group delivered another quarter of revenue acceleration and market share gain. The Adecco business achieved growth across all regions at a level that continued to outpace its competitors, and with underlying margin improvement. Adecco US saw sequential improvement and further signs of turnaround progression. In LHH, both the Career Transition and Ezra businesses delivered record quarters and profitability strengthened for the GBU overall. Akkodis delivered strong growth in consulting with excellent progress in the US; while the staffing side of the business was hindered by hiring contraction in the tech sector. Integration work and synergy capture is advancing smoothly. Across the Group we continue to drive productivity and cost discipline, with G&A down in the quarter and delivery against the committed savings plan firmly on track. Looking ahead, whilst recognising a challenging macro-economic environment, we see positive momentum, driven by the strength of our unique portfolio and our relentless focus on performance."

KEY FIGURES

EUR millions, unless otherwise stated	Q2 23	Q2 22	CHANGE		H1 23	H1 22	CHANGE	
			Reported	Organic			Reported	Organic
Revenues	5,998	5,938	+1%	+4%[1]	11,890	11,384	+4%	+3%[1]
Gross profit	1,240	1,254	-1%	+1%	2,494	2,405	+4%	+3%
EBITA excl. one-offs[2]	184	205	-11%	-8%	368	390	-6%	-3%
Operating income	117	124	-6%	0%[3]	261	270	-3%	+2%[3]
Net income / (loss)[4]	62	77	-19%		154	169	-9%	
Basic EPS	0.37	0.46	-20%		0.92	1.02	-10%	
Adjusted EPS[2]	0.67	0.85	-21%		1.39	1.61	-14%	
Gross profit margin	20.7%	21.1%	-40 bps	-50 bps	21.0%	21.1%	-10 bps	-10 bps
SG&A excl. one-offs[2] as % of revenues	17.7%	17.9%	-20 bps		18.1%	17.8%	+30 bps	
EBITA margin excl. one-offs	3.1%	3.5%	-40 bps		3.1%	3.4%	-30 bps	
Cash flow from operating activities	+80	-81	+161		-36	-26	-10	
Cash conversion ratio[2]					66%	58%		
Net debt/EBITDA excl. one-offs[2]					3.2x	2.8x		

Unless otherwise noted, all growth rates in this release refer to same period in 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 2022 Annual Report. [3] In constant currency terms. [4] Attributable to Adecco Group shareholders.

Q2 FINANCIAL PERFORMANCE

Revenues

Second quarter revenues of EUR 5,998 million were up 4 percent on an organic, TDA basis (3 percent organic, 1 percent reported). Currency translation had a net negative impact of approximately 200 basis points and working days a net negative impact of approximately 100 basis points.

At the Global Business Unit level, organically and TDA, Adecco revenues were up 5 percent (2 percent reported), Akkodis revenues were 1 percent lower (3 percent lower reported), and LHH revenues were flat (3 percent lower reported).

By service line, growth was led by Career Transition, for whom revenues were up 102 percent organically (100 percent reported), while Outsourcing, Consulting & Other Services grew 8 percent (5 percent reported). Flexible Placement revenues rose 1 percent (1 percent lower reported), Permanent Placement revenues were 9 percent lower (11 percent lower reported), and Training, Up-skilling & Re-skilling services revenues were 1 percent lower (2 percent lower reported).

Q2 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	**+4**	Adecco	+2	+5	Flexible Placement	-1	+1
TDA	-1.0	Akkodis	-3	-1	Permanent Placement	-11	-9
Currency	-2.0	LHH	-3	0	Career Transition	+100	+102
M&A	0				Outsourcing, Consulting & Other Services	+5	+8
					Training, Up-skilling & Re-skilling	-2	-1
Group	**+1**	**Group**	**+1**	**+4**	**Group**	**+1**	**+3**

Gross profit

In the second quarter period, gross profit reached EUR 1,240 million, up 1 percent organically (1 percent lower reported). Gross margin was 20.7 percent, 50 basis points lower organically (40 basis points lower reported). The Group's gross margin development was weighed by current business mix, both in terms of GBUs and mix within the Adecco GBU.

By service line, on an organic basis, gross margin expanded 110 basis points in Career Transition. However, gross margin was lower by 90 basis points in Flexible Placement, 40 basis points in Permanent Placement, 20 basis points in Outsourcing, Consulting & Other Services, and 10 basis points in Training, Up-skilling & Re-skilling. Currency effects had a 5 basis points positive impact and portfolio scope a 5 basis points positive impact.

