



KORN FERRY

FY'24 Q1 Earnings Call

September 7, 2023



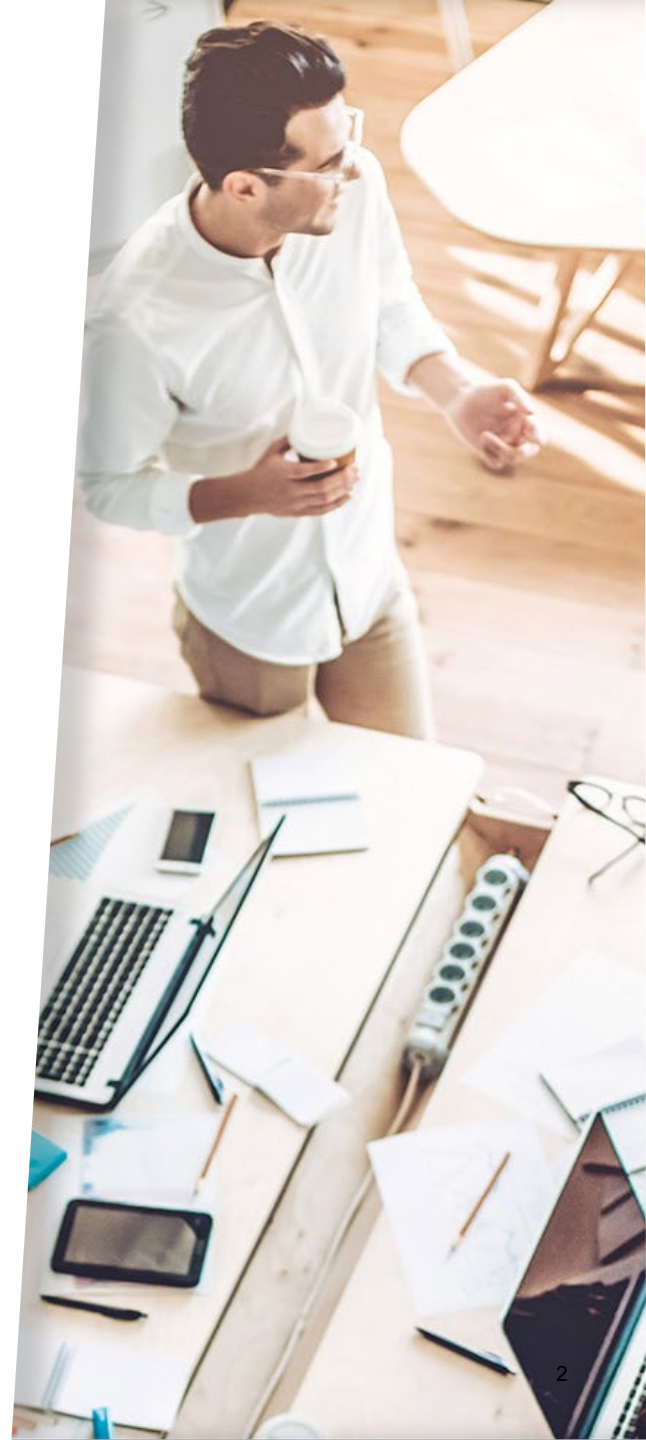
Safe Harbor Statement

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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.

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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 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 greater differentiation.

Established record of thought leadership and action on burning platform issues such as workforce transformation/digitization, DE & I, and other ESG initiatives provides 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 in combination with strategic investments in account management talent.



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 ~10,300 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
- Continued investment in commercial colleagues including Marquee and Regional account leaders



Relevant Solutions Aligned With Macro Trends

- Rapid emergence of remote work necessitating organizational realignment
- Investor / Corporate emphasis on ESG, including global prioritization of Diversity, Equity & Inclusion
- Partnering with Salesforce.com and Microsoft as new sales channels for the delivery of KF IP, data, and content
- Investing in Professional Search & Interim Services inline with shift from career employee to career nomad



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 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'24 Q1 Fee Revenue, Earnings and Profitability were seasonally slower and continued to be impacted by:

- Moderating Global Demand for Permanent Placement Talent Acquisition Solutions (Executive Search, Professional Search and RPO) which was offset by Stable Consulting & Digital Revenue and Revenue from recent Investments in Interim Services (ICS & Salo)
- Adj. EBITDA and Adj. EBITDA Margin were stable sequentially at \$96M and 13.7% respectively

\$699M

+\$3M YoY

(Flat at CC)

Fee Revenue

13.7%

Adj. EBITDA Margin %⁽¹⁾
(Non-GAAP)

\$96M

(\$36M) (28%) YoY

Adj. EBITDA⁽¹⁾
(Non-GAAP)

\$0.99

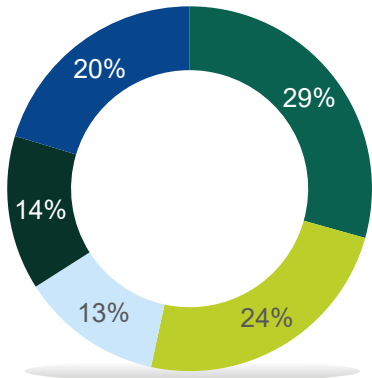
(\$0.51) (34%) YoY

Adj. Diluted EPS⁽²⁾
(Non-GAAP)

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

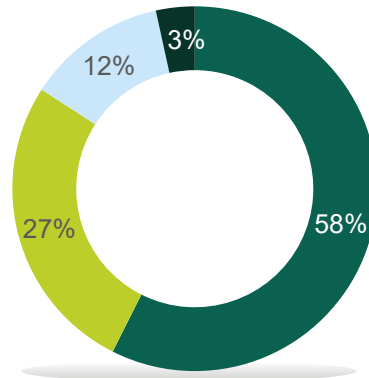
For the first quarter of FY'24

Fee Revenue by Lines of Business



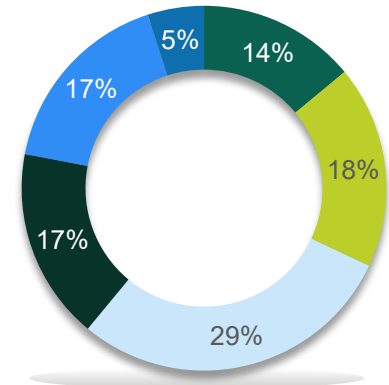
- Executive Search
- Digital
- Consulting
- RPO
- Professional Search & Interim

