THE ADECCO GROUP

AD HOC ANNOUNCEMENT pursuant to Art. 53 Listing Rules of SIX Swiss Exchange
Group press release, Zurich, Switzerland, May 4, 2023

Q1 2023 RESULTS

Delivering strong market share gains, revenue growth and gross margin

Q1 HIGHLIGHTS

- Revenues +8% reported, +3% yoy organic TDA[1], with standout performance in LHH Career Transition, +63%, and double-digit growth in Adecco APAC, Germany, Latam, EEMENA
- Broad-based market share gains; Adecco's relative revenue growth +600 bps in Q1
- Sustained strong 21.3% gross margin driven by favourable business mix, supportive solutions mix and pricing
- Robust EBITA margin excl. one-offs of 3.1%, includes impact from the timing of AKKA's consolidation and FESCO JV income, and a moderated contribution from Adecco North America
- Group productivity +2% yoy; Adecco productivity +5% qoq with FTEs -2% qoq
- Akkodis integration well progressed; strong momentum in Consulting
- Operating income €144 million, +3% constant currency
- Basic EPS €0.55; Adjusted EPS €0.72

Denis Machuel, Adecco Group CEO, commented:

"The Group achieved a very good Q1 performance, effectively delivering against our plan, with growth that continued to outpace the market and a gross margin that remained industry-leading. In Adecco, we achieved further significant share gains with outperformance in many key geographies, while dynamic pricing and productivity improvements kept profitability at a solid level. Akkodis continued to perform well including navigating the US tech staffing slowdown, with the team harnessing the newly combined tech and engineering capabilities to secure continued major consulting contract wins, with a healthy pipeline in place. In LHH, our Career Transition business actively captured further corporate restructuring projects resulting in record high performance levels, while Ezra, our digital coaching business, also posted excellent growth.

Looking ahead, we still have a number of areas that require further focus and we are fully concentrated on these, while remaining agile and responsive to market conditions. Overall we see strong momentum from our Simplify-Execute-Grow plan; our teams are equally focused on achieving significant G&A cost reduction, which we expect will begin to flow through in H2, while driving growth and market share."

KEY FIGURES

EUR millions, unless otherwise stated	Q1 23	Q1 22	CHANGE Reported	CHANGE Organic
Revenues	5,892	**5,446**	+8%	+3%[1]
Gross profit	1,254	**1,151**	+9%	+5%
EBITA excl. one-offs[2]	184	**185**	-1%	+2%
Operating income	144	**146**	-1%	+3%[3]
Net income / (loss)[4]	92	**92**	0%	
Basic EPS	0.55	**0.56**	-1%	
Adjusted EPS[2]	0.72	**0.76**	-5%	
Gross profit margin	21.3%	**21.1%**	+20 bps	+20 bps
SG&A excl. one-offs[2] as % of revenues	18.4%	**17.8%**	+60 bps	
EBITA margin excl. one-offs	3.1%	**3.4%**	-30 bps	
Cash flow from operating activities	(116)	**55**		
Cash conversion ratio[2]	47%	**79%**		
Net debt/EBITDA excl. one-offs[2]	2.7x	**2.4x**		

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.

Q1 FINANCIAL PERFORMANCE

Revenues

First quarter revenues of EUR 5,892 million were up 3 percent organic and TDA (4 percent organic, 8 percent reported). Currency translation effects had a net negative impact of 50 basis points, M&A activities a net positive impact of 400 basis points, and number of working days a net positive impact of 150 basis points.

At the Global Business Unit level, organically and TDA, Adecco revenues were up 3 percent (5 percent reported), Akkodis revenues rose 4 percent (34 percent reported, including AKKA), and LHH revenues were flat (up 1 percent reported).

