



ManpowerGroup®

# ManpowerGroup First Quarter Results

April 19, 2022



# FORWARD-LOOKING STATEMENT

This presentation contains statements, including statements regarding economic uncertainty, the Russia-Ukraine war and other geopolitical uncertainty, financial and labor outlook, the Company's strategic initiatives and technology investments, the impact of the Mexican labor regulation, and the potential impacts of the COVID-19 pandemic and the Company's efforts to respond to such impacts, that are forward-looking in nature and, accordingly, are subject to risks and uncertainties regarding the Company's expected future results. The Company's actual results may differ materially from those described or contemplated in the forward-looking statements due to numerous factors. These factors include those found in the Company's reports filed with the SEC, including the information under the heading "Risk Factors" in its Annual Report on Form 10-K for the year ended December 31, 2021, which information is incorporated herein by reference.

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

# ManpowerGroup 2022 First Quarter Results

## Consolidated Financial Highlights

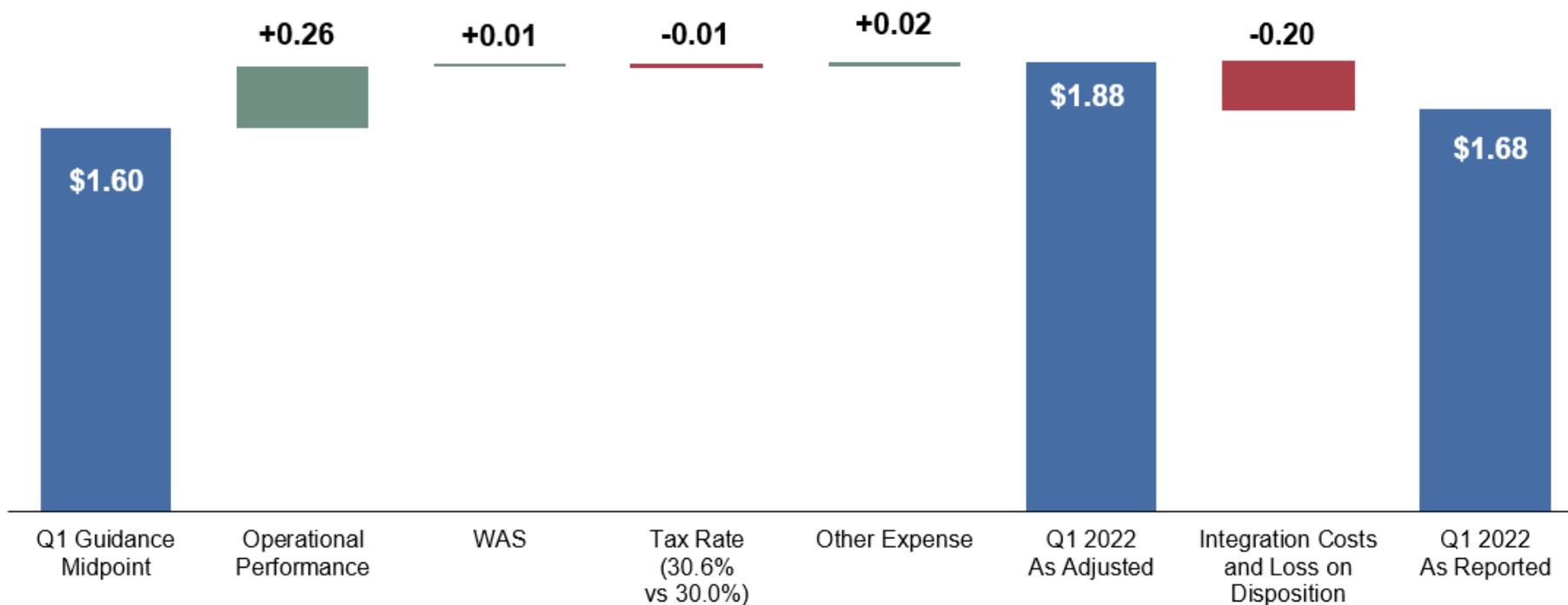
As Reported	As Adjusted <sup>(1)</sup>	Q1 Financial Highlights
 4% 10% CC 6% OCC	 4% 10% CC 6% OCC	<b>Revenue \$5.1B</b>
 180 bps 150 bps OCC	 180 bps 150 bps OCC	<b>Gross Margin 17.4%</b>
 43% 51% CC 33% OCC	 56% 64% CC 46% OCC	<b>EBITA<sup>(2)</sup> \$148M (\$162M as adjusted)</b>
 80 bps 50 bps OCC	 100 bps 80 bps OCC	<b>EBITA<sup>(2)</sup> Margin 2.9% (3.1% as adjusted)</b>
 41% 49% CC 36% OCC	 55% 63% CC 50% OCC	<b>Operating Profit \$139M (\$152M as adjusted)</b>
 70 bps 60 bps OCC	 100 bps 80 bps OCC	<b>OP Margin 2.7% (3.0% as adjusted)</b>
 51% 60% CC 46% OCC	 69% 78% CC 64% OCC	<b>EPS \$1.68 (\$1.88 as adjusted)</b>

(1) Excludes the net impact of integration costs of \$3.7M (\$2.9M net of tax) and loss on Russia disposition of \$8M in Q1 2022.

(2) EBITA is a non-GAAP financial measure and is defined herein as Operating Profit before Amortization of Intangible Assets.