Fee Revenue by Geography



- NAM
- APAC
- EMEA
- LATM

Fee Revenue by Industry

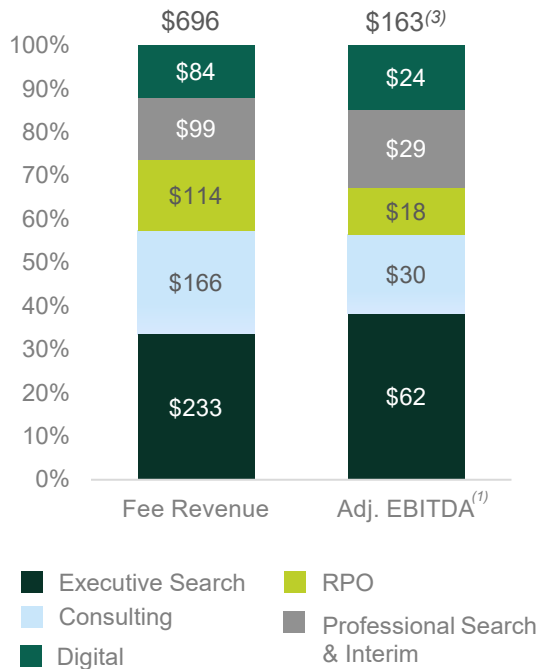


- Consumer
- Industrial
- Financial Services
- Life Sci. / HC
- Tech.
- Edu. / Non-Profit

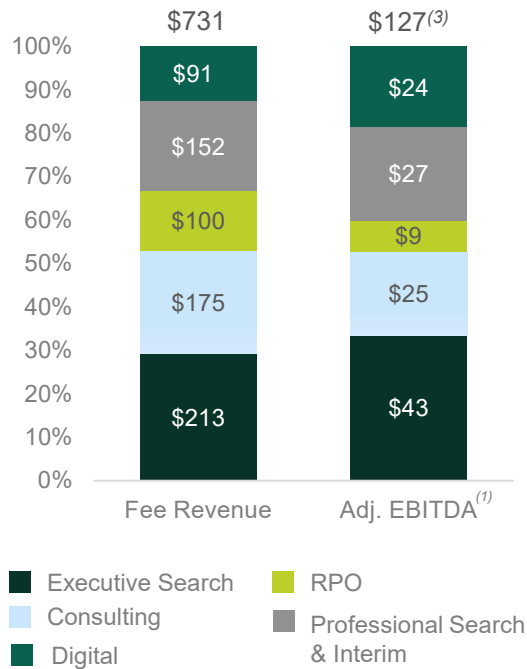
Diversified Mix of Revenue & Earnings (\$M)

Strong Cost Control Driving Flat Sequential Adj. EBITDA Despite (\$32M) Drop in Fee Revenue