Selling, General & Administrative expenses (SG&A)

SG&A excluding one-offs was EUR 1,062 million, 2 percent higher organically (0 percent reported) and EUR 24 million lower than Q1 23's EUR 1,086 million result. As a percentage of revenues, SG&A excluding one-offs was at 17.7 percent, an improvement from the prior year period's 17.9 percent and Q1 23's 18.4 percent, supported by a reduction in G&A costs and productivity improvement.

Full-time Employees ("FTEs") reduced 2 percent compared to the prior year period to 38,243. On a sequential basis, FTEs reduced by 1 percent. Group productivity, in terms of gross profit per FTE, rose 3 percent year-on-year.

EBITA

EBITA excluding one-offs was EUR 184 million, compared to EUR 205 million in the prior year period.

The EBITA margin excluding one-offs was 3.1 percent. The 40 basis points differential year-on-year reflects lower gross margin and the timing of FESCO JV income, partly mitigated by good cost management and productivity improvement. In underlying terms, margin progressed 30 basis points sequentially. Income from the FESCO JV was EUR 5 million this quarter, from EUR 11 million in the prior year period.

One-off costs were EUR 39 million, compared to EUR 41 million in the prior year period, mainly reflecting restructuring charges from actions taken to secure targeted G&A savings.

Amortisation of Intangibles

Amortisation of intangible assets was EUR 28 million in the quarter, from EUR 40 million in the prior year period.

Operating income

The Group generated an operating income of EUR 117 million, flat percent in constant currency terms, due to the aforementioned items.

Net income and EPS

Net income attributable to Adecco Group shareholders was EUR 62 million, compared to 77 million in the prior year period. The result reflects interest expense of EUR 20 million, and other income/(expenses), net of EUR 9 million. Income taxes amounted to EUR 25 million, with an effective tax rate of 28.4 percent including discrete events.

Basic EPS was EUR 0.37, compared to the prior year period's EUR 0.46. Adjusted EPS, which is the Group's net income excluding a total EUR 50 million for amortisation of intangibles, one-off costs, and associated tax effects, divided by basic weighted-average shares outstanding, was EUR 0.67, compared to the prior year period's EUR 0.85.

Cash flow and net debt

Cash flow from operating activities was EUR +80 million in the quarter, compared to negative EUR -81 million in the prior year period. Cash flow was positively impacted by the timing of working capital, with receivables and payables both more favourable. DSO was 53 days, stable versus the previous year period. The rolling last four quarters cash conversion ratio was 66 percent, up sequentially and a robust result during a period of growth and transformation.

Net debt was EUR 3,078 million at end Q2 2023. The Net Debt to EBITDA ratio, excluding one-offs was 3.2x, in line with management expectations and reflecting a seasonal peak due to the dividend distribution. The Group reiterates its firm commitment to decrease leverage going forward.

As a reminder, the Adecco Group issued EUR 1,500 million of senior and subordinated debt in H2 2021 at attractive terms to finance AKKA's acquisition. In addition, the Group has a robust financial structure, with fixed interest rates on 75 percent of its outstanding gross debts, no financial covenants on any of its outstanding debts, a well-balanced bond maturity profile and strong liquidity including an undrawn EUR 750 million revolving credit facility. In addition, the company has no bonds maturing until end 2024.

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	
	Q2 23	Q2 22	CHANGE (% yoy) Reported	CHANGE (% yoy) Organic, TDA	Q2 23	CHANGE (bps, yoy)
Adecco	**4,608**	4,504	**+2**	**+5**	**3.5%**	**(10)**
France	1,271	1,253	+1	+1	4.6%	(20)
Northern Europe	591	604	-2	+3	1.4%	(60)
DACH	405	377	+8	+8	-0.8%	(100)
Southern Europe & EEMENA	1,112	1,031	+8	+9	5.8%	+40
Americas	677	709	-5	+1	1.1%	+70
APAC	552	530	+4	+10	4.5%	(150)

2022 results restated due to the transfer of part of AKKA's US operations to Adecco Americas (Adecco US), effective Jan 1, 2023

Adecco delivered strong relative revenue growth of +800 basis points in Q2, taking further market share.

Adecco's revenues were up 5 percent in the second quarter, with growth driven by resilient flexible placement volumes. On a year-on-year basis, revenues advanced across all regions, with double-digit growth achieved in APAC, LatAm, Germany, Iberia and EEMENA.

