



KORN FERRY

# FY'25 Q1 Earnings Call

September 5, 2024



# Safe Harbor Statement

## FORWARD-LOOKING STATEMENTS

Statements in this presentation that relate to goals, strategies, future plans and expectations are based on Korn Ferry's current expectations. You are cautioned not to place undue reliance on such statements. Actual results in future periods may differ materially from those currently expected because of a number of risks and uncertainties. For a detailed description of many of those risks and uncertainties, please refer to Korn Ferry's earnings release and its periodic filings with the Securities and Exchange Commission. These statements are also aspirational and not guarantees or promises that goals or targets will be met. The company undertakes no obligation to update any statements, whether as a result of new information, future events or otherwise. In addition, these statements may be based on standards for measuring progress that are still developing and on assumptions that are subject to change in the future.

## NON-GAAP FINANCIAL MEASURES

This presentation includes financial information calculated other than in accordance with U.S. Generally Accepted Accounting Principles ("GAAP"). This non-GAAP disclosure has limitations as an analytical tool, should not be viewed as a substitute for financial information determined in accordance with GAAP, and should not be considered in isolation or as a substitute for analysis of the Company's results as reported under GAAP, nor is it necessarily comparable to non-GAAP performance measures that may be presented by other companies. Please refer to slides 18 to 24 for a reconciliation of each of the non-GAAP financial measures included in this presentation to the closest GAAP measure.



# Advancing our Strategy to Become the Preeminent Global Organizational Consultancy



## **Diversifying offerings into fully integrated, scalable and sustainable client engagements:**

Intentional expansion to a comprehensive organizational consultancy is driving less cyclical and more predictable and recurring fee revenue streams with more scalable and consistent earnings.



## **Capitalizing on global leadership in solutions with great relevance today:**

Monetizing investments in data, content, and IP. Driving greater Digital subscription engagements and integration with Consulting creates unique and differentiated insights and solutions.

Established record of thought leadership and action on burning platform issues including, but not limited to, workforce transformation, cost management or top-line growth initiatives in a challenging economic environment that provide a competitive edge to support companies as they look to solve their most pressing business issues.



## **Driving an integrated go-to-market strategy through our marquee and regional accounts:**

Enduring client relationships of scale that deliver larger, more predictable and recurring Revenue through structured, programmatic account planning and cross – LOB synergy sales.



## **Advancing Korn Ferry as a premier career destination:**

Attracting and retaining top talent by investing in initiatives that build a world-class organization aligned to strategy and staffed by a capable, motivated and agile workforce.



## **Pursuing transformational opportunities at the intersection of talent and strategy:**

Proven track record of investing in growth and leveraging a core competency of identifying, acquiring and integrating M&A targets that have the potential to further our strategic objectives and enhance shareholder value.

# A Compelling Investment Opportunity, At a Critical Moment, in a Critical Sector



## Strong, Durable Foundation

- Recognized industry leader with ~ 9,500 experts strategically positioned in more than 50 countries
- Value-driven capital allocation priorities and strong M&A track record
- Proven management team driving a proven business model
- Proprietary IP and data driving an expanding suite of digital capabilities and unique and differentiated insights
  - Continued investment in
- Continued investment in including commercial colleagues including Global Account Leaders



## Relevant Solutions Aligned With Macro Trends

- Rapid emergence of remote work and other shifts in Human Capital trends are necessitating organizational realignment
  - Investor / Corporate emphasis on ESG
- Emergence of new technologies (GenAI) resulting in different work being done and work being accomplished differently
  - Investing in Professional Search & Interim
- Investing in Professional Search & Interim Services inline with shift from career employee to career nomad
- Unprecedented changes / disruptors in today's macro economic environment are driving the need for different leaders with different skill sets



## Poised for Sustainable Growth

- Focus on durable, scalable Revenue through deeper key client penetration and large integrated solutions that emphasize consulting services and digital subscriptions
- Marquee and Regional account program outperforming the rest of the firm enabled by global account leaders and disciplined account management and planning
- Breadth and connectivity of solutions provides platform for outsized top-line synergies - a key competitive advantage
- Strong cash generation and balance sheet facilitates investments in growth opportunities in large markets that are currently highly fragmented and underpenetrated

## FY'25 Q1 Earnings and Profitability Continued to Improve as Consolidated Revenue Growth Stabilized

- Fee Revenue Growth Remained Stable for Consulting and Digital (Flat YoY)
- Executive Search Grew 2% YoY, and Fee Revenue Growth Trends for Professional Search Permanent Placement and RPO Continued to Stabilize
- Adj. EBITDA Remained Strong, Improving 16% YoY to \$111M with an Adj. EBITDA Margin of 16.5% (*the Fifth Consecutive Quarter of Profitability Improvement*) Driven by both Greater Consultant Productivity and Disciplined Cost Management
- Adj. Diluted EPS Improved 19% YoY or \$0.19 to \$1.18

**\$675M**

(\$24M) (3%) YoY

Fee Revenue

**16.5%**

Adj. EBITDA Margin %<sup>(1)</sup>  
(Non-GAAP)

+280 Basis Points YoY

**\$111M**

+\$16M +16% YoY

Adj. EBITDA<sup>(1)</sup>  
(Non-GAAP)

**\$1.18**

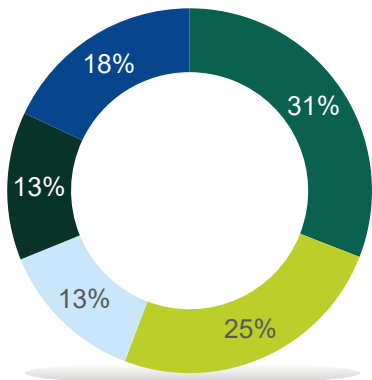
+0.19 +19% YoY

Adj. Diluted EPS<sup>(2)</sup>  
(Non-GAAP)

# Business Continues to be Highly Diversified Across Lines of Business, Geography and Industry

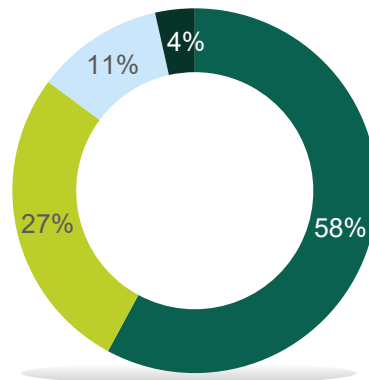
For the first quarter of FY'25

## Fee Revenue by Lines of Business



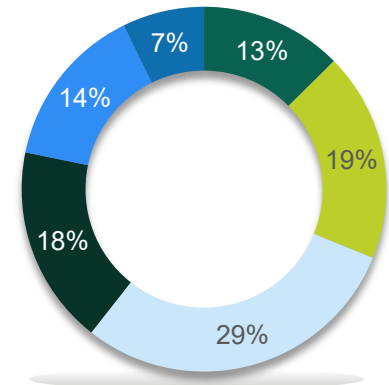
- Executive Search
- Digital
- Consulting
- RPO
- Professional Search & Interim