Revenues rose across the vast majority of the Group's service lines, led by Career Transition, for which revenues were up 60 percent organically (63 percent reported). Flexible Placement revenues rose 4 percent (4 percent reported), Permanent Placement revenues rose 1 percent (2 percent reported), and Outsourcing, Consulting & Other Services was up 1 percent (25 percent reported, including AKKA). Training, Up-skilling & Re-skilling services revenues were flat (up 2 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	**+3**	Adecco	+5	+3	Flexible Placement	+4	+4
TDA	+1.5	Akkodis	+34	+4	Permanent Placement	+2	+1
Currency	-0.5	LHH	+1	0	Career Transition	+63	+60
M&A	+4.0				Outsourcing, Consulting & Other Services	+25	+1
					Training, Up-skilling & Re-skilling	+2	0
Group	**+8**	**Group**	**+8**	**+3**	**Group**	**+8**	**+4**

Gross profit

Gross profit was EUR 1,254 million, up 5 percent organically (9 percent reported) in the first quarter period. Gross margin was 21.3 percent, 20 basis points higher organically (20 basis points reported).

On an organic basis, gross margin expanded 10 basis points in Flexible Placement and 70 basis points in Career Transition. These benefits were partly mitigated by lower contribution in Permanent Placement, down 20 basis points, and from Outsourcing, Consulting & Other, down 40 basis points. Currency effects were 15 basis points positive and M&A 15 basis points negative.

Selling, General & Administrative expenses (SG&A)

SG&A excluding one-offs was EUR 1,086 million, 7 percent higher organically (12 percent reported, including AKKA for the full quarter period, versus from February 24 in the prior year period), and broadly inline with Q4 22 expenses. Full-time Employees ("FTEs") were up 3 percent organically, and 8 percent reported, including AKKA, to 38,747. On a sequential basis, FTEs reduced 2 percent.

Group productivity, in terms of gross profit per FTE, rose 2 percent year-on-year.

EBITA

EBITA excluding one-offs was EUR 184 million, compared to EUR 185 million in the prior year period.

The EBITA margin excluding one-offs was 3.1 percent. The 30 basis points differential year-on-year includes positive impact from the timing of FESCO JV income, which was EUR 16 million this quarter, unfavourable impact from the timing of AKKA's consolidation, and a moderated contribution from Adecco North America.

One-off costs were EUR 12 million, from EUR 19 million in the prior year period, mainly reflecting AKKA integration and related costs.

Amortisation of Intangibles

Amortisation of intangible assets was EUR 28 million in the quarter, from EUR 20 million in the prior year period, with the difference primarily driven by the acquisition of AKKA.

Operating income

The Group generated an operating income of EUR 144 million, up 3 percent in constant currency terms, due to the aforementioned items.

Net income and EPS

Net income attributable to Adecco Group shareholders was EUR 92 million, flat year-on-year. The result reflects interest expense of EUR 17 million, and other income/(expenses), net of EUR 1 million. Income taxes amounted to EUR 34 million, with an effective tax rate of 26.8 percent including discrete events.

Basic EPS was EUR 0.55, compared to the prior year period's EUR 0.56. Adjusted EPS, which is the Group's net income excluding a total EUR 28 million for amortisation of intangibles, one-off costs and associated tax effects, divided by basic weighted-average shares outstanding, was EUR 0.72, compared to the prior year period's EUR 0.76.

Cash flow and net debt

Cash flow from operating activities was negative EUR 116 million in the quarter, compared to positive EUR 55 million in the prior year period. Cash flow was impacted by the timing of working capital and by AKKA's consolidation. DSO was 52 days, from 51 days in the prior year period, mainly reflecting a shift in business mix. The rolling last four quarters cash conversion ratio was 47 percent, a robust result during a period of growth and including AKKA.