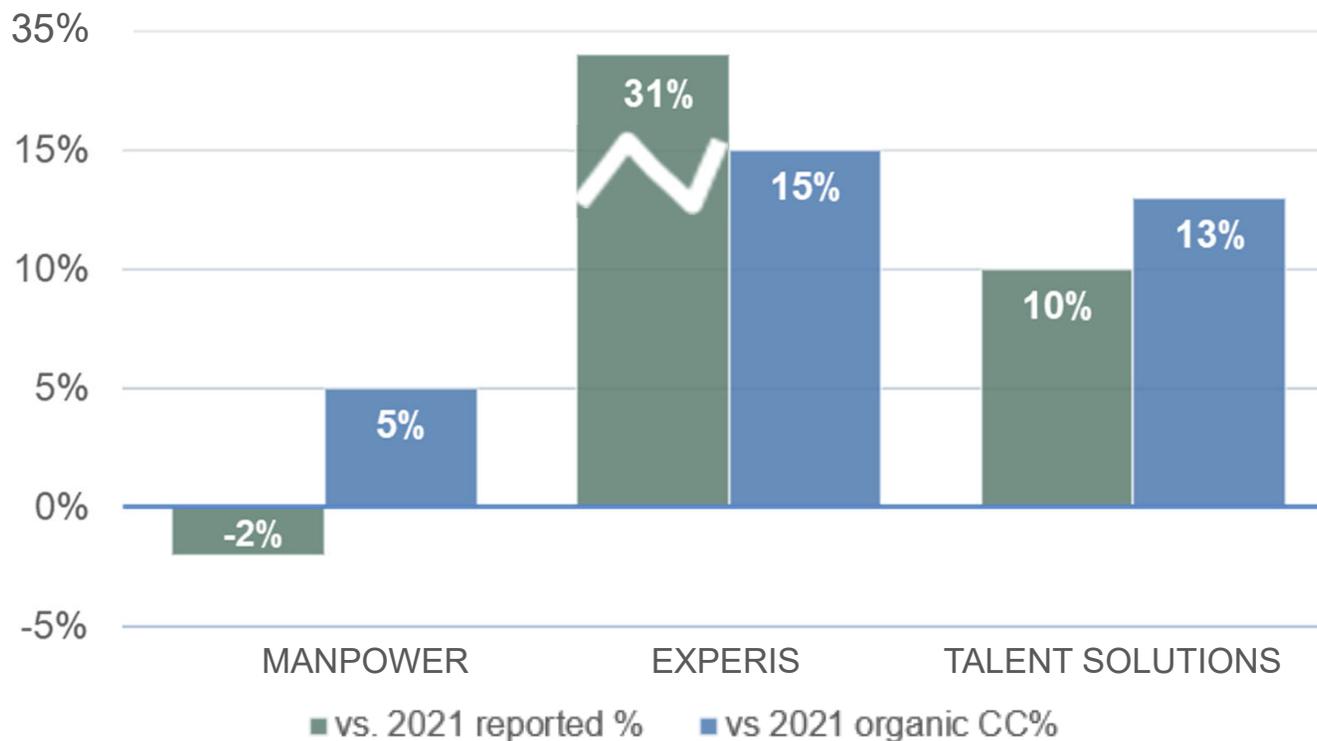
# ManpowerGroup 2022 First Quarter Results

## EPS Bridge – Q1 vs. Guidance Midpoint



# ManpowerGroup 2022 First Quarter Results

## Business Line Revenue Q1 2022<sup>(1)</sup>



Solid organic constant currency growth in Manpower during the first quarter



Higher margin brands growing at double-digit growth rates



Experis showing strong growth and integration of the U.S. acquisition is proceeding well