## Fee Revenue by Geography



- NAM
- APAC
- EMEA
- LATM

## Fee Revenue by Industry

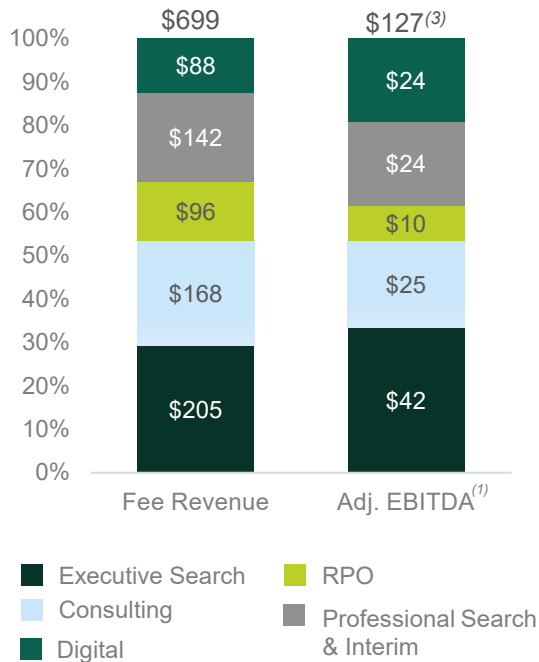


- Consumer
- Industrial
- Financial Services
- Life Sci. / HC
- Tech.
- Edu. / Non-Profit

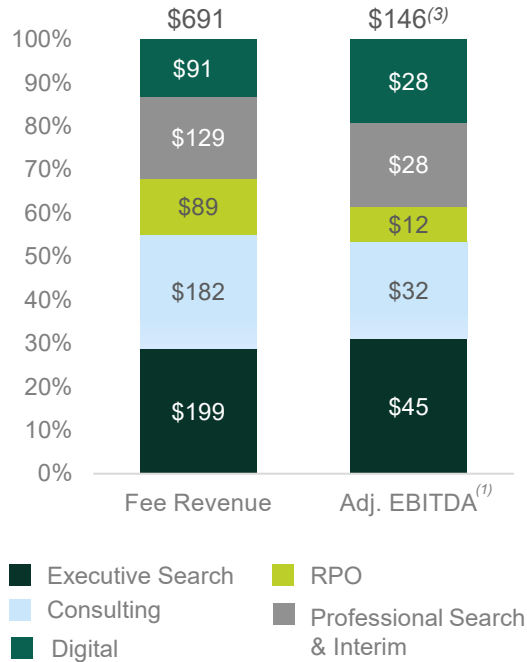
# Diversified Mix of Revenue & Earnings (\$M)

Consolidated Adj. EBITDA<sup>(3)</sup> Up YoY Driven by Consultant and Execution Staff Productivity and Disciplined Cost Management

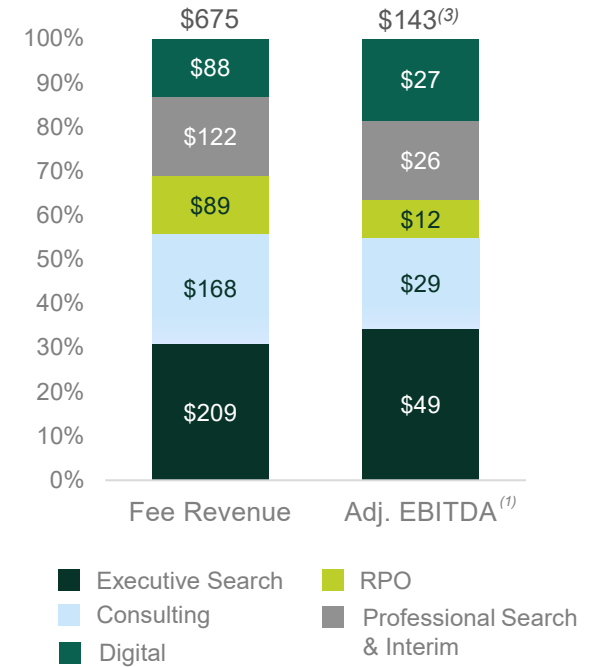
## FY'24 QTR. 1



## FY'24 QTR. 4

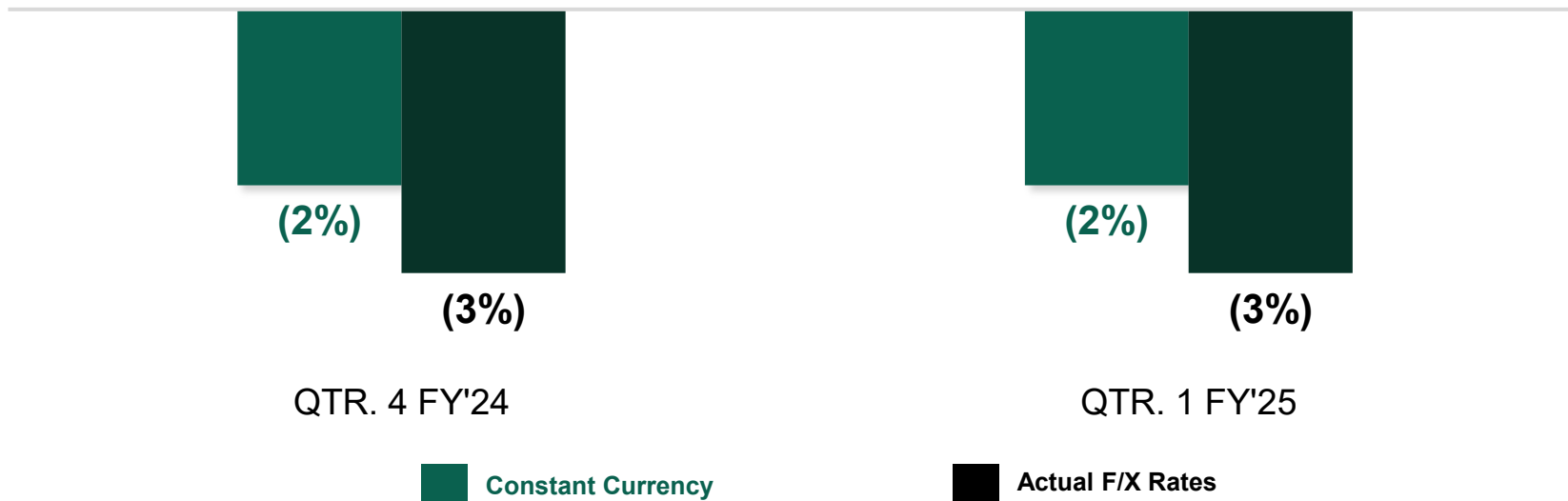


## FY'25 QTR. 1



# Quarterly<sup>(7)</sup> New Business\* - YoY Growth (Excluding RPO)

New Business was Stable YOY Despite Uncertainty for the Near-Term Economic Outlook