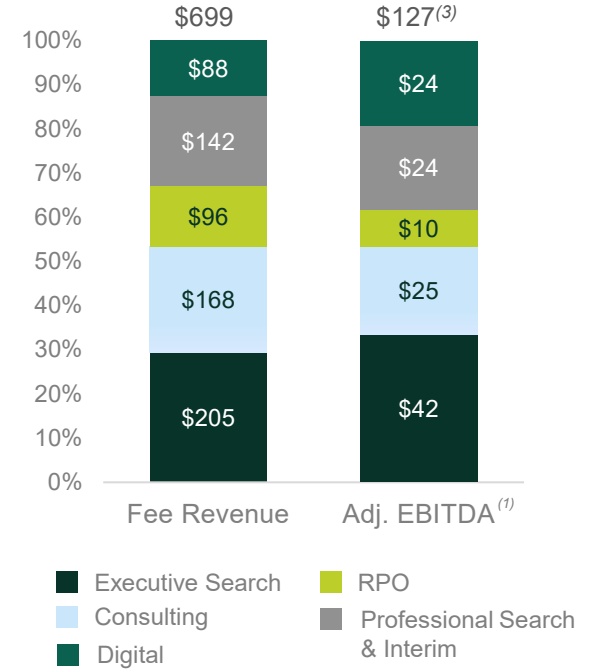
FY'23 QTR. 1



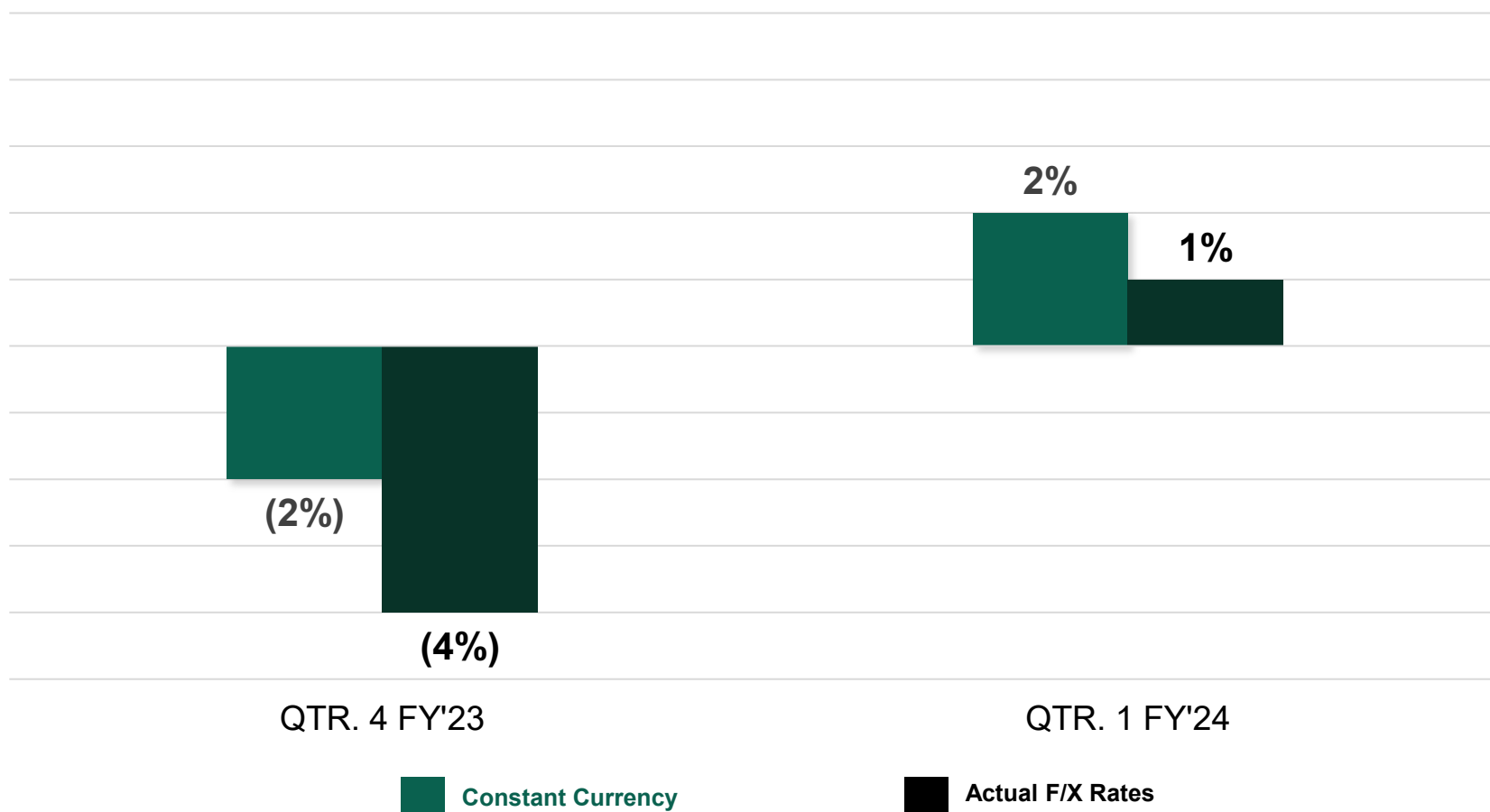
FY'23 QTR. 4



FY'24 QTR. 1



Quarterly New Business⁽⁷⁾* - YoY Growth (Excluding RPO)



* Confirmations plus upticks and additional placements

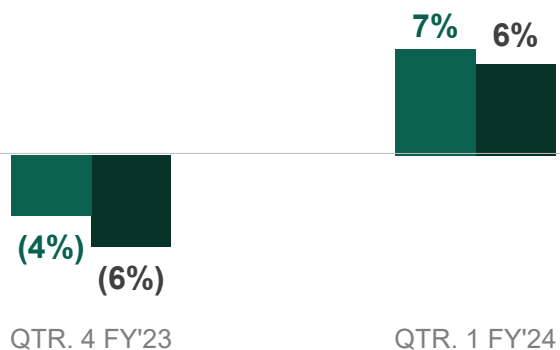
See detailed explanation of footnotes on page 16

Quarterly New Business* - YoY Growth By Line of Business (Excluding RPO)

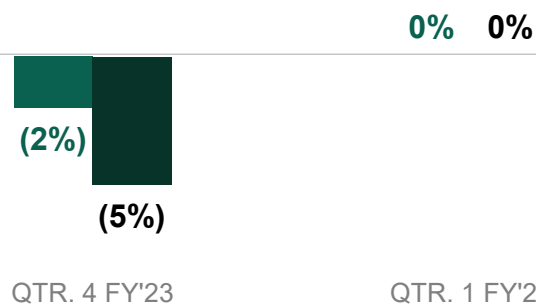
■ Constant Currency

■ Actual F/X Rates

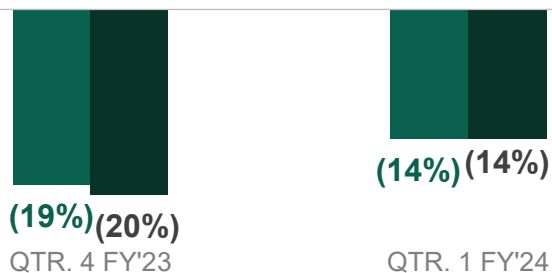
Consulting



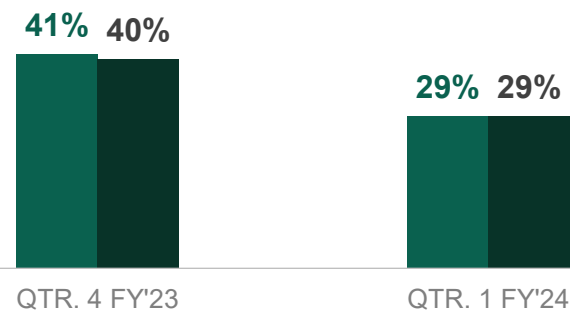
Digital



Executive Search*



Professional Search & Interim*



Consulting

24% of Fee Revenue and 20% of Adj. EBITDA⁽¹⁾ in FY'24 QTR. 1

Q1 Fee Revenue

↑ **1% YoY**

(+1% at CC)

Driven by Assessment & Succession +10%, Organizational Strategy +1%, offset by Rewards & Benefits (1%) and Leadership Development (4%)

Solutions focused on employee retention & engagement, culture assessment & transformation and organization design & efficiency remained strong in Q1

Q1 New Business growth +7% CC YoY and strongest in EMEA (+37% CC YoY) and LATM (+13% CC YoY)

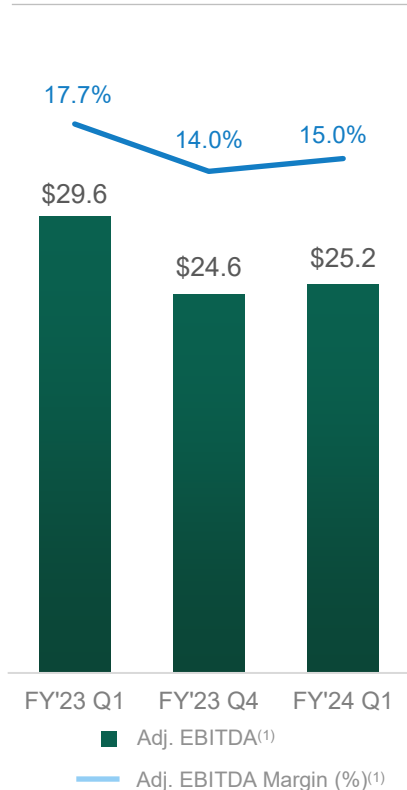
Adj. EBITDA⁽¹⁾ & Adj. EBITDA

Margin⁽¹⁾ lower YoY due to investments in both Fee Earner & Execution Staff capacity