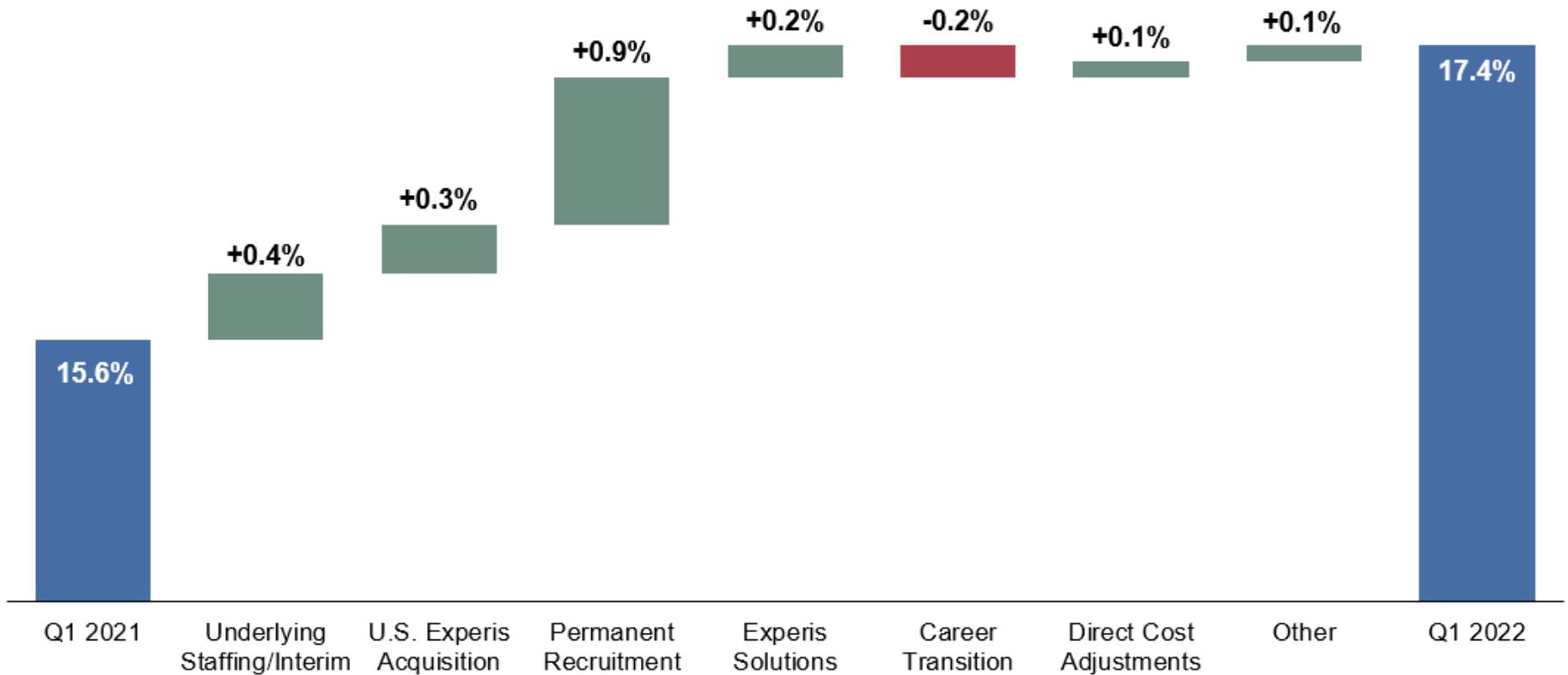


Continued strong growth in market-leading RPO and MSP offerings

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

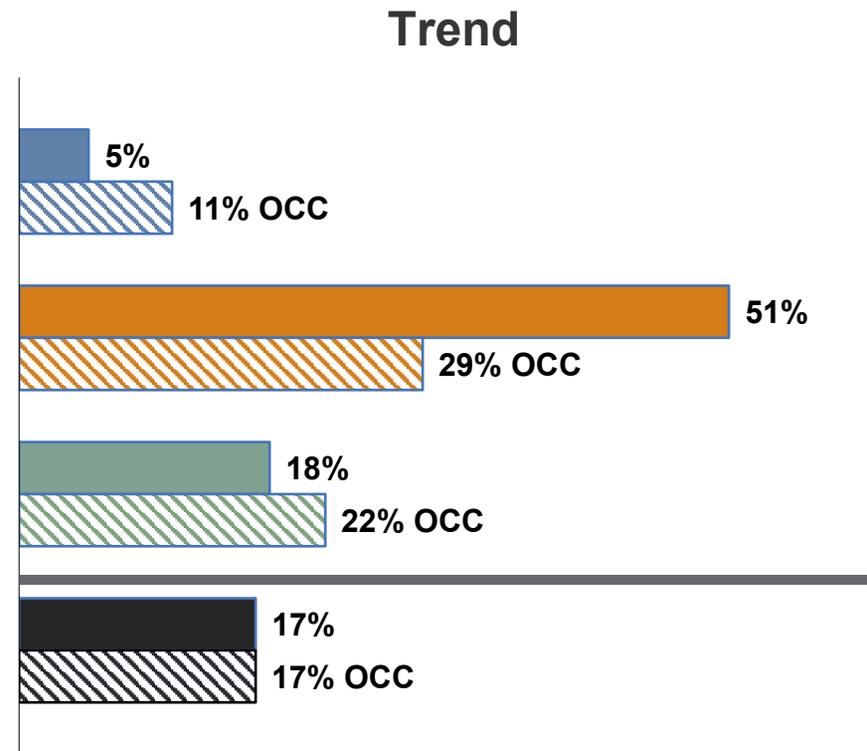
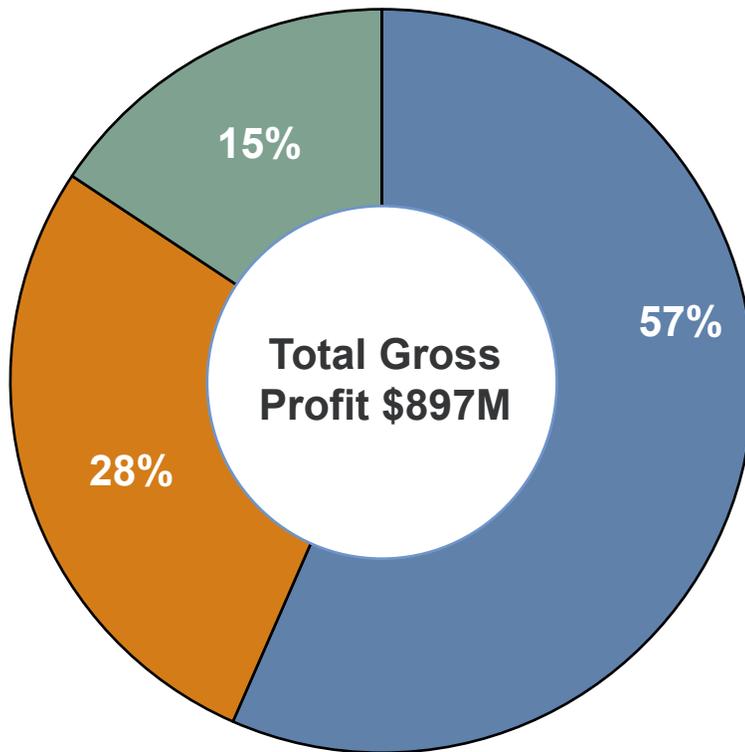
# ManpowerGroup 2022 First Quarter Results