\* Confirmations plus upticks and additional placements

See detailed explanation of footnotes on page 16

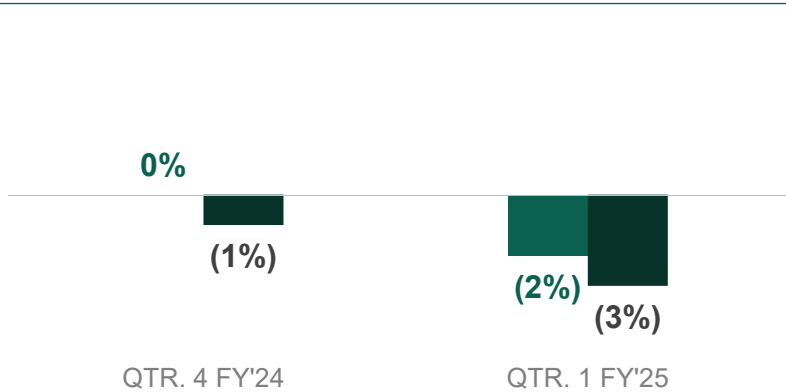


# Quarterly<sup>(7)</sup> New Business\* - YoY Growth By Line of Business (Excluding RPO)

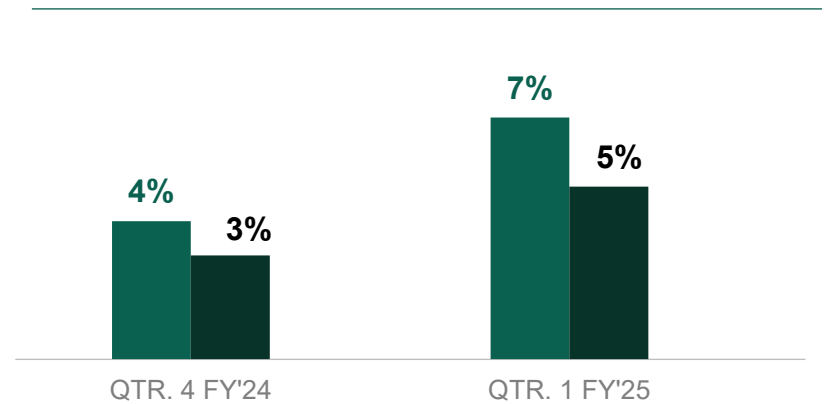
 Constant Currency

 Actual F/X Rates

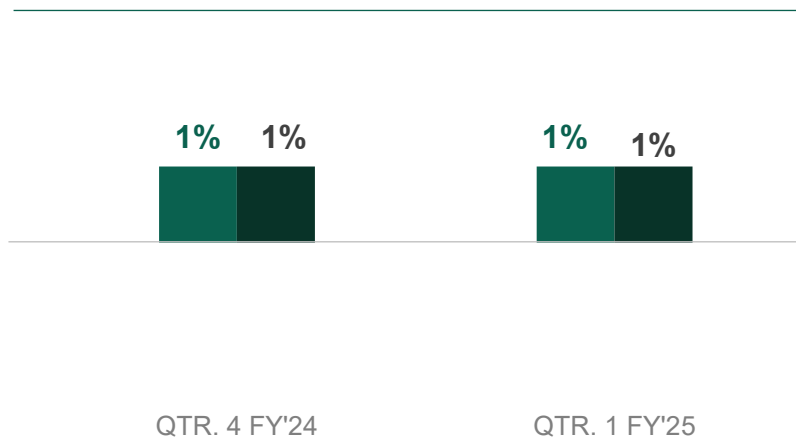
## Consulting



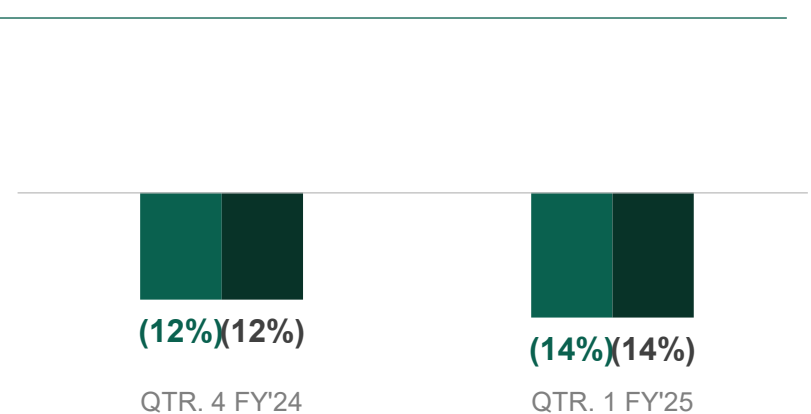
## Digital



## Executive Search\*



## Professional Search & Interim\*



# Consulting

25% of Fee Revenue and 20% of Adj. EBITDA<sup>(1)</sup> in FY'25 QTR. 1

## Q1 Fee Revenue

# Flat YoY

(+1% at CC)

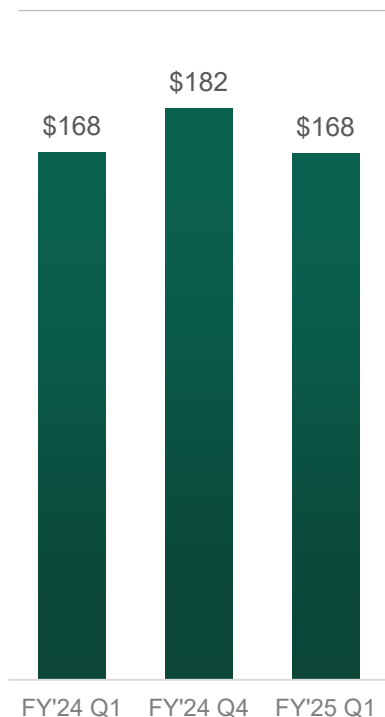
**Driven by Organizational Strategy +10% & Leadership Development +1%**

**Bill Rates are up 8% YoY and remained steady sequentially**

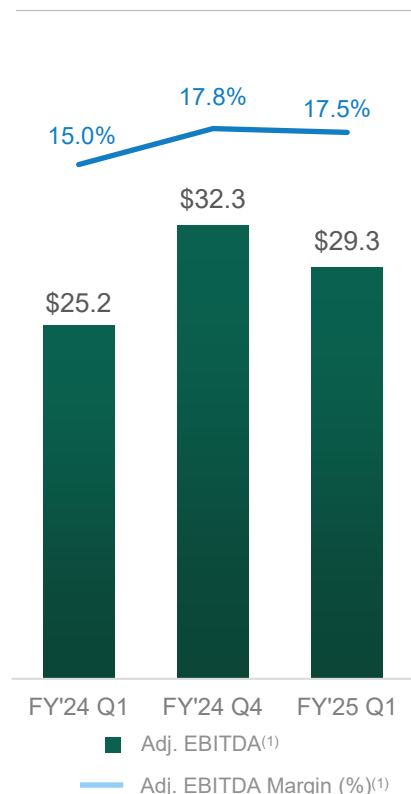
**Q1 New Business Down (2%) YoY at CC and strongest in NAM (+5%)**

**Adj. EBITDA<sup>(1)</sup> & Adj. EBITDA Margin<sup>(1)</sup> up YoY driven by strong bill rates and greater Consultant and Execution Staff productivity**