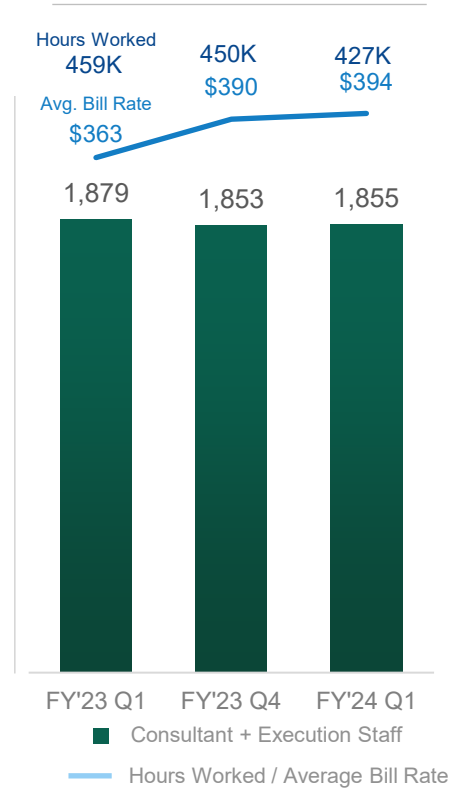
Fee Revenue (\$M)



Adj. EBITDA (\$M) & Adj. EBITDA⁽¹⁾ Margin (%) (Non-GAAP)



Consultant + Execution Staff Productivity



Digital

13% of Fee Revenue and 19% of Adj. EBITDA⁽¹⁾ in FY'24 QTR. 1

Q1 Fee Revenue

↑ **5% YoY**
(+5% at CC)

Q1 New Business = \$93M

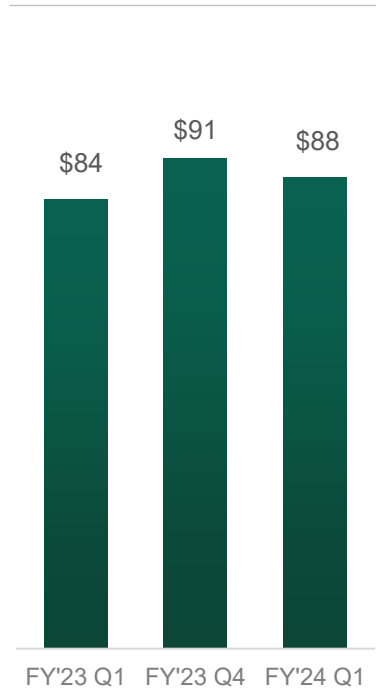
Total Subscription & License New Business = \$32M (34% of Q1 total)

Q1 Assessment & Succession & Rewards & Benefits Content Revenue +9% YoY & +5% YoY respectively

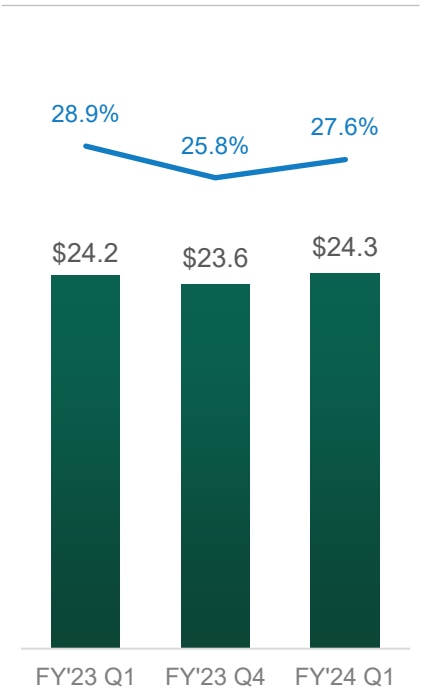
KF Sell = 10% of Subscription & License Revenue in Q1

Adj. EBITDA⁽¹⁾ and Adj. EBITDA Margin⁽¹⁾ impacted by recent investments in both sales and product development initiatives

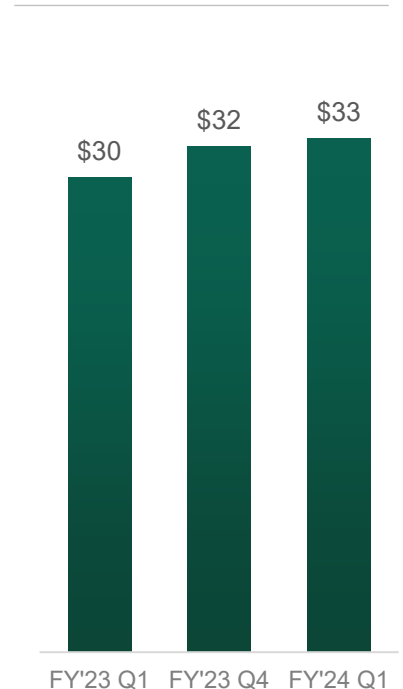
Fee Revenue (\$M)



Adj. EBITDA (\$M) & Adj. EBITDA⁽¹⁾ Margin (%) (Non-GAAP)



Subscription & License Fee Revenue⁽⁴⁾(\$m)



■ Adj. EBITDA⁽¹⁾
— Adj. EBITDA Margin (%)⁽¹⁾

Executive Search

29% of Fee Revenue and 33% of Adj. EBITDA⁽¹⁾ in FY'24 QTR. 1

Q1 Global Fee Revenue

↓ **(12%) YoY**

((12%) at CC)