## Consolidated Gross Margin Change



# ManpowerGroup 2022 First Quarter Results

## Business Line Gross Profit – Q1 2022<sup>(1)</sup>



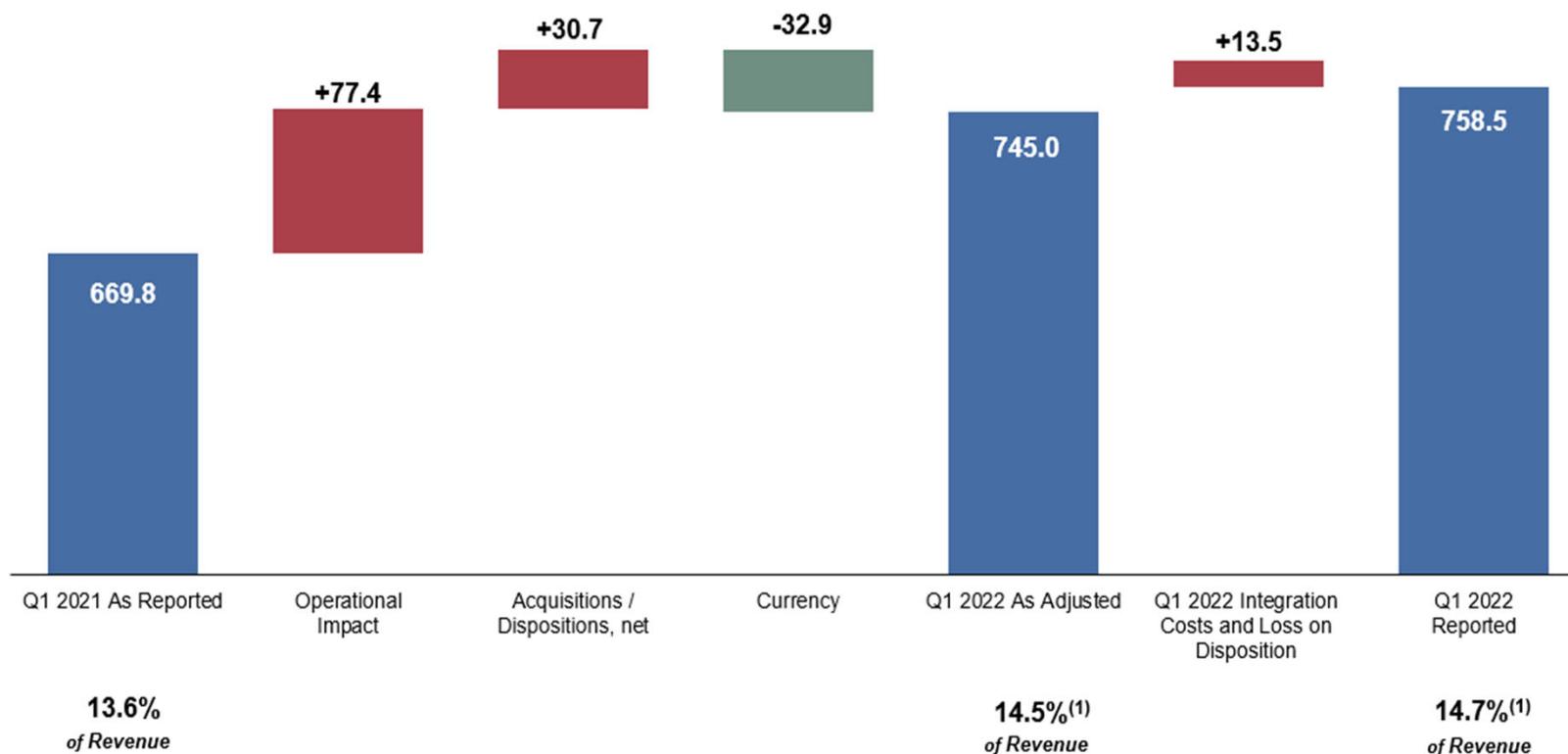
■ Manpower   
 ■ Experis   
 ■ Talent Solutions   
 ■ ManpowerGroup – Total

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

# ManpowerGroup 2022 First Quarter Results

## SG&A Expense Bridge – Q1 YoY

(in millions of USD)



(1) Reported and as adjusted ratios are unfavorably impacted 10 bps due to the effect of currency exchange rates on our business mix. In constant currency, SG&A reported and as adjusted are 14.6% and 14.4% of revenue, respectively.

# ManpowerGroup 2022 First Quarter Results

## Americas Segment

(24% of Revenue)

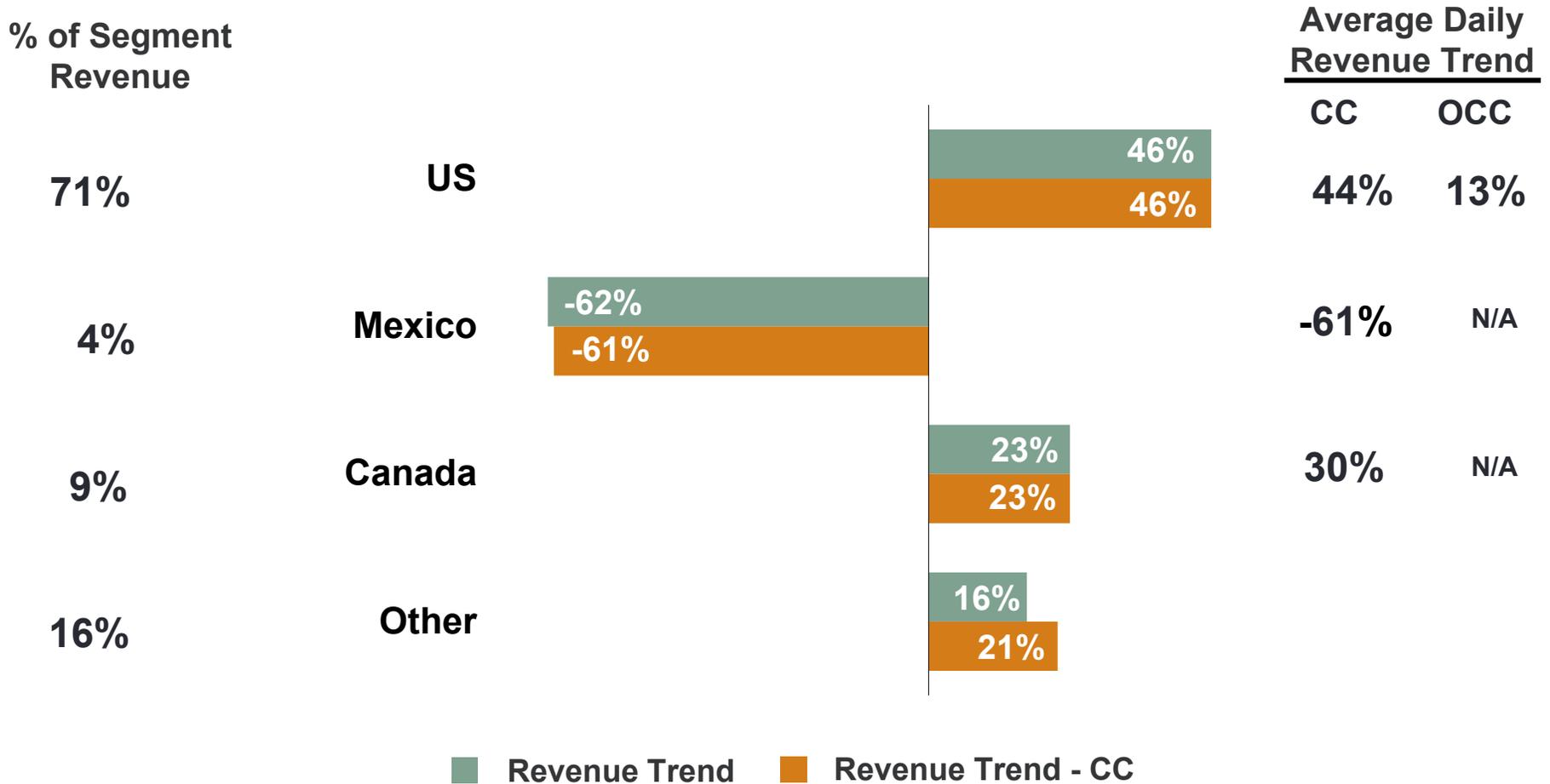
As Reported	As Adjusted <sup>(1)</sup>	Q1 Financial Highlights
<ul style="list-style-type: none"> <li>↑ 25%</li> <li>↑ 26% CC</li> <li>↑ 7% OCC</li> </ul>	<ul style="list-style-type: none"> <li>↑ 25%</li> <li>↑ 26% CC</li> <li>↑ 7% OCC</li> </ul>	<b>Revenue \$1.3B</b>
<ul style="list-style-type: none"> <li>↑ 65%</li> <li>↑ 66% CC</li> <li>↑ 22% OCC</li> </ul>	<ul style="list-style-type: none"> <li>↑ 74%</li> <li>↑ 75% CC</li> <li>↑ 31% OCC</li> </ul>	<b>OUP \$73M (\$77M as adjusted)</b>
<ul style="list-style-type: none"> <li>↑ 140 bps</li> <li>↑ 60 bps OCC</li> </ul>	<ul style="list-style-type: none"> <li>↑ 170 bps</li> <li>↑ 100 bps OCC</li> </ul>	<b>OUP Margin 5.8% (6.1% as adjusted)</b>