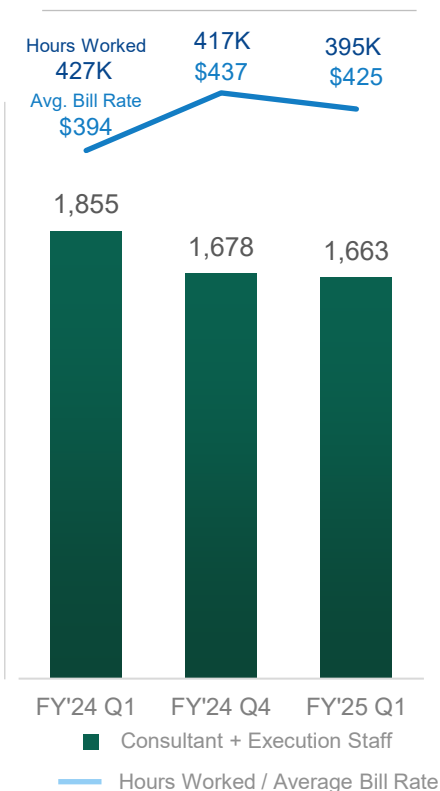
### Fee Revenue (\$M)



### Adj. EBITDA (\$M) & Adj. EBITDA<sup>(1)</sup> Margin (%) (Non-GAAP)



### Consultant + Execution Staff Productivity



# Digital

13% of Fee Revenue and 19% of Adj. EBITDA<sup>(1)</sup> in FY'25 QTR. 1

## Q1 Fee Revenue

### Flat YoY

(+2% at CC)

Q1 New Business = \$97M (+7% CC YoY)

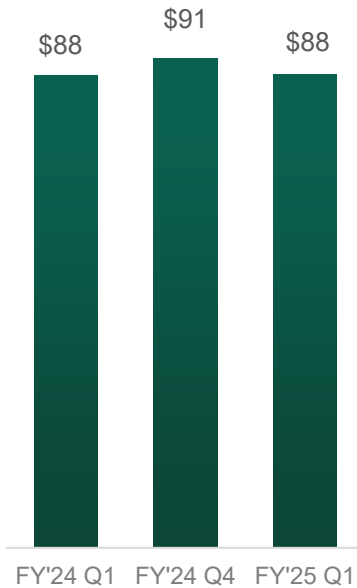
Total Subscription & License New Business = \$35M (36% of Q1 Total)

Q1 Organizational Strategy and Rewards & Benefits +6% YoY & +5% YoY respectively

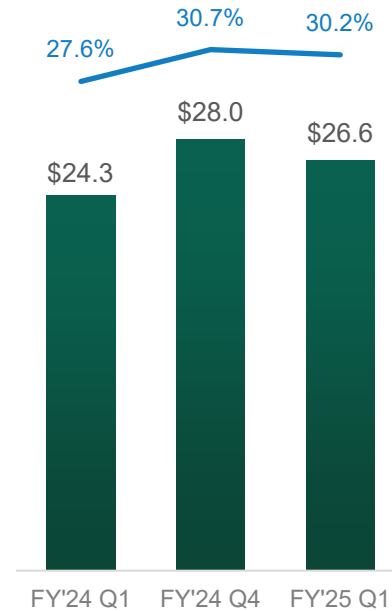
KF Sell = 12% of Subscription & License Revenue in Q1

Adj. EBITDA<sup>(1)</sup> and Adj. EBITDA Margin<sup>(1)</sup> up YoY on stable Fee Revenue and strong cost management

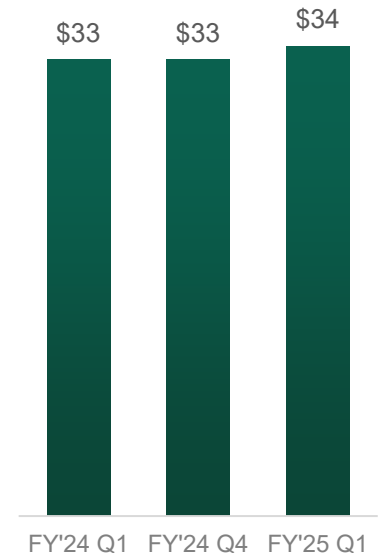
Fee Revenue (\$M)



Adj. EBITDA (\$M) & Adj. EBITDA<sup>(1)</sup> Margin (%) (Non-GAAP)



Subscription & License Fee Revenue<sup>(4)</sup>(\$M)



■ Adj. EBITDA<sup>(1)</sup>

— Adj. EBITDA Margin (%)<sup>(1)</sup>

# Executive Search

31% of Fee Revenue and 34% of Adj. EBITDA<sup>(1)</sup> in FY'25 QTR. 1

## Q1 Global Fee Revenue

↑ **2% YoY**

(+3% at CC)

At CC - NAM +6%, EMEA (1%), APAC (14%) & LATM +24%

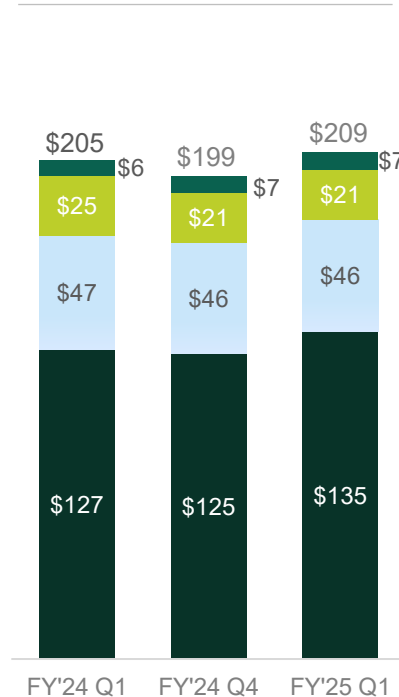
Global New Business +1% YoY

Consultant Productivity up to \$1.52M annualized with 559 Consultants

Number of New Executive Search Assignments = 1,556, Flat YoY and down (2%) sequentially

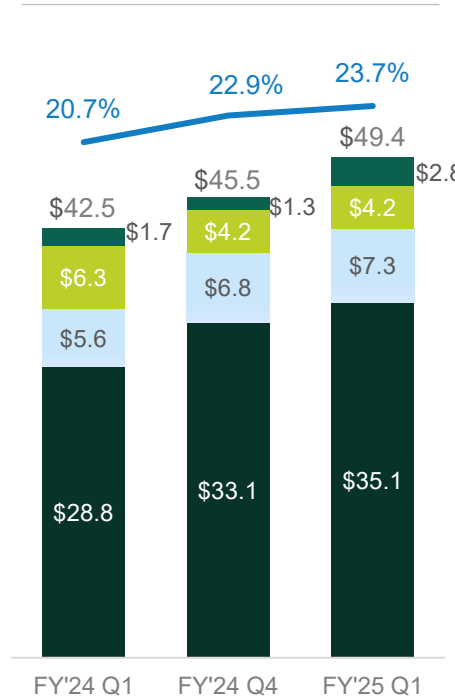
Adj. EBITDA<sup>(1)</sup> & Adj. EBITDA Margin<sup>(1)</sup> up both YoY and sequentially on higher Consultant Productivity and strong cost management

Fee Revenue (\$M)



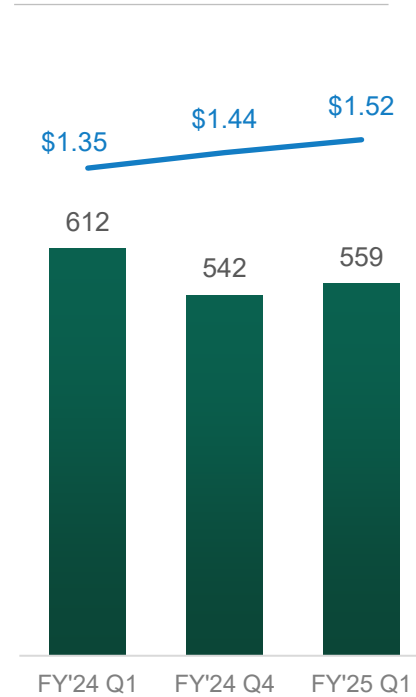
■ NAM ■ EMEA  
■ APAC ■ LATM

Adj. EBITDA (\$M) & Adj. EBITDA<sup>(1)</sup> Margin (%) (Non-GAAP)