NAM (16%) CC, EMEA (4%) CC,
APAC (4%) CC & LATM (26%) CC

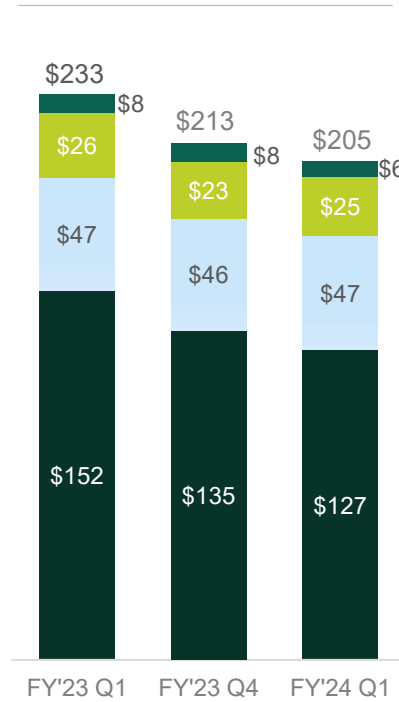
**Global New Business down (14%)
CC YoY**

**Consultant Productivity = \$1.35M
annualized with 612 Consultants**

Number of new Executive Search
Assignments = 1,503 ((11%) YoY
and flat sequentially)

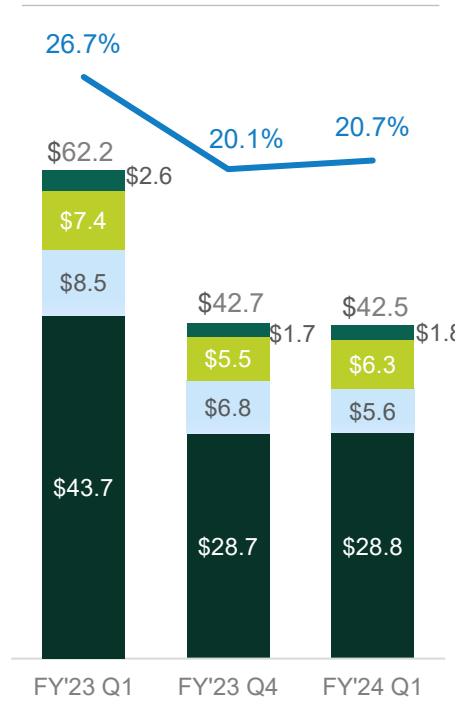
**Adj. EBITDA⁽¹⁾ & Adj. EBITDA
Margin⁽¹⁾ stable sequentially but
lower YoY on slower Fee Revenue**

Fee Revenue (\$M)



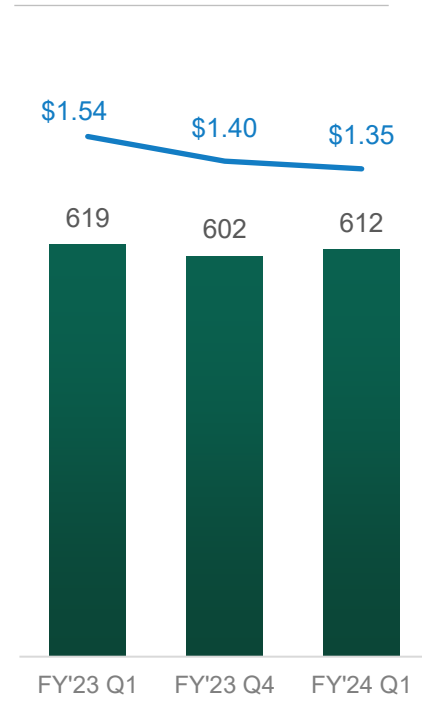
■ NAM ■ EMEA
■ APAC ■ LATM

Adj. EBITDA (\$M) & Adj. EBITDA⁽¹⁾
Margin (%) (Non-GAAP)



■ NAM ■ EMEA
■ APAC ■ LATM
— Adj. EBITDA Margin (%)⁽¹⁾

Consultant Productivity



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

Professional Search & Interim

20% of Fee Revenue and 19% of Adj. EBITDA⁽¹⁾ in FY'24 QTR. 1

Professional Search & Interim New Business +29% CC YoY (Salo & ICS acquisitions)

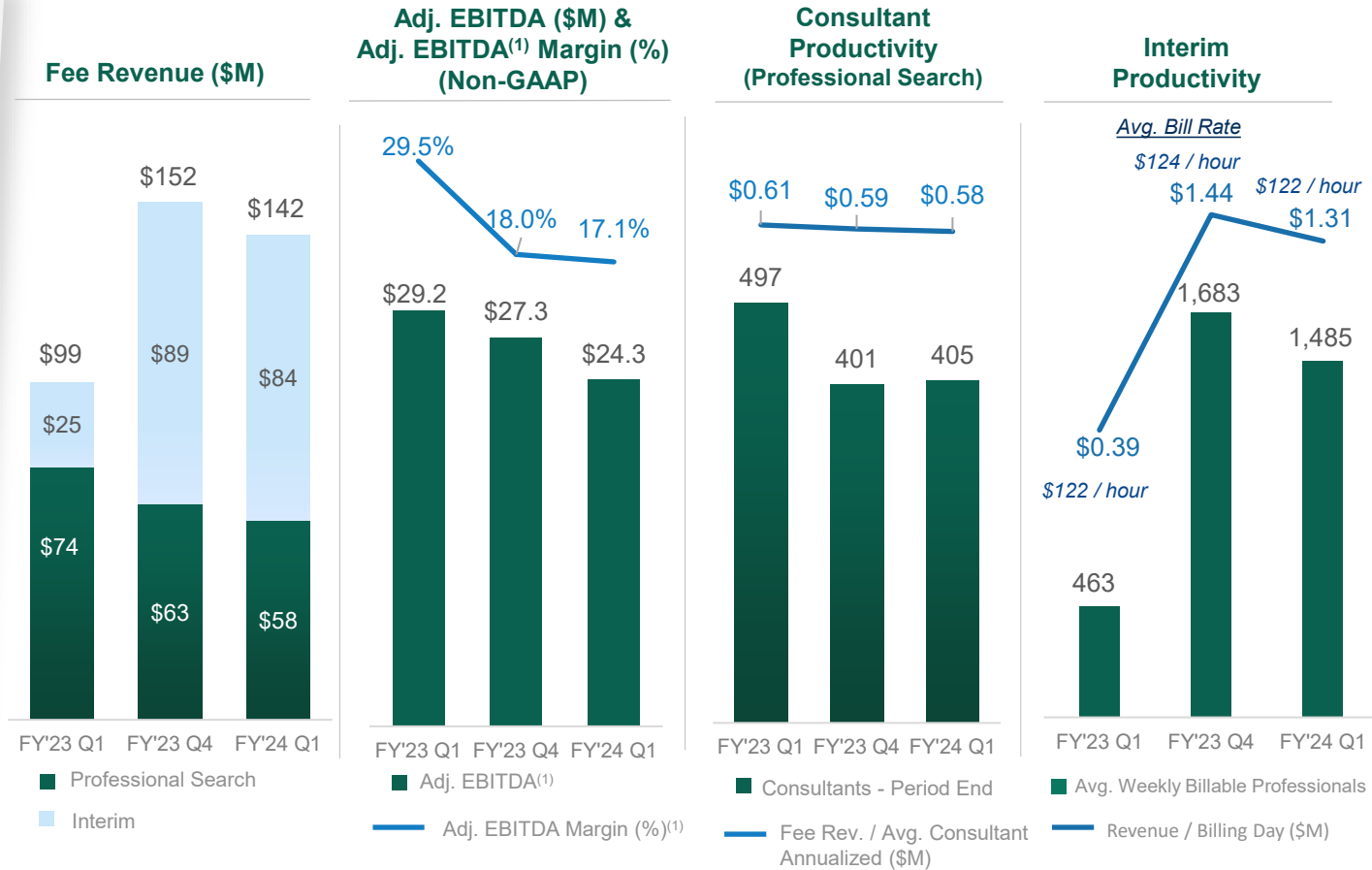
New Business growth strongest in NAM at +41% CC YoY