Net debt was EUR 2,633 million at end Q1 2023. The Net Debt to EBITDA ratio, excluding one-offs was 2.7, in line with management expectations. The Group is firmly committed to decreasing its 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 78 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 1,000 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	
	Q1 23	Q1 22	CHANGE (% yoy)		Q1 23	CHANGE
			Reported	Organic, TDA		(bps, yoy)
Adecco	**4,443**	4,250	+5	+3	**3.5%**	**(20)**
France	1,178	1,145	+3	+1	3.4%	+10
Northern Europe	579	597	-3	-1	1.8%	+10
DACH	406	363	+12	+9	2.6%	(120)
Southern Europe & EEMENA	1,034	973	+6	+4	5.5%	0
Americas	681	639	+7	-1	0.0%	(170)
APAC	565	533	+6	+10	6.7%	+60

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

Adecco's revenues were up 3 percent in the first quarter, with growth underpinned by resilience in flexible placement volumes. On a year-on-year basis, results from APAC and DACH were notably strong, with APAC revenues at record levels. France grew moderately, while Southern Europe & EEMENA was solid, led by EEMENA. Northern Europe and the Americas were mixed.

Adecco firmly delivered on its ambition to gain market share. It delivered strong relative revenue growth of +600 basis points in Q1, with the majority of countries outpacing the market.

Flexible Placement revenues were 3 percent higher. On a sector basis, growth was led by autos and consulting. Manufacturing activity was robust, while continued rebalancing in logistics weighed on growth by approximately (150) basis points. Revenues were very strong in higher-value solutions: Permanent Placement was up 19 percent and Outsourcing was up 13 percent.

Gross margin was stable, reflecting favourable solutions mix and pricing. The 3.5 percent EBITA margin includes impact from the timing of FESCO JV income, a lower contribution from Adecco North America and select investment to drive growth. Productivity was up 5 percent sequentially, while FTEs were 2 percent lower sequentially.

Segment results

Adecco France

- France delivered moderate revenue growth of 1 percent in the quarter, in line with the market. Growth was robust in flexible placement and QAPA, training and perm activities were strong. In sector terms, autos, healthcare, IT and manufacturing were supportive, while logistics and construction were soft.
- The EBITA margin improvement mainly reflects favourable solutions mix.

Adecco Northern Europe

- Revenues from UK & Ireland were up 1 percent, with strong growth in finance and construction, largely mitigated by subdued activity in logistics. Revenues were 2 percent lower in the Nordics, weighed by lower manufacturing activity, and 2 percent lower in the Benelux. Overall, the region's growth outpaced the market.
- The EBITA margin improvement mainly reflects favourable solutions mix and pricing.

Adecco DACH

- Revenues in Germany were up 13 percent, strongly outperforming the market. In Switzerland & Austria revenues were flat. Growth was generated mainly from autos, logistics and professional services.
- The EBITA margin development reflects investment to drive growth.

Adecco Southern Europe & EEMENA

- The region's growth rate, at 4 percent, was boosted by EEMENA, where revenues were up 16 percent. Both Italy and Iberia grew 2 percent, and all areas gained share. In sector terms, autos, retail and consulting developed favourably, while logistics was soft.
- The strong EBITA margin reflects positive solutions mix and pricing.

Adecco Americas

- Latin America revenues grew 18 percent, a very strong result, with Argentina, Brazil and Mexico performing notably well.
- In North America, revenues were 8 percent lower, impacted by an uncertain macro-economic environment.
  - In Adecco US, revenue developments outperformed in a challenging market.
  - In operational terms, Adecco US delivered continuous improvement in voluntary turnover levels, continuous improvement in fill rates, and strong sales intensity levels during the quarter.
- The EBITA margin includes impact from lower volumes in Adecco North America.
  - At quarter end, Adecco US management reduced headcount by approximately 10 percent given the altered trading backdrop. Management remains highly focused on implementing the turnaround plan.

Adecco APAC

- Revenues were 10 percent higher in Japan, up 13 percent in Asia, and up 13 percent in India. Australia & New Zealand revenues were flat, weighed by the end of a large government contract. End-market growth was broad-based, with consulting, IT Tech, retail and manufacturing all performing well.
- The strong EBITA margin includes impact from the FESCO JV, driven by favourable timing of government payments that in 2022 were received in the second quarter. Excluding this impact, margin benefited from positive client and solutions mix, but was affected by the end of vaccination contracts and by changes in social charges in Japan. Management have taken action to offset the additional costs incurred in future quarters.