Flexible Placement revenues were 4 percent higher. On a sector basis, autos and healthcare were notably strong. Manufacturing was robust, while logistics stabilised in the quarter. Revenues were solid in higher-value solutions: Permanent Placement was up 8 percent and Outsourcing was up 6 percent.

Gross margin was healthy, albeit weighed by current business and solutions mix. Pricing was good, underpinned by continued talent scarcity across markets.

The 3.5 percent EBITA margin includes the impact of the timing of FESCO JV income. Excluding this impact, the EBITA margin was improved year-on-year compared to Q2 2022's 3.6 percent margin, supported by agile cost management. Productivity rose 3 percent sequentially and 4 percent year-on-year, while FTEs reduced 2 percent sequentially and 3 percent year-on-year.

Segment results

Adecco France

- Revenues rose 1 percent, supported by the autos and healthcare sectors, while logistics, construction and retail were soft. Growth was strong in permanent placement, and robust in flexible placement.
- The EBITA margin reflects positive gross margin development, countered by unfavourable movements in true-up and other special items. Reflecting a tougher market backdrop, headcount was reduced in the quarter.

Adecco Northern Europe

- Revenues from UK & Ireland were up 7 percent, with growth led by autos and public sector activity. Revenues were 1 percent lower in the Nordics, with new construction regulations constraining activity. In the Benelux, revenues were down 1 percent. Overall, the region's growth outpaced the market.
- The EBITA margin was impacted by adverse business and solutions mix, partly mitigated by good cost management and restructuring initiatives in the Nordics, including headcount reductions.

Adecco DACH

- Revenues in Germany were up 11 percent, outperforming the market. In Switzerland & Austria revenues were 1 percent higher, with Switzerland impacted by a tough market backdrop. Growth was generated mainly by autos, logistics and professional services.
- The EBITA margin, which is typically at its lowest in Q2, mainly reflects the impact of fewer working days in the current period relative to the prior year period.

Adecco Southern Europe & EEMENA

- Revenue growth was strong, with Iberia up 11 percent, EEMENA up 19 percent, and Italy up 6 percent. Permanent placement and outsourcing activities were very strong and flexible placement improved sequentially. In sector terms, autos, retail, and logistics developed favourably, while manufacturing was robust. Overall, the region's growth clearly outpaced the market.
- The strong EBITA margin mainly reflects altered business mix and improved productivity.

Adecco Americas

- Latin America revenues grew by an excellent 22 percent.
- In North America, revenues were 7 percent lower, impacted by a tougher macro-economic environment.
  - In Adecco US, revenue developments outperformed the market, and improved by 2 percent on a sequential basis.
  - In operational terms, Adecco US is seeing positive momentum from its recently implemented regional focus, branch improvement and sales training programmes.
- While impacted by lower volumes, the EBITA margin improved 70 basis points year-on-year, reflecting agile cost management, including headcount and other G&A cost savings initiatives.

Adecco APAC

- Revenues were 12 percent higher in Japan, up 10 percent in Asia, and up 20 percent in India. Revenues in Australia & New Zealand were flat, weighed by the end of a large government contract. Both flexible placement and permanent placement activities were very strong. End-market growth was broad-based, with IT Tech, retail, manufacturing, and consulting all performing well.
- The EBITA margin includes impact from the FESCO JV, driven by unfavourable timing of government payments, which moved into Q1 this year. The margin further reflects changes in social charges in Japan. Management is taking action to offset the additional costs incurred in future quarters.

AKKODIS

EUR millions, unless otherwise stated	Revenues				EBITA margin excl. one-offs	
	Q2 23	Q2 22	CHANGE (yoy) Reported	CHANGE (yoy) Organic, TDA	Q2 23	CHANGE (bps, yoy)
Akkodis	925	957	-3%	-1%	5.2%	(130)
North EMEA				+7%		
South EMEA				-3%		
North America				-8%		
Akkodis APAC				+3%		

Akkodis 2022 results restated due to the transfer of part of AKKA's US operations to Adecco effective Jan 1, 2023

Akkodis' revenues were 1 percent lower (3 percent lower reported). Reflecting a sharp downturn in tech sector activity, staffing revenues were 25 percent lower. Consulting & solutions revenues were strong, growing 12 percent.

By segment:

- North EMEA revenues rose 7 percent, with Germany up 8 percent and Data Respons up 6 percent. Data Respons' revenues reached record levels, despite fewer working days.
- South EMEA revenues were 3 percent lower. Revenues in France were 2 percent lower, with growth held back by talent scarcity and reclassification of a handful of contracts.
- North America revenues declined 8 percent, with growth impacted by a sharp slowdown in staffing activity for tech talent, particularly in permanent placement. Consulting was excellent, with revenues up over 70 percent.
- Akkodis APAC revenues rose 3 percent, with Japan up 10 percent.