Fee Revenue +44% YoY (+44% CC YoY) driven by higher Interim Services

Interim Avg. Bill Rate = \$122 / hour with Revenue per Billing day up over 3x YoY to 1.31M

Professional Search Consultant Productivity stable at approximately \$580K annualized

Adj. EBITDA⁽¹⁾ & Adj. EBITDA Margin⁽¹⁾ trend impacted by the recent Revenue mix shift (larger proportion of Interim Services and decelerating Permanent Placement Search)



Recruitment Process Outsourcing

14% of Fee Revenue and 8% of Adj. EBITDA⁽¹⁾ in FY'24 QTR. 1

RPO New Business⁽⁷⁾ = \$48M

(\$29M of renewals/extensions and \$19M of new logo clients)

Revenue Under Contract⁽⁶⁾ =

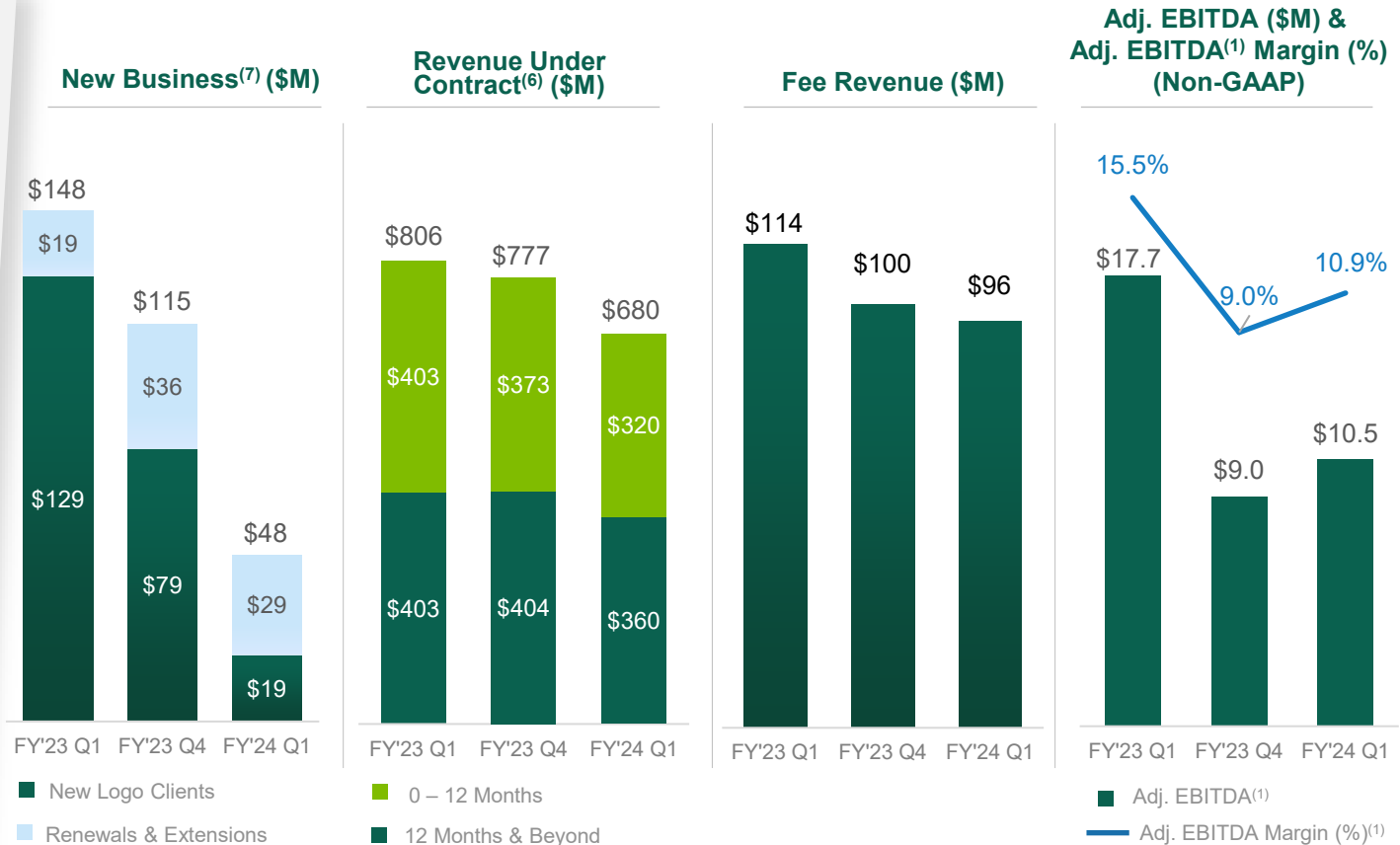
\$680M (with an estimated \$320M (47%) to be recognized in the next 4 quarters)