(1) Excludes the impact of integration costs of \$3.7M in Q1 2022.

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

# ManpowerGroup 2022 First Quarter Results

## Americas – Q1 Revenue Trend YoY



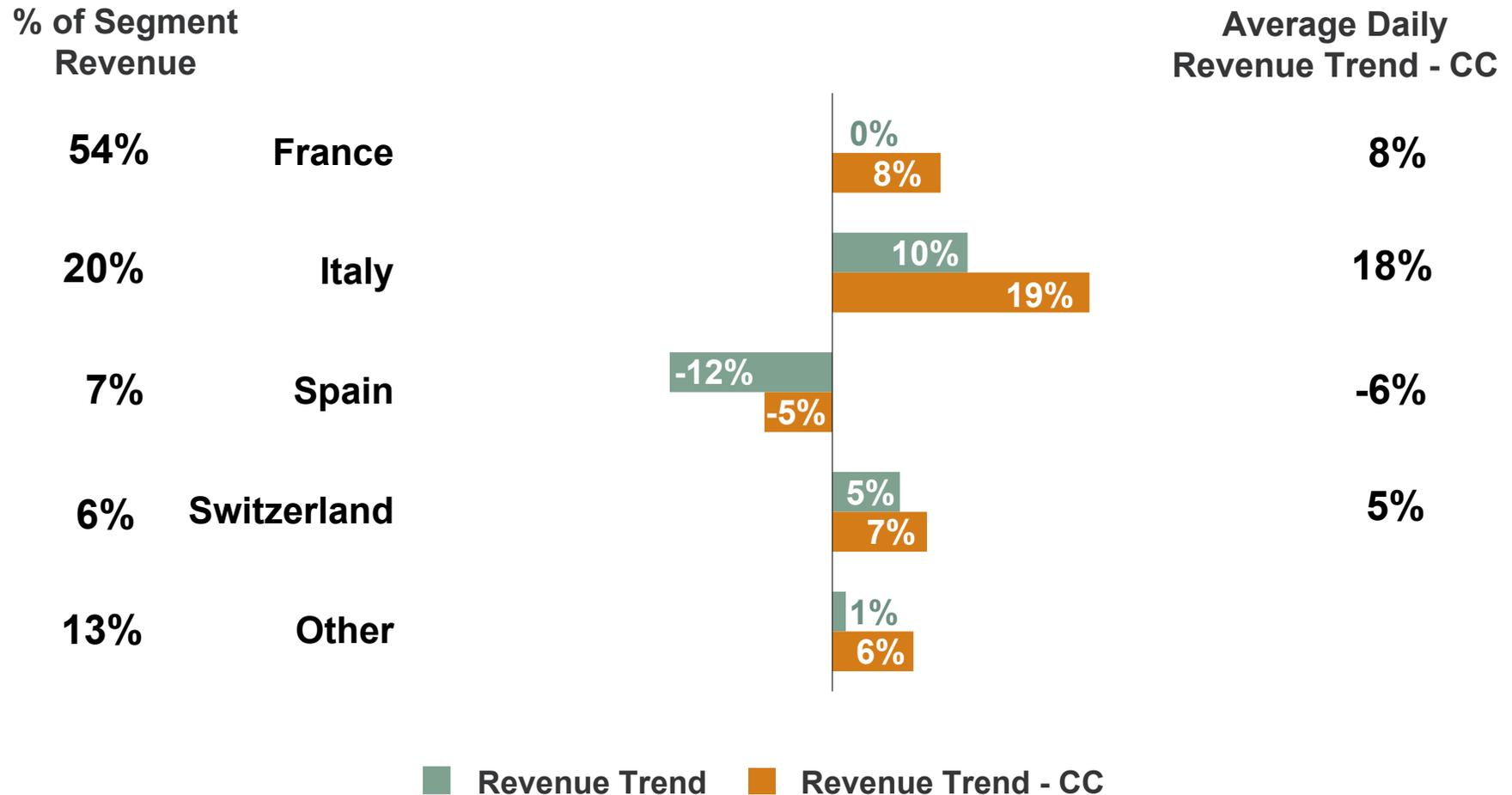
# ManpowerGroup 2022 First Quarter Results

## Southern Europe Segment (43% of Revenue)

As Reported	Q1 Financial Highlights
↑ 2%	<b>Revenue \$2.2B</b>
↑ 8% CC	
↑ 30%	<b>OUP \$95M</b>
↑ 38% CC	
↑ 90 bps	<b>OUP Margin 4.3%</b>