■ NAM ■ EMEA  
■ APAC ■ LATM  
— Adj. EBITDA Margin (%)<sup>(1)</sup>

Consultant Productivity



■ Consultants - Period End  
— Fee Rev. / Avg. Consultant Annualized (\$M)

# Professional Search & Interim

18% of Fee Revenue and 18% of Adj. EBITDA<sup>(1)</sup> in FY'25 QTR. 1

## Professional Search & Interim New Business Down (14%) YoY

Permanent Placement New Business stable and essentially flat sequentially

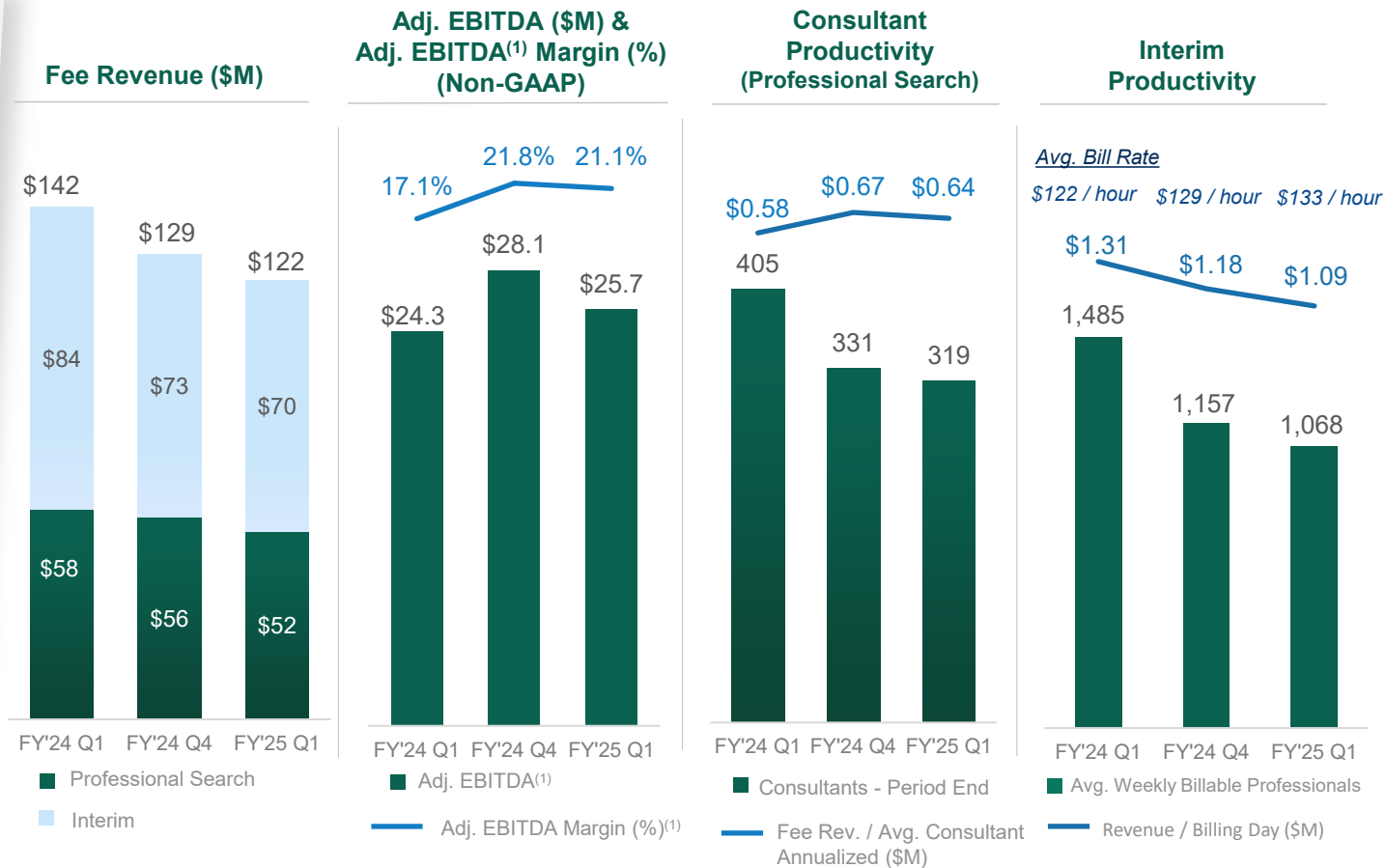
## Fee Revenue Down (14%) YoY

driven by Industry-wide slowdown in demand for Permanent and Interim professional hiring

**Interim Avg. Bill Rate = \$133 / hour up 9% YoY**

**Professional Search Consultant Productivity** stabilizing sequentially at approximately \$640K annualized

**Adj. EBITDA<sup>(1)</sup> & Adj. EBITDA Margin<sup>(1)</sup> up YoY** driven primarily by strong cost management



# Recruitment Process Outsourcing

13% of Fee Revenue and 8% of Adj. EBITDA<sup>(1)</sup> in FY'25 QTR. 1

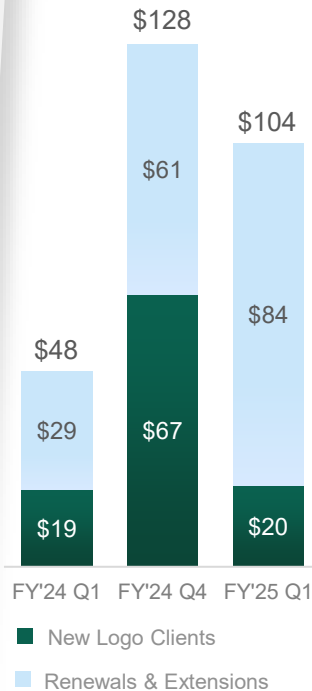
**RPO New Business<sup>(7)</sup> = \$104M**  
 (\$20M of New Logo Clients and \$84M of Renewals & Extensions)

**Revenue Under Contract<sup>(6)</sup> = \$656M** (with an estimated \$295M (45%) to be recognized in the next 4 quarters)

**Fee Revenue (7%) YoY but flat sequentially** due in part to an increase in hiring volume by base / backlog clients

**Adj. EBITDA<sup>(1)</sup> & Adj. EBITDA Margin<sup>(1)</sup>** stronger both YoY and sequentially due to greater Execution Staff productivity and strong cost management