Akkodis' EBITA margin mainly reflects lower staffing volumes. Management continues to adapt its staffing-orientated operations to mitigate the business cycle. For example, the US business reduced headcount in the quarter by approximately 15 percent, and further savings initiatives are underway. At the same time, management in the US, and across the GBU, are focused on the strategic consulting business to drive future growth.

Total synergies secured for 2023, in EBITA terms, are projected at approximately EUR 57 million, which compares favourably to targeted in-year synergies of EUR 50-55 million.

LHH

EUR millions, unless otherwise stated	Revenues				EBITA margin excl. one-offs	
	Q2 23	Q2 22	CHANGE (yoy) Reported	CHANGE (yoy) Organic, TDA	Q2 23	CHANGE (bps, yoy)
LHH	**465**	**477**	**-3%**	**0%**	**7.6%**	**+110**
Recruitment Solutions				-20%		
Career Transition & Mobility				+101%		
Learning & Development				-21%		
Pontoon & Other				-5%		

Revenues in LHH were flat (-3 percent reported) in the second quarter. By segment:

- Recruitment Solutions revenues were 20 percent lower against a tough comparison. Permanent and flexible professional placement activities were subdued, particularly in the US and UK. Permanent placement net fees were 25 percent lower versus the prior year quarter, and flat on a sequential basis.
- Performance in Career Transition & Mobility (CT&M) was excellent. Revenues rose 101 percent, driven by positive momentum globally and across multiple sectors. The segment continued to gain market share and achieved record revenue levels in the quarter. Its pipeline is solid.
- Learning & Development revenues were 21 percent lower, with General Assembly and Talent Development subdued. Ezra performed very well, with revenues up 36 percent. Ezra's pipeline is strong.
- In Pontoon & Other, revenues in Pontoon were flat, while revenues in Hired were subdued. Both units were challenged by the US tech sector downturn.

The EBITA margin benefited from segment mix, mainly higher volumes in CT&M, partly mitigated by continued digital investment.

Business update

The Group is on track to deliver its G&A savings plan of EUR 150 million in run-rate terms by end H1 2024. Of the targeted savings, approximately 75 percent will come from the introduction of a streamlined operating model. The remainder will come from the optimisation of shared functions and expense rationalisation. The Group targets a year-end run-rate savings level of approximately EUR 60 million.

Outlook

The Group exited the quarter with growth inline with Q2 levels, and volumes in July were resilient.

While macro-economic conditions remain challenging, the diversity of the Group's activities and geographic footprint provide continued opportunity for profitable growth and market share gain. The Group will manage its resources with agility, adapting to market dynamics. The Group expects Q3's gross margin to be around Q2 23 levels, while SG&A expenses should be slightly lower on a sequential basis.

More information

The Q2 2023 results press release is available on the Investor Relations website. The Q2 2023 results presentation will be available at 08:30 a.m. CEST. A live webcast for analysts and investors is scheduled today, August 3, starting at 09:00 a.m. CEST (08:00 a.m. BST). The webcast can be followed via the Investor Relations section of the Group's website.

Questions from analysts and investors can be made 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 prior to the start of the presentation. A replay will be made available after the event and can be accessed at any time on our website.

Financial calendar

- Q3 2023 results — 2 November 2023
- Capital Markets Day — 7 November 2023
- Q4 2023 results — 29 February 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).

Important notice about forward-looking information

Information in this release may involve guidance, expectations, beliefs, plans, intentions, or strategies regarding the future. These forward-looking statements involve risks and uncertainties. All forward-looking statements included in this release are based on information available to Adecco Group AG as of the date of this release, and we assume no duty to update any such forward-looking statements. The forward-looking statements in this release are not guarantees of future performance and actual results could differ materially from our current expectations. Numerous factors could cause or contribute to such differences. Factors that could affect the Company's forward-looking statements include, among other things: global GDP trends and the demand for temporary work; changes in regulation of temporary work; intense competition in the markets in which the Company operates; integration of acquired companies; changes in the Company's ability to attract and retain qualified internal and external personnel or clients; the potential impact of disruptions related to IT; any adverse developments in existing commercial relationships, disputes or legal and tax proceedings.