Fee Revenue (16%) YoY ((16%) at CC) & down (4%) sequentially

due primarily to a reduction in hiring volume by base / backlog clients

Adj. EBITDA⁽¹⁾ & Adj. EBITDA Margin⁽¹⁾ down YoY

on lower Fee Revenue and to a lesser extent the ramp up of start-up costs for recently awarded large New Business wins

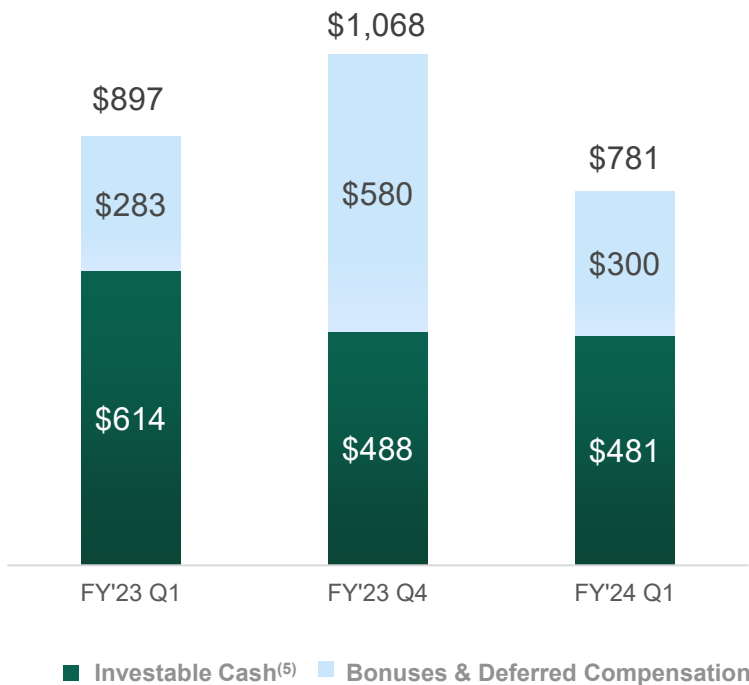


Maintaining a Balanced Approach to Capital Allocation

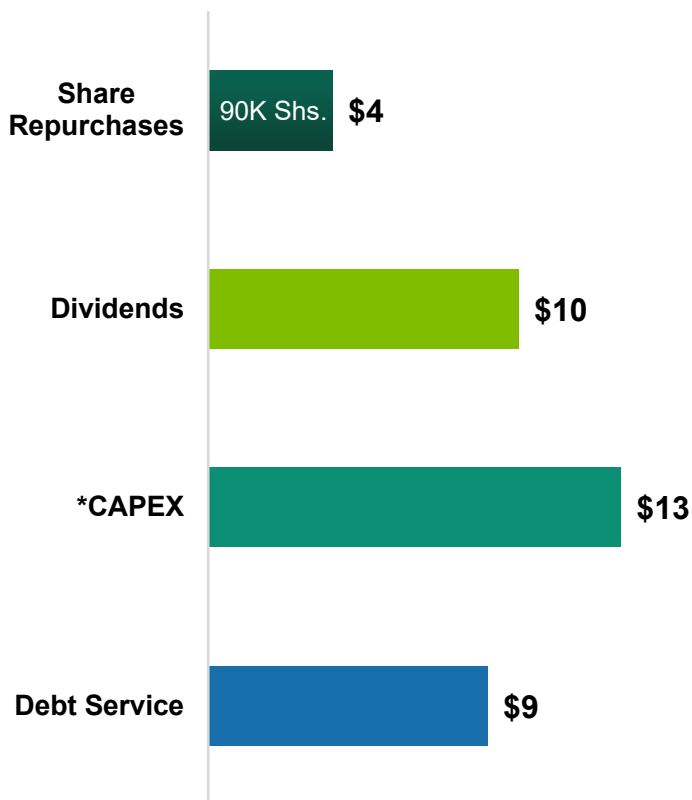
Deployed \$36M of Cash in FY'24 Q1 Investing \$13M in *CAPEX, \$9M in Debt Service and Returned \$14M to Shareholders in Combined Dividends and Share Repurchases

Cash & Marketable Securities (\$M)

Strong Liquidity with \$481M of Investable Cash⁽⁵⁾



FY'24 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, when applicable.
- (3) Excludes Corporate Adj. EBITDA which was (\$30.6M) in FY'23 Q1, (\$29.3M) in FY'23 Q4 and (\$31.1M) in FY'24 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 7, 2023

| KORN FERRY



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

FY'23 Q1; FY'23 Q4; FY'24 Q1

| | FY'23 Qtr. 1 | FY'23 Qtr. 4 | FY'24 Qtr. 1 | YoY Incr. / (Decr.) | | Sequential Incr. / (Decr.) | |
|---|-----------------|-----------------|-----------------|------------------------|--------------|-------------------------------|-------------|
| | | | | \$ / % | % | \$ / % | % |
| Net Income Attributable to Korn Ferry | \$77.2 | \$47.5 | \$46.6 | (\$30.6) | (40%) | (\$0.9) | (2%) |
| Net Income Attributable to Non-Controlling Int. | 1.3 | 0.6 | 0.6 | (0.7) | (54%) | - | - |
| Net Income | \$78.5 | \$48.1 | \$47.2 | (\$31.3) | (40%) | (\$0.9) | (2%) |
| Income Tax Provision | 26.2 | 19.1 | 18.4 | (7.8) | (30%) | (0.7) | (4%) |
| Income Before Provision for Income Taxes | \$104.8 | \$67.2 | \$65.6 | (\$39.2) | (37%) | (\$1.6) | (2%) |
| Other (Income) Loss - Net | (0.8) | (0.4) | (13.6) | (12.8) | - | (13.2) | - |
| Interest Expense - Net | 7.6 | 5.8 | 4.7 | (2.9) | (38%) | (1.1) | (19%) |
| Operating Income | \$111.6 | \$72.6 | \$56.8 | (\$54.8) | (49%) | (\$15.8) | (22%) |
| Depreciation & Amortization | 16.2 | 18.0 | 19.0 | 2.8 | 17% | 1.0 | 6% |
| Other Income (Loss) - Net | 0.8 | 0.4 | 13.6 | 12.8 | - | 13.1 | - |
| (1) Restructuring Charges | - | 1.4 | 0.4 | 0.4 | - | (1.0) | (71%) |
| (2) Integration / Acquisition Costs | 3.6 | 5.4 | 4.1 | 0.5 | 14% | (1.3) | (24%) |
| (3) Impairment of Fixed Assets | - | - | 0.1 | 0.1 | - | 0.1 | - |
| (4) Impairment of Right of Use Assets | - | - | 1.6 | 1.6 | - | 1.6 | - |
| Adjusted EBITDA | \$132.2 | \$97.9 | \$95.7 | (\$36.5) | (28%) | (\$2.2) | (2%) |
| Operating Margin | 16.0% | 9.9% | 8.1% | (7.9%) | - | (1.8%) | - |
| Depreciation & Amortization | 2.3% | 2.5% | 2.7% | 0.4% | - | 0.2% | - |
| Other Income (Loss) - Net | 0.1% | 0.1% | 2.0% | 1.9% | - | 1.9% | - |
| (1) Restructuring Charges | - | 0.2% | 0.1% | 0.1% | - | (0.1%) | - |
| (2) Integration / Acquisition Costs | 0.6% | 0.7% | 0.6% | 0.0% | - | (0.1%) | - |
| (3) Impairment of Fixed Assets | - | - | 0.0% | - | - | 0.0% | - |
| (4) Impairment of Right of Use Assets | - | - | 0.2% | 0.2% | - | 0.2% | - |
| Adjusted EBITDA Margin | 19.0% | 13.4% | 13.7% | (5.3%) | - | 0.3% | - |