# ManpowerGroup 2022 First Quarter Results

## Southern Europe – Q1 Revenue Trend YoY



# ManpowerGroup 2022 First Quarter Results

## Northern Europe Segment

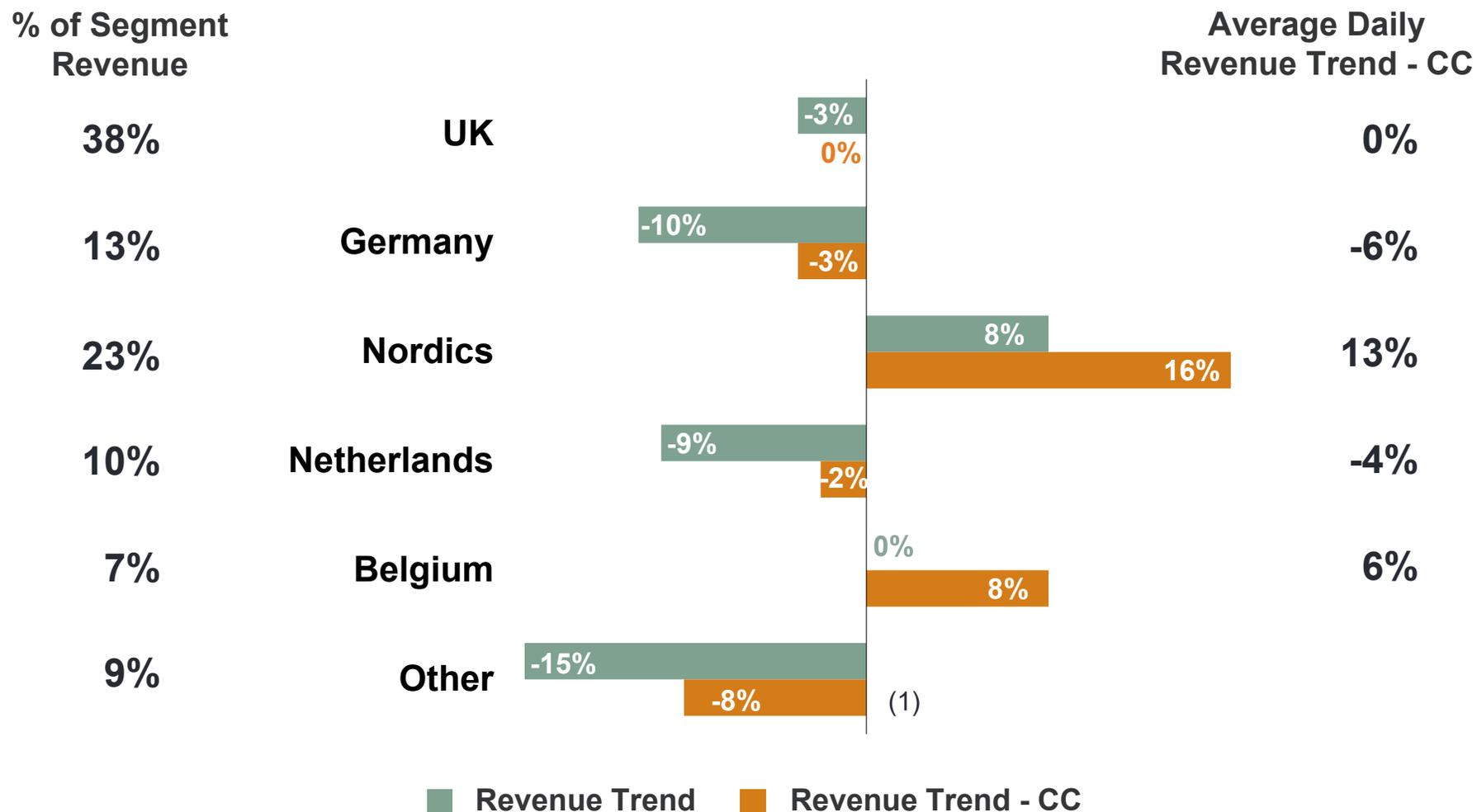
(21% of Revenue)

As Reported	As Adjusted <sup>(1)</sup>	Q1 Financial Highlights
<p>↓ 3%</p> <p>↑ 2% CC</p> <p>↑ 4% OCC</p>	<p>↓ 3%</p> <p>↑ 2% CC</p> <p>↑ 4% OCC</p>	<p><b>Revenue \$1.1B</b></p>
<p>↓ 32%</p> <p>↓ 35% CC</p> <p>↓ 28% OCC</p>	<p>↑ 88%</p> <p>↑ 92% CC</p> <p>↑ 114% OCC</p>	<p><b>OUP \$3M</b> <b>(\$9M as adjusted)</b></p>
<p>↓ 10 bps</p> <p>↓ 10 bps OCC</p>	<p>↑ 40 bps</p> <p>↑ 40 bps OCC</p>	<p><b>OUP Margin 0.3%</b> <b>(0.8% as adjusted)</b></p>

(1) Excludes the loss on disposition of our Russia business of \$5.8M in Q1 2022. An additional \$2.2M net loss related to the disposition of Russia is recorded outside of the geographic segment representing \$3.9M within Corporate expense offset by a currency translation gain of \$1.7M in Other expenses.

# ManpowerGroup 2022 First Quarter Results

## Northern Europe – Q1 Revenue Trend YoY



(1) Revenue trend includes the loss of revenues since the sale of Russia. On an organic CC basis, the revenue trend is +11%.