Zurich, August 3, 2023
Denis Machuel, CEO

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Revenues by segment

Revenues by segment	**Q2**		Variance % 23 vs 22				% of revenues	**HY**		Variance % 23 vs 22				% of revenues
EUR millions	**2023**	2022	EUR	Constant currency	Organic	Organic TDA	**Q2 2023**	**2023**	2022	EUR	Constant currency	Organic	Organic TDA	**HY 2023**
Adecco France	1,271	1,253	1%	1%	1%	1%	21%	2,449	2,398	2%	2%	2%	1%	21%
Adecco Northern Europe	591	604	-2%	2%	2%	3%	10%	1,170	1,201	-3%	1%	1%	1%	10%
Adecco DACH	405	377	8%	6%	6%	8%	7%	811	740	10%	8%	8%	9%	7%
Adecco Southern Europe & EEMENA	1,112	1,031	8%	8%	8%	9%	19%	2,146	2,004	7%	7%	7%	7%	18%
Adecco Americas [1)]	677	709	-5%	0%	0%	1%	11%	1,358	1,348	1%	3%	0%	0%	11%
Adecco APAC	552	530	4%	11%	11%	10%	9%	1,117	1,063	5%	11%	11%	10%	9%
Adecco	**4,608**	**4,504**	**2%**	**4%**	**4%**	**5%**	**77%**	**9,051**	**8,754**	**3%**	**5%**	**4%**	**4%**	**76%**
Akkodis [1)]	**925**	**957**	**-3%**	**-1%**	**-1%**	**-1%**	**15%**	**1,908**	**1,692**	**13%**	**14%**	**2%**	**2%**	**16%**
LHH	**465**	**477**	**-3%**	**-1%**	**-1%**	**0%**	**8%**	**931**	**938**	**-1%**	**-1%**	**-1%**	**0%**	**8%**
Adecco Group	**5,998**	**5,938**	**1%**	**3%**	**3%**	**4%**	**100%**	**11,890**	**11,384**	**4%**	**6%**	**4%**	**3%**	**100%**

1) In 2023, part of Akka's US operations are reported in Adecco Americas. The 2022 information has been restated to conform with current period presentation.

Revenues by service line

Revenues by service line	**Q2**		Variance % 23 vs 22			**HY**		Variance % 23 vs 22		
EUR millions	**2023**	2022	EUR	Constant currency	Organic	**2023**	2022	EUR	Constant currency	Organic
Flexible Placement	4,493	4,519	-1%	1%	1%	8,920	8,766	2%	3%	3%
Permanent Placement	191	215	-11%	-9%	-9%	387	406	-5%	-4%	-4%
Career Transition	130	65	100%	102%	102%	246	136	80%	80%	80%
Outsourcing, Consulting & Other Services	1,092	1,045	5%	7%	8%	2,157	1,896	14%	16%	4%
Training, Up-skilling & Re-skilling	92	94	-2%	-1%	-1%	180	180	0%	0%	0%
Adecco Group	**5,998**	**5,938**	**1%**	**3%**	**3%**	**11,890**	**11,384**	**4%**	**6%**	**4%**

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

EBITA	Q2		Variance % 23 vs 22		% of EBITA[2]	HY		Variance % 23 vs 22		% of EBITA[2]
EUR millions	2023	2022	EUR	Constant currency	Q2 2023	2023	2022	EUR	Constant currency	HY 2023
Adecco France	58	60	-3%	-3%	24%	98	98	1%	1%	20%
Adecco Northern Europe	9	12	-29%	-26%	3%	19	22	-14%	-11%	4%
Adecco DACH	(3)	1	-494%	-451%	-1%	8	14	-49%	-50%	2%
Adecco Southern Europe & EEMENA	65	56	16%	16%	26%	121	109	12%	12%	25%
Adecco Americas [3]	7	3	127%	343%	3%	7	14	-52%	-44%	2%
Adecco APAC	24	31	-21%	-18%	10%	63	64	-2%	3%	13%
Adecco	**160**	**163**	**-2%**	**0%**	**65%**	**316**	**321**	**-2%**	**0%**	**66%**
Akkodis [3]	**48**	**62**	**-22%**	**-21%**	**20%**	**96**	**112**	**-14%**	**-12%**	**20%**
LHH	**36**	**31**	**15%**	**16%**	**15%**	**68**	**65**	**3%**	**2%**	**14%**
Corporate	**(60)**	**(51)**	**18%**	**15%**		**(112)**	**(108)**	**3%**	**0%**	
Adecco Group	**184**	**205**	**-11%**	**-8%**	**100%**	**368**	**390**	**-6%**	**-3%**	**100%**