AKKODIS

EUR millions, unless otherwise stated	Revenues				EBITA margin excl. one-offs	
	Q1 23	Q1 22	CHANGE (yoy) Reported	CHANGE (yoy) Organic, TDA	Q1 23	CHANGE (bps, yoy)
Akkodis	983	735	+34%	+4%	4.9%	(180)
North EMEA				+8%		
South EMEA				+3%		
North America				+1%		
Akkodis APAC				+5%		

AKKA contribution from February 24, 2022
Akkodis 2022 results restated due to the transfer of part of AKKA's US operations to Adecco effective Jan 1, 2023

Akkodis delivered solid revenue growth of 4 percent in the quarter. By segment:

- North EMEA includes Germany and the Nordics. The regions' revenues rose 8 percent, benefiting from high utilisation and good project management. Growth in Germany was +7 percent, led by autos, while Data Respons revenues were up 10 percent.

- South EMEA is centred on France, Spain, and Italy. Revenues in France were up 6 percent, with strong activity in autos and life sciences.
- North America, which is a tech staffing orientated segment, rose 1 percent, with growth impacted by the US tech sector downturn. Growth in consulting was excellent, with revenues nearly doubling year-on-year.
- Akkodis APAC was up 5 percent, led by Japan, up 10 percent, supported by an increased pool of engineers. Autos activity was strong.

Akkodis' EBITA margin of 4.9 percent reflects impact from the timing of AKKA's consolidation and lower staffing volumes in North America, while benefiting from strong synergy delivery and high utilisation in APAC and EMEA. The repositioning of German operations is on track, and management are adapting US operations given current market headwinds.

Akkodis' integration is well progressed. The total synergies secured for 2023, in EBITA terms, is estimated at approximately EUR 50 million, which compares well to targeted in-year synergies of EUR 50-55 million. A number of attractive revenue synergy wins were achieved in the quarter, bringing the total contract value won to date to EUR 160 million, from EUR 90 million at end Q2 2022.

LHH

EUR millions, unless otherwise stated	Revenues				EBITA margin excl. one-offs	
	Q1 23	Q1 22	CHANGE (yoy) Reported	CHANGE (yoy) Organic, TDA	Q1 23	CHANGE (bps, yoy)
LHH	**466**	**461**	**+1%**	**0%**	**6.9%**	**(60)**
Recruitment Solutions				-16%		
Career Transition & Mobility				+63%		
Learning & Development				-8%		
Pontoon & Other				-4%		

Revenues in LHH were flat in the first quarter. By segment:

- Recruitment Solutions (RS) revenues were 16 percent lower, reflecting a tough comparison period and continued market headwinds, particularly in the US. Gross profit was 16 percent lower, with Permanent Placement fees 20 percent lower. Excluding the US, gross profit was 3 percent lower.
- Career Transition & Mobility (CT&M) revenues were up 63 percent and 38 percent sequentially, to record levels. The result was driven by excellent win momentum, mainly in the US and UK.
- Learning & Development revenues were down 8 percent. Revenues in General Assembly and Talent Development were subdued. Ezra revenues were up 45 percent and bookings accelerated strongly.
- In Pontoon & Other, Pontoon was flat, with growth hindered by subdued demand in tech. Hired's revenues were also challenged by the downturn in the US tech sector.

A higher gross margin this quarter reflects favourable business mix. The EBITA margin benefited from sharply higher volumes in CT&M, nonetheless outweighed by lower contribution across the rest of LHH, in particularly lower volumes in RS. Productivity for Recruitment Solutions US was restored to market levels in the first quarter. Management are focused on delivering further productivity improvement.