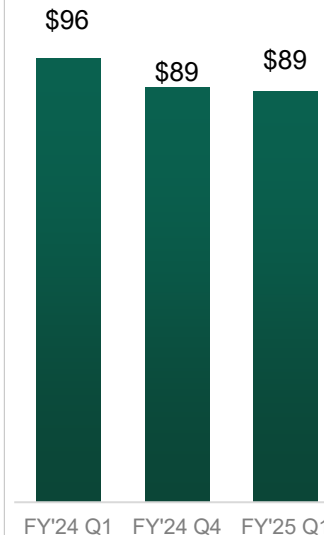
**New Business<sup>(7)</sup> (\$M)**



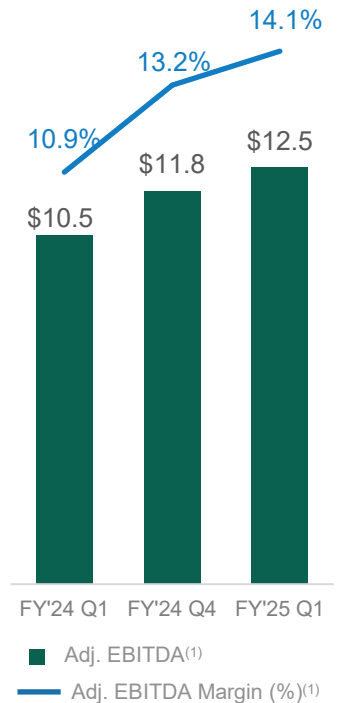
**Fee Revenue Under Contract<sup>(6)</sup> (\$M)**



**Fee Revenue (\$M)**



**Adj. EBITDA (\$M) & Adj. EBITDA<sup>(1)</sup> Margin (%) (Non-GAAP)**

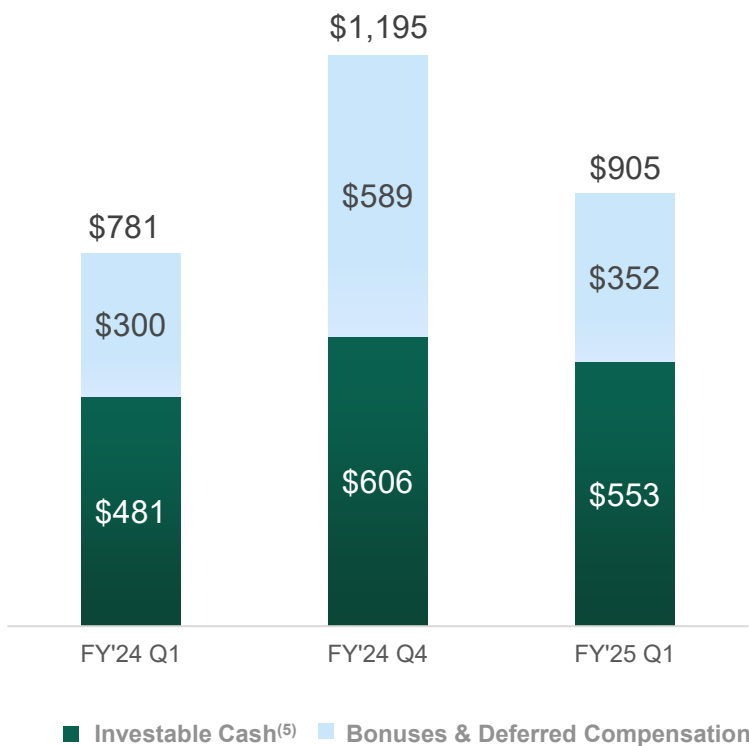


# Maintaining a Balanced Approach to Capital Allocation

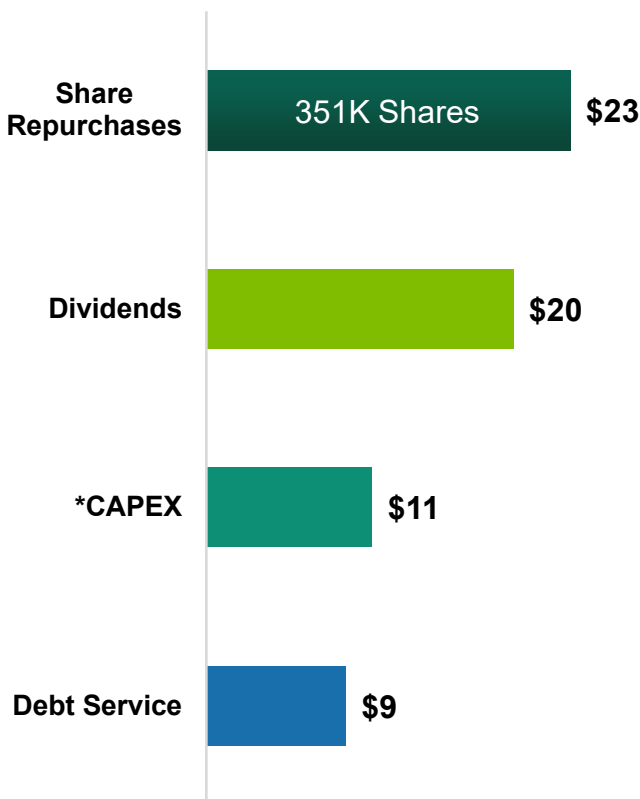
Deployed \$63M of Cash in FY'25 Q1 Investing \$11M in \*CAPEX, \$9M in Debt Service and Returned \$43M to Shareholders in Combined Dividends and Share Repurchases

## Cash & Marketable Securities (\$M)

Strong Liquidity with \$553M of Investable Cash<sup>(5)</sup>



## FY'25 Capital Allocation (\$M)



\*Excludes Leasehold Improvements & Furniture & Fixtures

# Footnotes

- (1) Earnings Before Interest, Taxes, Depreciation & Amortization Adjusted to Exclude Restructuring Charges, Acquisition / Integration Costs, Impairment of Fixed Assets (Leasehold Improvements) and the Impairment of Right-of-Use Assets, when applicable.
- (2) Adj. Diluted Earnings per Share Adjusted to Exclude Restructuring Charges, Acquisition / Integration Costs, Impairment of Fixed Assets (Leasehold Improvements) and the Impairment of Right-of-Use Assets, Net of Tax, and Non-Recurring Tax Benefit Recorded in Connection with Worldwide Minimum Tax, when applicable.
- (3) Excludes Corporate Adj. EBITDA which was (\$31.1M) in FY'24 Q1, (\$33.4M) in FY'24 Q4 and (\$32.3M) in FY'25 Q1.
- (4) Represents Fee Revenue Derived from Annual Subscriptions and Licenses to KF's Intellectual Property and Data Solutions.
- (5) Investable Cash = Total Cash & Marketable Securities Less Cash & Marketable Securities Reserved for Bonuses & Deferred Compensation.
- (6) Represents the Estimated Quarter Ending \$ Amount of Assignments Under Contract to be Recognized as Revenue in Future Periods. There is No Guarantee that All Estimated Amounts Will be Recognized as Revenue.
- (7) New Business is Defined as Engagements Awarded in the Month Evidenced by a Signed Contract. Increases or Decreases in Scope on Existing Contracts are Recognized in the Remaining Performance Obligations Disclosures Completed Each Quarter.