	Q2			HY		
EBITA margin	2023	2022	Variance bps	2023	2022	Variance bps
Adecco France	4.6%	4.8%	(20)	4.0%	4.1%	(10)
Adecco Northern Europe	1.4%	2.0%	(60)	1.6%	1.8%	(20)
Adecco DACH	-0.8%	0.2%	(100)	0.9%	2.0%	(110)
Adecco Southern Europe & EEMENA	5.8%	5.4%	40	5.6%	5.4%	20
Adecco Americas [3]	1.1%	0.4%	70	0.5%	1.1%	(60)
Adecco APAC	4.5%	6.0%	(150)	5.6%	6.0%	(40)
Adecco	**3.5%**	**3.6%**	**(10)**	**3.5%**	**3.7%**	**(20)**
Akkodis [3]	**5.2%**	**6.5%**	**(130)**	**5.1%**	**6.6%**	**(150)**
LHH	**7.6%**	**6.5%**	**110**	**7.3%**	**7.0%**	**30**
Adecco Group	**3.1%**	**3.5%**	**(40)**	**3.1%**	**3.4%**	**(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

3) In 2023, part of Akka's US operations are reported in Adecco Americas. The 2022 information has been restated to conform with current period presentation.

EBITA[1] and EBITA margin by segment

EBITA	Q2		Variance % 23 vs 22		% of EBITA[2]	HY		Variance % 23 vs 22		% of EBITA[2]
EUR millions	**2023**	2022	EUR	Constant currency	**Q2 2023**	**2023**	2022	EUR	Constant currency	**HY 2023**
Adecco France	57	60	-4%	-4%	27%	97	98	0%	0%	22%
Adecco Northern Europe	6	12	-54%	-52%	3%	16	22	-29%	-26%	4%
Adecco DACH	(4)	8	-151%	-150%	-2%	7	21	-68%	-68%	2%
Adecco Southern Europe & EEMENA	63	56	12%	13%	30%	119	109	9%	10%	27%
Adecco Americas [3]	(2)	2	-149%	-237%	-1%	(2)	13	-111%	-114%	0%
Adecco APAC	24	31	-24%	-21%	12%	62	64	-4%	1%	14%
Adecco	**144**	**169**	**-14%**	**-13%**	**69%**	**299**	**327**	**-9%**	**-7%**	**69%**
Akkodis [3]	**38**	**61**	**-38%**	**-37%**	**18%**	**80**	**110**	**-27%**	**-26%**	**18%**
LHH	**26**	**12**	**130%**	**137%**	**13%**	**55**	**45**	**22%**	**20%**	**13%**
Corporate	**(63)**	**(78)**	**-18%**	**-21%**		**(117)**	**(152)**	**-23%**	**-26%**	
Adecco Group	**145**	**164**	**-12%**	**-8%**	**100%**	**317**	**330**	**-4%**	**0%**	**100%**

	Q2			HY		
EBITA margin	**2023**	2022	Variance bps	**2023**	2022	Variance bps
Adecco France	4.5%	4.8%	(30)	4.0%	4.1%	(10)
Adecco Northern Europe	0.9%	2.0%	(110)	1.3%	1.8%	(50)
Adecco DACH	-0.9%	2.0%	(290)	0.8%	2.9%	(210)
Adecco Southern Europe & EEMENA	5.6%	5.4%	20	5.5%	5.4%	10
Adecco Americas [3]	-0.2%	0.3%	(50)	-0.1%	1.0%	(110)
Adecco APAC	4.3%	6.0%	(170)	5.5%	6.0%	(50)
Adecco	**3.1%**	**3.7%**	**(60)**	**3.3%**	**3.7%**	**(40)**
Akkodis [3]	**4.1%**	**6.5%**	**(240)**	**4.2%**	**6.5%**	**(230)**
LHH	**5.5%**	**2.3%**	**320**	**5.9%**	**4.8%**	**110**
Adecco Group	**2.4%**	**2.8%**	**(40)**	**2.7%**	**2.9%**	**(20)**

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

3) In 2023, part of Akka's US operations are reported in Adecco Americas. The 2022 information has been restated to conform with current period presentation.