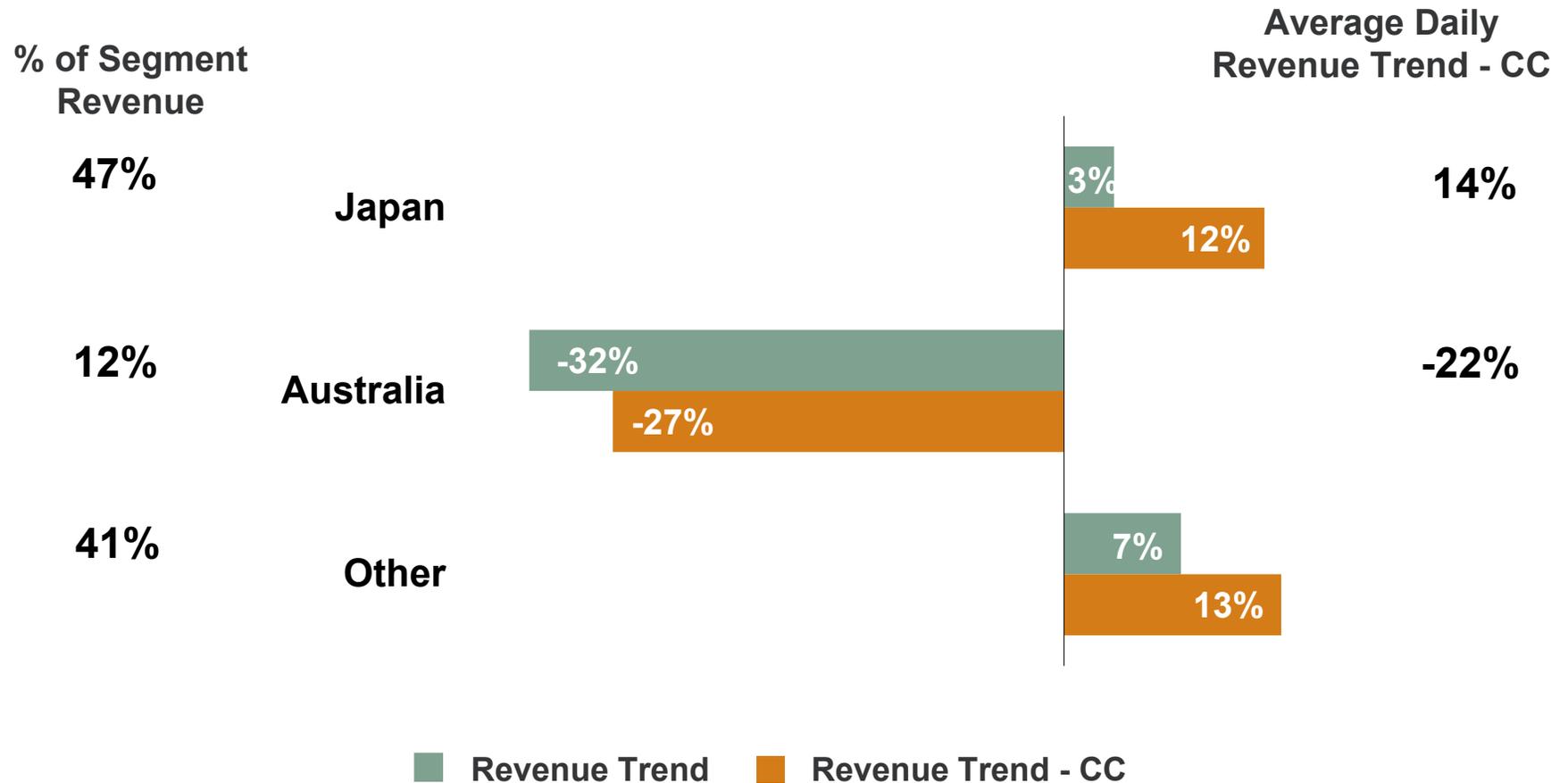
# ManpowerGroup 2022 First Quarter Results

## APME Segment (12% of Revenue)

As Reported	Q1 Financial Highlights
↓ 1%	<b>Revenue \$618M</b>
↑ 6% CC	
↑ 1%	<b>OUP \$19M</b>
↑ 10% CC	
↑ 10 bps	<b>OUP Margin 3.1%</b>

# ManpowerGroup 2022 First Quarter Results

## APME – Q1 Revenue Trend YoY



# ManpowerGroup 2022 First Quarter Results

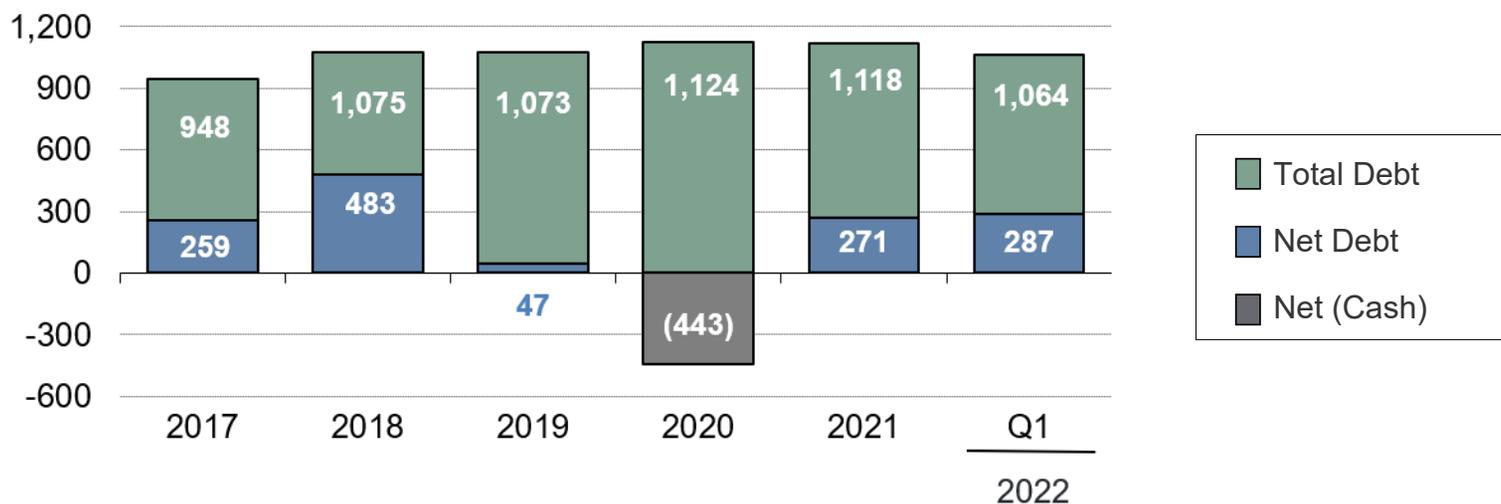
## Cash Flow Summary – YTD

(in millions of USD)	2022	2021
Net Earnings	92	62
Non-cash Provisions and Other	37	20
Change in Operating Assets/Liabilities	(58)	59
Capital Expenditures	(19)	(13)
Free Cash Flow	52	128
Change in Debt	(28)	3
Acquisitions of Businesses, including Contingent Considerations, net of cash acquired	-	(13)
Other Equity Transactions	(8)	(3)
Repurchases of Common Stock	(60)	(100)
Effect of Exchange Rate Changes	(27)	(60)
Other		1
Change in Cash	(71)	(44)