# Appendix

## Reconciliations of Non-GAAP Financial Measures to U.S. GAAP Financial Measures

Earnings Conference Call  
September 5, 2024

# Reconciliation of Net Income (GAAP) to Adjusted EBITDA (Non-GAAP) (\$M)

FY'24 Q1; FY'24 Q4; FY'25 Q1

	FY'24 Qtr. 1	FY'24 Qtr. 4	FY'25 Qtr. 1	YoY Incr. / (Decr.)		Sequential Incr. / (Decr.)	
				\$ / %	%	\$ / %	%
Net Income Attributable to Korn Ferry	\$46.6	\$65.2	\$62.6	\$16.0	34%	(\$2.6)	(4%)
Net Income Attributable to Non-Controlling Int.	0.6	0.4	1.7	1.1	183%	1.3	325%
Net Income	\$47.2	\$65.6	\$64.3	\$17.1	36%	(\$1.3)	(2%)
Income Tax Provision	18.4	20.3	22.4	4.0	22%	2.1	10%
Income Before Provision for Income Taxes	\$65.6	\$85.9	\$86.6	\$21.0	32%	\$0.8	1%
Other (Income) - Net	(13.6)	(7.1)	(14.5)	(0.9)	7%	(7.4)	104%
Interest Expense - Net	4.7	4.7	3.9	(0.8)	(17%)	(0.8)	(17%)
Operating Income	\$56.8	\$83.5	\$76.1	\$19.3	34%	(\$7.4)	(9%)
Depreciation & Amortization	19.0	19.9	19.6	0.6	3%	(0.3)	(2%)
Other Income - Net	13.6	7.1	14.5	0.9	7%	7.4	104%
(1) Restructuring Charges	0.4	-	-	(0.4)	(100%)	-	-
(2) Integration / Acquisition Costs	4.1	1.8	1.1	(3.0)	(73%)	(0.7)	39%
(3) Impairment of Fixed Assets	0.1	-	-	(0.1)	(100%)	-	-
(4) Impairment of Right of Use Assets	1.6	-	-	(1.6)	(100%)	-	-
<b>Adjusted EBITDA</b>	<b>\$95.7</b>	<b>\$112.3</b>	<b>\$111.2</b>	<b>\$15.5</b>	<b>16%</b>	<b>(\$1.1)</b>	<b>(1%)</b>
Operating Margin	8.1%	12.1%	11.3%	3.2%	-	(0.8%)	-
Depreciation & Amortization	2.7%	2.9%	2.9%	0.2%	-	0.0%	-
Other Income - Net	2.0%	1.0%	2.1%	0.1%	-	1.1%	-
(1) Restructuring Charges	0.1%	-	-	(0.1%)	-	-	-
(2) Integration / Acquisition Costs	0.6%	0.3%	0.2%	(0.4%)	-	(0.1%)	-
(3) Impairment of Fixed Assets	-	-	-	0.0%	-	-	-
(4) Impairment of Right of Use Assets	0.2%	-	-	(0.2%)	-	-	-
<b>Adjusted EBITDA Margin</b>	<b>13.7%</b>	<b>16.3%</b>	<b>16.5%</b>	<b>2.8%</b>	<b>-</b>	<b>0.2%</b>	<b>-</b>

(1) Restructuring changes incurred to align our workforce to the challenging macroeconomic business environment arising from persistent inflationary pressures, rising interest rates and global geopolitical uncertainty

(2) Costs associated with current and previous acquisitions, such as legal & professional fees, retention awards and other on-going integration costs to combine the companies

(3) Costs associated with the impairment of fixed assets in FY'24

(4) Costs associated with the impairment of right-of-use assets due to terminating and subleasing some of our office space

# Reconciliation of Net Income & Diluted EPS (GAAP) to Adjusted Net Income & Adjusted Diluted EPS (Non-GAAP) (\$M)

FY'24 Q1; FY'24 Q4; FY'25 Q1

	FY'24 Qtr. 1	FY'24 Qtr. 4	FY'25 Qtr. 1	YoY Incr. / (Decr.)		Sequential Incr. / (Decr.)	
				\$	%	\$	%
Net Income Attributable to Korn Ferry	\$46.6	\$65.2	\$62.6	\$16.0	34%	(\$2.6)	(4%)
(1) Restructuring Charges	0.4	-	-	(0.4)	(100%)	-	-
(2) Integration / Acquisition Costs	4.1	1.8	1.1	(3.0)	(73%)	(0.7)	(39%)
(3) Impairment of Fixed Assets	0.1	-	-	(0.1)	(100%)	-	-
(4) Impairment of Right of Use Assets	1.6	-	-	(1.6)	(100%)	-	-
(5) Tax Effect of Adjustment Items	(1.4)	(1.3)	(0.6)	0.8	(57%)	0.7	(54%)
<b>Adjusted Net Income Attributable to KF</b>	<b>\$51.5</b>	<b>\$65.7</b>	<b>\$63.1</b>	<b>\$11.6</b>	<b>23%</b>	<b>(\$2.6)</b>	<b>(4%)</b>
Diluted Earnings per Common Sh.	\$0.89	\$1.24	\$1.17	\$0.28	31%	(\$0.07)	(6%)
(1) Restructuring Charges	0.01	-	-	(0.01)	(100%)	-	-
(2) Integration / Acquisition Costs	0.08	0.04	0.02	(0.06)	(75%)	(0.02)	(50%)
(3) Impairment of Fixed Assets	-	-	-	-	-	-	-
(4) Impairment of Right of Use Assets	0.03	-	-	(0.03)	(100%)	-	-
(5) Tax Effect of Adjustment Items	(0.02)	(0.02)	(0.01)	0.01	(50%)	0.01	(50%)
<b>Adjusted Diluted Earnings per Sh.</b>	<b>\$0.99</b>	<b>\$1.26</b>	<b>\$1.18</b>	<b>\$0.19</b>	<b>19%</b>	<b>(\$0.08)</b>	<b>(6%)</b>

(1) Restructuring changes incurred to align our workforce to the challenging macroeconomic business environment arising from persistent inflationary pressures, rising interest rates and global geopolitical uncertainty

(2) Costs associated with current and previous acquisitions, such as legal & professional fees, retention awards and other on-going integration costs to combine the companies

(3) Costs associated with the impairment of fixed assets in FY'24

(4) Costs associated with the impairment of right-of-use assets due to terminating and subleasing some of our office space

(5) Tax effect on the adjustment items

# Reconciliation of Consolidated Net Income & Consolidated Operating Income (GAAP) to Adjusted EBITDA (Non-GAAP) (\$M)

FY'24 Q1

	FY'24 Q1										
	Executive Search						RPO	Prof. Sch. & Interim	Corp.	KF	
	Consulting	Digital	North America	EMEA	Asia Pacific	Latin America					Total Exec. Search
Fee Revenue	\$168.1	\$88.0	\$127.5	\$46.8	\$24.5	\$6.4	\$205.2	\$95.7	\$142.2		\$699.2
Net Income Attributable to Korn Ferry											\$46.6
Net Income Attributable to Noncontrolling Interest											0.6
Other Income - Net											(13.6)
Interest Exps. - Net											4.7
Income Tax Expense											18.4
Oper. Income											\$56.8
Margin (%)											8.1%
Deprec. & Amortiz.											19.0
Other Income - Net											13.6
(1) Restructuring Chgs.											0.4
(2) Integ. / Acq. Costs											4.1
(3) Impairment of Fixed Assets											0.1
(4) Impairment of right to use asset											1.6
Adjusted EBITDA	\$25.2	\$24.3	\$28.8	\$5.6	\$6.3	\$1.7	\$42.5	\$10.5	\$24.3	(\$31.1)	\$95.7
Margin (%)	15.0%	27.6%	22.6%	12.1%	25.7%	27.1%	20.7%	10.9%	17.1%		13.7%