OUTLOOK

The Group exited the quarter with growth at +3 percent. Volumes in April were resilient, and the market for talent services remains dynamic. The Group is well positioned to capture market share opportunities in a rapid and agile manner. Q1 2023 benefited from the timing of FESCO JV income, which will not repeat in Q2.

In Q2, the Group expects both gross margin and SG&A expenses (excluding one-offs) as a percentage of revenues to be broadly in line with Q1 2023 levels.

More information

The Q1 2023 results press release is available on the Investor Relations website. The Q1 2023 results presentation will be available at 08:30 a.m. CEST.

A live webcast for analysts and investors is scheduled today, May 4, 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

- Q2 2023 / Half Year 2023 results 3 August 2023
- Q3 2022 results 2 November 2023
- Capital Markets Day 7 November 2023

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, May 4, 2023
Denis Machuel, CEO

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Revenues by segment

Revenues by segment	Q1		Variance % 23 vs 22				% of revenues
EUR millions	**2023**	2022	EUR	Constant currency	Organic	Organic TDA	**Q1 2023**
Adecco France	1,178	1,145	3%	3%	3%	1%	20%
Adecco Northern Europe	579	597	-3%	1%	1%	-1%	10%
Adecco DACH	406	363	12%	10%	10%	9%	7%
Adecco Southern Europe & EEMENA	1,034	973	6%	7%	7%	4%	17%
Adecco Americas [1]	681	639	7%	5%	0%	-1%	12%
Adecco APAC	565	533	6%	11%	11%	10%	9%
Adecco	**4,443**	**4,250**	**5%**	**5%**	**5%**	**3%**	**75%**
Akkodis [1]	**983**	**735**	**34%**	**34%**	**4%**	**4%**	**17%**
LHH	**466**	**461**	**1%**	**0%**	**0%**	**0%**	**8%**
Adecco Group	**5,892**	**5,446**	**8%**	**9%**	**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	Q1		Variance % 23 vs 22		
EUR millions	**2023**	2022	EUR	Constant currency	Organic
Flexible Placement	4,427	4,246	4%	5%	4%
Permanent Placement	196	192	2%	1%	1%
Career Transition	116	71	63%	60%	60%
Outsourcing, Consulting & Other Services	1,065	851	25%	28%	1%
Training, Up-skilling & Re-skilling	88	86	2%	0%	0%
Adecco Group	**5,892**	**5,446**	**8%**	**9%**	**4%**

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

EBITA	Q1		Variance % 23 vs 22		% of EBITA[2]
EUR millions	2023	2022	EUR	Constant currency	Q1 2023
Adecco France	40	38	6%	6%	17%
Adecco Northern Europe	10	10	4%	8%	3%
Adecco DACH	11	13	-23%	-23%	5%
Adecco Southern Europe & EEMENA	56	53	7%	7%	24%
Adecco Americas [3]	-	11	-102%	-102%	0%
Adecco APAC	39	33	17%	24%	17%
Adecco	**156**	**158**	**-2%**	**0%**	**66%**
Akkodis [3]	**48**	**50**	**-3%**	**-2%**	**20%**
LHH	**32**	**34**	**-7%**	**-10%**	**14%**
Corporate	**(52)**	**(57)**	**-10%**	**-14%**	
Adecco Group	**184**	**185**	**-1%**	**2%**	**100%**