Reconciliation of EBITA to EBITA excluding one-offs

EBITA	EBITA excluding one-offs		One-offs		EBITA		EBITA excluding one-offs		One-offs		EBITA	
EUR millions	**Q2 2023**	Q2 2022	**Q2 2023**	Q2 2022	**Q2 2023**	Q2 2022	**HY 2023**	HY 2022	**HY 2023**	HY 2022	**HY 2023**	HY 2022
Adecco France	58	60	(1)	-	57	60	98	98	(1)	-	97	98
Adecco Northern Europe	9	12	(3)	-	6	12	19	22	(3)	-	16	22
Adecco DACH [1]	(3)	1	(1)	7	(4)	8	8	14	(1)	7	7	21
Adecco Southern Europe & EEMENA	65	56	(2)	-	63	56	121	109	(2)	-	119	109
Adecco Americas [2]	7	3	(9)	(1)	(2)	2	7	14	(9)	(1)	(2)	13
Adecco APAC	24	31	-	-	24	31	63	64	(1)	-	62	64
Adecco	**160**	**163**	**(16)**	**6**	**144**	**169**	**316**	**321**	**(17)**	**6**	**299**	**327**
Akkodis [2]	**48**	**62**	**(10)**	**(1)**	**38**	**61**	**96**	**112**	**(16)**	**(2)**	**80**	**110**
LHH	**36**	**31**	**(10)**	**(19)**	**26**	**12**	**68**	**65**	**(13)**	**(20)**	**55**	**45**
Corporate	**(60)**	**(51)**	**(3)**	**(27)**	**(63)**	**(78)**	**(112)**	**(108)**	**(5)**	**(44)**	**(117)**	**(152)**
Adecco Group	**184**	**205**	**(39)**	**(41)**	**145**	**164**	**368**	**390**	**(51)**	**(60)**	**317**	**330**

1) Q2 2022 / HY 2022 one-offs in Adecco DACH include the release of restructuring accruals in Germany, driven by lower-than-expected severance costs.

2) In 2023, part of Akka's US operations are reported in Adecco Americas. The 2022 information has been restated to conform with current period presentation.

Consolidated statements of operations

EUR millions except share and per share information	Q2 2023	Q2 2022	Variance % EUR	Variance % Constant currency	YTD 2023	YTD 2022	Variance % EUR	Variance % Constant currency
Revenues	**5,998**	5,938	**1%**	**3%**	**11,890**	11,384	**4%**	**6%**
Direct costs of services	(4,758)	(4,684)			(9,396)	(8,979)		
Gross profit	**1,240**	**1,254**	**-1%**	**1%**	**2,494**	**2,405**	**4%**	**5%**
Selling, general, and administrative expenses	(1,100)	(1,101)	0%	1%	(2,198)	(2,089)	5%	6%
Proportionate net income of equity method investment FESCO Adecco	5	11	-57%	-57%	21	14	44%	40%
EBITA[1]	**145**	**164**	**-12%**	**-8%**	**317**	**330**	**-4%**	**0%**
Amortisation of intangible assets	(28)	(40)			(56)	(60)		
Operating income	**117**	**124**	**-6%**	**0%**	**261**	**270**	**-3%**	**2%**
Interest expense	(20)	(12)			(37)	(22)		
Other income/(expenses), net	(9)	(11)			(10)	(19)		
Income before income taxes	**88**	**101**	**-14%**		**214**	**229**	**-7%**	
Provision for income taxes	(25)	(25)			(59)	(59)		
Net income	**63**	**76**	**-18%**		**155**	**170**	**-9%**	
Net income attributable to noncontrolling interests	(1)	1			(1)	(1)		
Net income attributable to Adecco Group shareholders	**62**	**77**	**-19%**		**154**	**169**	**-9%**	
Basic earnings per share[2]	0.37	0.46	-20%		0.92	1.02	-10%	
Diluted earnings per share[3]	0.37	0.46	-20%		0.92	1.01	-10%	
Gross margin	*20.7%*	*21.1%*			*21.0%*	*21.1%*		
SG&A as a percentage of revenues	*18.3%*	*18.5%*			*18.5%*	*18.4%*		
EBITA margin	*2.4%*	*2.8%*			*2.7%*	*2.9%*		
Operating income margin	*2.0%*	*2.1%*			*2.2%*	*2.4%*		
Net income margin attributable to Adecco Group shareholders	*1.0%*	*1.3%*			*1.3%*	*1.5%*		

1) EBITA is a non-US GAAP measure and refers to operating income before amortisation and impairment of goodwill and intangible assets.
2) Basic weighted-average shares were 167,479,377 in Q2 2023 and 167,321,182 in HY 2023 (167,117,863 in Q2 2022 and 166,539,810 in HY 2022).
3) Diluted weighted-average shares were 167,859,123 in Q2 2023 and 167,772,127 in HY 2023 (167,306,630 in Q2 2022 and 166,869,485 in HY 2022).