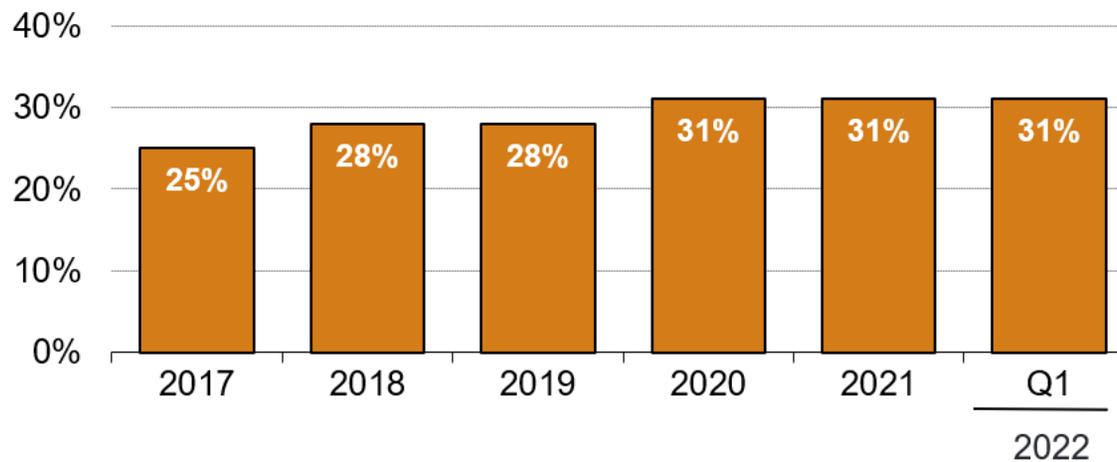
# ManpowerGroup 2022 First Quarter Results

## Balance Sheet Highlights

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



**Total Debt to Total Capitalization**



# ManpowerGroup 2022 First Quarter Results

## Debt and Credit Facilities – March 31, 2022

(in millions of USD)

	Interest Rate	Maturity Date	Total Outstanding	Remaining Available
<b>Euro Notes - €500M</b>	<b>1.809%</b>	<b>Jun 2026</b>	<b>550</b>	<b>-</b>
<b>Euro Notes - €400M</b>	<b>1.913%</b>	<b>Sep 2022</b>	<b>443</b>	<b>-</b>
<b>Revolving Credit Agreement</b> <sup>(1)(2)</sup>	<b>1.450%</b>	<b>Jun 2023</b>	<b>50</b>	<b>549</b>
<b>Uncommitted lines and Other</b> <sup>(3)</sup>	<b>Various</b>	<b>Various</b>	<b>21</b>	<b>320</b>
<b>Total Debt</b>			<b>1,064</b>	<b>869</b>

(1) The \$600M agreement requires that we comply with a Leverage Ratio (net Debt-to-EBITDA) of not greater than 3.5 to 1 and a Fixed Charge Coverage Ratio of not less than 1.5 to 1, in addition to other customary restrictive covenants. As defined in the agreement, we had a net Debt-to-EBITDA ratio of .92 to 1 and a fixed charge coverage ratio of 5.56 to 1 as of March 31, 2022. (In the agreement, net debt is defined as total debt less cash in excess of \$400M.) As of March 31, 2022, there were \$0.5M of standby letters of credit issued under the agreement.

(2) Under the \$600M agreement, we have an option to increase the total availability under the facility by an additional \$200M.

(3) Represents subsidiary uncommitted lines of credit & overdraft facilities, which total \$340.9M. Total subsidiary borrowings are limited to \$300M due to restrictions in our Revolving Credit Facility, with the exception of Q3 when subsidiary borrowings are limited to \$600M.

# ManpowerGroup 2022 First Quarter Results

## Second Quarter 2022 Outlook

<b>Revenue</b>	<b>Total</b>	Down 2/Up 2% (6-10% CC) (2-6% OCC)
	<b>Americas</b>	Up 22-26% (24-28% CC) (5-9% OCC)
	<b>Southern Europe</b>	Down 2-6% (Up 3-7% CC)
	<b>Northern Europe</b>	Down 8-12% (Flat/Down 4% CC) (Down 1%/Up 3% OCC)
	<b>APME</b>	Flat/Down 4% (Up 3-7% CC)
<b>Gross Profit Margin</b>		17.7 – 17.9%
<b>EBITA<sup>(1)</sup> Margin</b>		3.6 – 3.8%
<b>Operating Profit Margin</b>		3.4 – 3.6%
<b>Tax Rate</b>		30.0%
<b>EPS</b>		\$2.31 – \$2.39 (unfavorable \$0.19 currency)

Estimates do not include second quarter impact of acquisition integration costs of approximately \$4M to \$6M.

(1) EBITA is a non-GAAP financial measure and is defined herein as Operating Profit before Amortization of Intangible Assets.

# ManpowerGroup 2022 First Quarter Results

## Key Take Aways



Our first quarter results reflect strength of brands and geographic footprint with revenue growth of 10% in constant currency



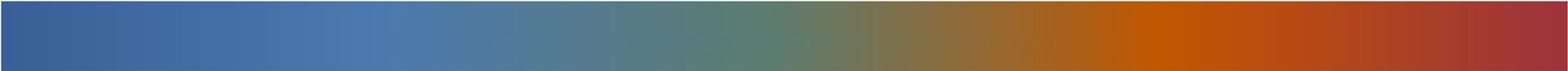
Gross profit margin of 17.4% reflects good pricing discipline, strong permanent recruitment activity and improved business mix



Very good progress in advancing our Diversification, Digitization and Innovation initiatives to date during 2022



Recognized as one of the World's Most Ethical Companies for the 13<sup>th</sup> year by Ethisphere



# ManpowerGroup 2022 First Quarter Results

## Appendix

# ManpowerGroup 2022 First Quarter Results

## Industry Vertical Composition – Q1 2022