EBITA margin	Q1 2023	Q1 2022	Variance bps
Adecco France	3.4%	3.3%	10
Adecco Northern Europe	1.8%	1.7%	10
Adecco DACH	2.6%	3.8%	(120)
Adecco Southern Europe & EEMENA	5.5%	5.5%	-
Adecco Americas [3]	0.0%	1.7%	(170)
Adecco APAC	6.7%	6.1%	60
Adecco	**3.5%**	**3.7%**	**(20)**
Akkodis [3]	**4.9%**	**6.7%**	**(180)**
LHH	**6.9%**	**7.5%**	**(60)**
Adecco Group	**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	Q1		Variance % 23 vs 22		% of EBITA[2]
EUR millions	**2023**	2022	EUR	Constant currency	**Q1 2023**
Adecco France	40	38	6%	6%	18%
Adecco Northern Europe	10	10	2%	6%	4%
Adecco DACH	11	13	-22%	-23%	5%
Adecco Southern Europe & EEMENA	56	53	6%	6%	25%
Adecco Americas [3]	-	11	-103%	-103%	0%
Adecco APAC	38	33	15%	22%	17%
Adecco	**155**	**158**	**-2%**	**-1%**	**69%**
Akkodis [3]	**42**	**49**	**-14%**	**-12%**	**18%**
LHH	**29**	**33**	**-14%**	**-17%**	**13%**
Corporate	**(54)**	**(74)**	**-28%**	**-31%**	
Adecco Group	**172**	**166**	**4%**	**7%**	**100%**

	Q1		
EBITA margin	**2023**	2022	Variance bps
Adecco France	3.4%	3.3%	10
Adecco Northern Europe	1.8%	1.7%	10
Adecco DACH	2.6%	3.8%	(120)
Adecco Southern Europe & EEMENA	5.5%	5.5%	-
Adecco Americas [3]	-0.1%	1.7%	(180)
Adecco APAC	6.7%	6.1%	60
Adecco	**3.5%**	**3.7%**	**(20)**
Akkodis [3]	**4.3%**	**6.6%**	**(230)**
LHH	**6.3%**	**7.4%**	**(110)**
Adecco Group	**2.9%**	**3.0%**	**(10)**

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	
EUR millions	Q1 2023	Q1 2022	Q1 2023	Q1 2022	Q1 2023	Q1 2022
Adecco France	40	38	-	-	40	38
Adecco Northern Europe	10	10	-	-	10	10
Adecco DACH	11	13	-	-	11	13
Adecco Southern Europe & EEMENA	56	53	-	-	56	53
Adecco Americas [1]	-	11	-	-	-	11
Adecco APAC	39	33	(1)	-	38	33
Adecco	**156**	**158**	**(1)**	**-**	**155**	**158**
Akkodis [1]	**48**	**50**	**(6)**	**(1)**	**42**	**49**
LHH	**32**	**34**	**(3)**	**(1)**	**29**	**33**
Corporate	**(52)**	**(57)**	**(2)**	**(17)**	**(54)**	**(74)**
Adecco Group	**184**	**185**	**(12)**	**(19)**	**172**	**166**

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.

Consolidated statements of operations

EUR millions except share and per share information	Q1 2023	Q1 2022	Variance % EUR	Variance % Constant currency
Revenues	**5,892**	5,446	**8%**	**9%**
Direct costs of services	(4,638)	(4,295)		
Gross profit	**1,254**	**1,151**	**9%**	**9%**
Selling, general, and administrative expenses	(1,098)	(988)	11%	11%
Proportionate net income of equity method investment FESCO Adecco	16	3	427%	378%
EBITA[1]	**172**	**166**	**4%**	**7%**
Amortisation of intangible assets	(28)	(20)		
Operating income	**144**	**146**	**-1%**	**3%**
Interest expense	(17)	(10)		
Other income/(expenses), net	(1)	(8)		
Income before income taxes	**126**	**128**	**-1%**	
Provision for income taxes	(34)	(34)		
Net income	**92**	**94**	**-2%**	
Net income attributable to noncontrolling interests	-	(2)		
Net income attributable to Adecco Group shareholders	**92**	**92**	**0%**	
Basic earnings per share[2]	**0.55**	**0.56**	**-1%**	
Diluted earnings per share[3]	**0.55**	**0.55**	**-1%**	
Gross margin	*21.3%*	*21.1%*		
SG&A as a percentage of revenues	*18.6%*	*18.1%*		
EBITA margin	*2.9%*	*3.0%*		
Operating income margin	*2.4%*	*2.7%*		
Net income margin attributable to Adecco Group shareholders	*1.6%*	*1.7%*		

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 167,161,231 in Q1 2023 (165,955,335 in Q1 2022).