Reconciliation for Adjusted EPS[1)]

EUR millions except share and per share information	Q2		Variance %	YTD		Variance %
	2023	2022	EUR	**2023**	2021	EUR
Net income attributable to Adecco Group shareholders	**62**	**77**	**-19%**	**154**	**169**	**-9%**
Amortisation and impairment of goodwill and intangible assets	28	40		56	60	
One-offs in EBITA	39	41		51	60	
One-offs in Other income/(expenses), net	-	2		(3)	3	
Tax effects, other exceptional tax items	(17)	(18)		(26)	(24)	
Adjusted Net income attributable to Adecco Group shareholders[2)]	**112**	**142**	**-21%**	**232**	**268**	**-13%**
Basic earnings per share[3)]	0.37	0.46	-20%	0.92	1.02	-10%
Adjusted earnings per share[1), 3)]	0.67	0.85	-21%	1.39	1.61	-14%

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 167,479,377 in Q2 2023 and 167,321,182 in HY 2023 (167,117,863 in Q2 2022 and 166,539,810 in HY 2022).

Consolidated balance sheets

EUR millions	30 June 2023	31 December 2022
Assets		
Current assets:		
– Cash and cash equivalents	339	782
– Trade accounts receivable, net	4,730	4,758
– Other current assets	605	584
Total current assets	**5,674**	**6,124**
Property, equipment, and leasehold improvements, net	589	575
Operating lease right-of-use assets	438	402
Equity method investments	186	177
Other assets	727	768
Intangible assets, net	971	1,029
Goodwill	4,108	4,181
Total assets	**12,693**	**13,256**
Liabilities and shareholders' equity		
Liabilities		
Current liabilities:		
– Accounts payable and accrued expenses	4,563	4,884
– Current operating lease liabilities	188	176
– Short-term debt and current maturities of long-term debt	317	138
Total current liabilities	**5,068**	**5,198**
Operating lease liabilities	308	287
Long-term debt, less current maturities	3,100	3,099
Other liabilities	720	779
Total liabilities	**9,196**	**9,363**
Shareholders' equity		
Adecco Group shareholders' equity:		
– Common shares	11	11
– Additional paid-in capital	551	669
– Treasury shares, at cost	(41)	(58)
– Retained earnings	3,226	3,412
– Accumulated other comprehensive income/(loss), net	(262)	(153)
Total Adecco Group shareholders' equity	**3,485**	**3,881**
Noncontrolling interests	12	12
Total shareholders' equity	**3,497**	**3,893**
Total liabilities and shareholders' equity	**12,693**	**13,256**

Consolidated statements of cash flows

EUR millions	Q2 2023	Q2 2022	HY 2023	HY 2022
Cash flows from operating activities				
Net income	63	76	155	170
Adjustments to reconcile net income to cash flows from operating activities:				
- Depreciation and amortisation	66	74	132	124
- Other charges	14	(18)	17	(26)
Changes in operating assets and liabilities, net of acquisitions and divestitures:				
- Trade accounts receivable	(183)	(275)	(68)	(323)
- Accounts payable and accrued expenses	154	8	(180)	(87)
- Other assets and liabilities	(34)	54	(92)	116
Cash flows from/(used in) operating activities	**80**	**(81)**	**(36)**	**(26)**
Cash flows from investing activities				
Capital expenditures	(52)	(50)	(101)	(88)
Acquisition of AKKA, net of cash and restricted cash acquired		(504)		(1,249)
Cash settlements on derivative instruments	(11)	51	(38)	42
Other acquisition, divestiture and investing activities, net	1	9	(1)	24
Cash flows used in investing activities	**(62)**	**(494)**	**(140)**	**(1,271)**
Cash flows from financing activities				
Net increase/(decrease) in short-term debt	163	(54)	172	(182)
Repayment of long-term debt	(2)	(276)	(2)	(731)
Dividends paid to shareholders	(422)	(409)	(422)	(409)
Other financing activities, net	(5)	(34)	(5)	(35)
Cash flows used in financing activities	**(266)**	**(773)**	**(257)**	**(1,357)**
Effect of exchange rate changes on cash, cash equivalents and restricted cash	**(2)**	**25**	**(16)**	**55**
Net decrease in cash, cash equivalents and restricted cash	**(250)**	**(1,323)**	**(449)**	**(2,599)**
Cash, cash equivalents and restricted cash:				
- Beginning of period	710	1,879	909	3,155
- End of period	460	556	460	556