(1) Restructuring charges incurred to realign our workforce to the challenging macroeconomic business environment arising from persistent inflationary pressures, rising interest rates and global geopolitical uncertainty

(2) Costs associated with acquisitions, such as legal & professional fees, retention awards and other on-going integration costs to combine the companies

(3) Costs associated with the impairment of fixed assets

(4) Costs associated with the impairment of right-of-use assets due to early termination of the lease agreements

# Reconciliation of Consolidated Net Income & Consolidated Operating Income (GAAP) to Adjusted EBITDA (Non-GAAP) (\$M)

FY'24 Q4

	FY'24 Q4										
	Executive Search										
	Consulting	Digital	North America	EMEA	Asia Pacific	Latin America	Total Exec. Search	RPO	Prof. Sch. & Interim	Corp.	KF
Fee Revenue	\$182.2	\$91.3	\$125.5	\$45.6	\$20.7	\$6.9	\$198.7	\$89.5	\$129.2		\$690.8
Net Income Attributable to Korn Ferry											\$65.2
Net Income Attributable to Noncontrolling Interest											0.4
Other Income - Net											(7.1)
Interest Exps. - Net											4.7
Income Tax Expense											20.3
Oper. Income											\$83.5
Margin (%)											12.1%
Deprec. & Amortiz.											19.9
Other Income - Net											7.1
(2) Integ. / Acq. Costs											1.8
Adjusted EBITDA	\$32.3	\$28.0	\$33.1	\$6.8	\$4.2	\$1.3	\$45.5	\$11.8	\$28.1	(\$33.4)	\$112.3
Margin (%)	17.8%	30.7%	26.4%	15.0%	20.5%	18.5%	22.9%	13.2%	21.8%		16.3%

(2) Costs associated with acquisitions, such as legal & professional fees, retention awards and other on-going integration costs to combine the companies

# Reconciliation of Consolidated Net Loss & Consolidated Operating Income (GAAP) to Adjusted EBITDA (Non-GAAP) (\$M)

FY'25 Q1

	FY'25 Q1										
	Consulting	Digital	Executive Search				RPO	Prof. Sch. & Interim	Corp.	KF	
			North America	EMEA	Asia Pacific	Latin America					Total Exec. Search
Fee Revenue	\$167.9	\$88.2	\$134.8	\$46.0	\$20.6	\$7.3	\$208.6	\$88.5	\$121.7	\$674.9	
Net Income Attributable to Korn Ferry										\$62.6	
Net Income Attributable to Noncontrolling Interest										1.7	
Other Income - Net										(14.5)	
Interest Exps. - Net										3.9	
Income Tax Expense										22.4	
Oper. Income										\$76.1	
Margin (%)										11.3%	
Deprec. & Amortiz.										19.6	
Other Income - Net										14.5	
(2) Integ. / Acq. Costs										1.1	
Adjusted EBITDA	\$29.3	\$26.6	\$35.1	\$7.3	\$4.2	\$2.8	\$49.4	\$12.5	\$25.7	(\$32.3)	\$111.2
Margin (%)	17.5%	30.2%	26.0%	15.8%	20.5%	38.2%	23.7%	14.1%	21.1%		16.5%
Adjusted EBITDA - FY'24 Q4	\$32.3	\$28.0	\$33.1	\$6.8	\$4.2	\$1.3	\$45.5	\$11.8	\$28.1	(\$33.4)	\$112.3
Sequential Incr. / (Decr.) - \$	(\$3.0)	(\$1.4)	\$2.0	\$0.5	-	\$1.5	\$3.9	\$0.7	(\$2.4)	\$1.1	(\$1.1)
Sequential Incr. / (Decr.) - %	(9.3%)	(5.0%)	6.0%	7.4%	-	115.4%	8.6%	5.9%	(8.6%)	(3.3%)	(1.0%)

(2) Costs associated with acquisitions, such as legal & professional fees, retention awards and other on-going integration costs to combine the companies

# Reconciliation of Cash & Marketable Securities to Investable Cash (\$M)

FY'24 Q1; FY'24 Q4; FY'25 Q1

	FY'24	FY'24	FY'25	YoY		Sequential	
	Qtr. 1	Qtr. 4	Qtr. 1	Incr. / (Decr.)	Incr. / (Decr.)	Incr. / (Decr.)	Incr. / (Decr.)
				\$	%	\$	%
Cash	\$562.2	\$941.0	\$633.4	\$71.2	13%	(\$307.6)	(33%)
Marketable Securities	218.8	254.4	271.8	53.0	24%	17.4	7%
<b>Cash &amp; Marketable Securities</b>	<b>\$781.0</b>	<b>\$1,195.4</b>	<b>\$905.2</b>	<b>\$124.2</b>	<b>16%</b>	<b>(\$290.2)</b>	<b>(24%)</b>
<b>Less:</b>							
ECAP & Bonus Liability	300.4	589.1	352.1	51.7	17%	(237.0)	(40%)
<b>Investable Cash</b>	<b>\$480.7</b>	<b>\$606.4</b>	<b>\$553.1</b>	<b>\$72.4</b>	<b>15%</b>	<b>(\$53.3)</b>	<b>(9%)</b>

# Fee Revenue Growth by Segment and Region – Actual Reported vs. Constant Currency

FY'25 Q1 vs. FY'24 Q1				
		Reported		Const. Curr.
		\$M	% Grth.	% Grth.
<b><u>Executive Search</u></b>				
North America		\$134.8	6%	6%
Europe		46.0	(2%)	(1%)
Asia / Pacific		20.6	(16%)	(14%)
Latin America		7.3	14%	24%
<b>Total Exec. Search</b>		<b>\$208.6</b>	<b>2%</b>	<b>3%</b>
<b><u>Consulting</u></b>				
North America		\$75.4	1%	2%
Europe		64.7	6%	7%
Asia / Pacific		22.7	(15%)	(11%)
Latin America		5.0	(12%)	0%
<b>Total Consulting</b>		<b>\$167.9</b>	<b>0%</b>	<b>1%</b>
<b><u>Digital</u></b>				
North America		\$36.0	(5%)	(4%)
Europe		35.6	11%	12%
Asia / Pacific		11.7	(13%)	(8%)
Latin America		4.9	4%	21%
<b>Total Digital</b>		<b>\$88.2</b>	<b>0%</b>	<b>2%</b>
<b><u>RPO</u></b>				
North America		\$42.1	(2%)	(2%)
Europe		26.3	(19%)	(19%)
Asia / Pacific		16.7	2%	4%
Latin America		3.4	(8%)	3%
<b>Total RPO</b>		<b>\$88.5</b>	<b>(8%)</b>	<b>(7%)</b>
<b><u>Prof. Search &amp; Interim</u></b>				
North America		\$102.4	(14%)	(14%)
Europe		11.5	(20%)	(19%)
Asia / Pacific		4.8	(13%)	(11%)
Latin America		3.0	(12%)	(3%)
<b>Total Prof. Search &amp; Interim</b>		<b>\$121.7</b>	<b>(14%)</b>	<b>(14%)</b>
<b>Total KF</b>		<b>\$674.9</b>	<b>(3%)</b>	<b>(2%)</b>



# Thank You