3) Diluted weighted-average shares were 167,683,375 in Q1 2023 (166,425,917 in Q1 2022).

Reconciliation for Adjusted EPS[1)]

EUR millions except share and per share information	Q1 2023	Q1 2022	Variance % EUR
Net income attributable to Adecco Group shareholders	**92**	**92**	**0%**
Amortisation and impairment of goodwill and intangible assets	28	20	
One-offs in EBITA	12	19	
One-offs in Other income/(expenses), net	(3)	2	
Tax effects, other exceptional tax items	(9)	(7)	
Adjusted Net income attributable to Adecco Group shareholders[2)]	**120**	**126**	**-5%**
Basic earnings per share[3)]	0.55	0.56	-1%
Adjusted earnings per share[1), 3)]	0.72	0.76	-5%

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 167,161,231 in Q1 2023 (165,955,335 in Q1 2022).

Consolidated balance sheets

EUR millions	31 March 2023	31 December 2022
Assets		
Current assets:		
– Cash and cash equivalents	610	782
– Trade accounts receivable, net	4,581	4,758
– Other current assets	569	584
Total current assets	**5,760**	**6,124**
Property, equipment, and leasehold improvements, net	580	575
Operating lease right-of-use assets	432	402
Equity method investments	191	177
Other assets	740	768
Intangible assets, net	999	1,029
Goodwill	4,126	4,181
Total assets	**12,828**	**13,256**
Liabilities and shareholders' equity		
Liabilities		
Current liabilities:		
– Accounts payable and accrued expenses	4,460	4,884
– Current operating lease liabilities	183	176
– Short-term debt and current maturities of long-term debt	145	138
Total current liabilities	**4,788**	**5,198**
Operating lease liabilities	300	287
Long-term debt, less current maturities	3,098	3,099
Other liabilities	747	779
Total liabilities	**8,933**	**9,363**
Shareholders' equity		
Adecco Group shareholders' equity:		
– Common shares	11	11
– Additional paid-in capital	662	669
– Treasury shares, at cost	(47)	(58)
– Retained earnings	3,478	3,412
– Accumulated other comprehensive income/(loss), net	(221)	(153)
Total Adecco Group shareholders' equity	**3,883**	**3,881**
Noncontrolling interests	12	12
Total shareholders' equity	**3,895**	**3,893**
Total liabilities and shareholders' equity	**12,828**	**13,256**

Consolidated statements of cash flows

EUR millions	Q1 2023	Q1 2022
Cash flows from operating activities		
Net income	92	94
Adjustments to reconcile net income to cash flows from operating activities:		
- Depreciation and amortisation	66	50
- Other charges	3	(8)
Changes in operating assets and liabilities, net of acquisitions and divestitures:		
- Trade accounts receivable	115	(48)
- Accounts payable and accrued expenses	(334)	(95)
- Other assets and liabilities	(58)	62
Cash flows from/(used in) operating activities	**(116)**	**55**
Cash flows from investing activities		
Capital expenditures	(49)	(38)
Acquisition of AKKA, net of cash and restricted cash acquired		(745)
Cash settlements on derivative instruments	(27)	(9)
Other acquisition, divestiture and investing activities, net	(2)	15
Cash flows used in investing activities	**(78)**	**(777)**
Cash flows from financing activities		
Net increase/(decrease) in short-term debt	9	(128)
Repayment of long-term debt		(455)
Other financing activities, net		(1)
Cash flows from/(used in) financing activities	**9**	**(584)**
Effect of exchange rate changes on cash, cash equivalents and restricted cash	**(14)**	**30**
Net decrease in cash, cash equivalents and restricted cash	**(199)**	**(1,276)**
Cash, cash equivalents and restricted cash:		
- Beginning of period	909	3,155
- End of period	710	1,879