(1) Restructuring changes incurred to realign our workforce with business needs and objectives due to shifts in global trade lanes and persistent inflationary pressures

(2) Costs associated with current acquisition, 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 (leasehold improvements) due to early termination and subleasing some of our office space

(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'23 Q1; FY'23 Q4; FY'24 Q1

| | FY'23 Qtr. 1 | FY'23 Qtr. 4 | FY'24 Qtr. 1 | YoY Incr. / (Decr.) | | Sequential Incr. / (Decr.) | |
|---|-----------------|-----------------|-----------------|------------------------|--------------|-------------------------------|-------------|
| | | | | \$ | % | \$ | % |
| Net Income Attributable to Korn Ferry | \$77.2 | \$47.5 | \$46.6 | (\$30.6) | (40%) | (\$0.9) | (2%) |
| (1) Restructuring Charges | - | 1.4 | 0.4 | 0.4 | - | (1.0) | (71%) |
| (2) Integration / Acquisition Costs | 3.6 | 5.5 | 4.1 | 0.5 | 14% | (1.3) | (25%) |
| (3) Impairment of Fixed Assets | - | - | 0.1 | 0.1 | - | 0.1 | - |
| (4) Impairment of Right of Use Assets | - | - | 1.6 | 1.6 | - | 1.6 | - |
| (5) Tax Effect of Adjustment Items | (0.9) | (1.3) | (1.4) | (0.5) | 56% | (0.1) | 8% |
| Adjusted Net Income Attributable to KF | \$80.0 | \$53.0 | \$51.5 | (\$28.5) | (36%) | (\$1.5) | (3%) |
| Diluted Earnings per Common Sh. | \$1.45 | \$0.91 | \$0.89 | (\$0.56) | (39%) | (\$0.02) | (2%) |
| (1) Restructuring Charges | - | 0.03 | 0.01 | 0.01 | - | (0.02) | (67%) |
| (2) Integration / Acquisition Costs | 0.07 | 0.1 | 0.08 | 0.01 | 14% | (0.02) | (20%) |
| (3) Impairment of Fixed Assets | - | - | - | - | - | - | - |
| (4) Impairment of Right of Use Assets | - | - | 0.03 | 0.03 | - | 0.03 | - |
| (5) Tax Effect of Adjustment Items | (0.02) | (0.03) | (0.02) | - | - | 0.01 | (33%) |
| Adjusted Diluted Earnings per Sh. | \$1.50 | \$1.01 | \$0.99 | (\$0.51) | (34%) | (\$0.02) | (2%) |

(1) Restructuring changes incurred to realign our workforce with business needs and objectives due to shifts in global trade lanes and persistent inflationary pressures

(2) Costs associated with current acquisition, 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 (leasehold improvements) due to early termination and subleasing some of our office space

(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'23 Q1

| | FY'23 Q1 | | | | | | | | | | |
|--|------------------|---------------|---------------|--------------|--------------|---------------|--------------------|---------------|----------------------|-----------------|----------------|
| | Executive Search | | | | | | | | | | |
| | Consulting | Digital | North America | EMEA | Asia Pacific | Latin America | Total Exec. Search | RPO | Prof. Sch. & Interim | Corp. | KF |
| Fee Revenue | \$166.5 | \$83.8 | \$151.5 | \$47.1 | \$26.4 | \$7.8 | \$232.8 | \$113.9 | \$98.9 | | \$695.9 |
| Net Income Attributable to Korn Ferry | | | | | | | | | | | \$77.2 |
| Net Income Attributable to Noncontrolling Interest | | | | | | | | | | | 1.3 |
| Other Income - Net | | | | | | | | | | | (0.8) |
| Interest Exps. - Net | | | | | | | | | | | 7.6 |
| Income Tax Expense | | | | | | | | | | | 26.2 |
| Oper. Income | | | | | | | | | | | \$111.6 |
| <i>Margin (%)</i> | | | | | | | | | | | <i>16.0%</i> |
| Deprec. & Amortiz. | | | | | | | | | | | 16.2 |
| Other Income - Net | | | | | | | | | | | 0.8 |
| (2) Integ. / Acq. Costs | | | | | | | | | | | 3.6 |
| Adjusted EBITDA | \$29.6 | \$24.2 | \$43.7 | \$8.5 | \$7.4 | \$2.6 | \$62.2 | \$17.7 | \$29.2 | (\$30.6) | \$132.2 |
| <i>Margin (%)</i> | <i>17.7%</i> | <i>28.9%</i> | <i>28.9%</i> | <i>18.1%</i> | <i>27.9%</i> | <i>33.5%</i> | <i>26.7%</i> | <i>15.5%</i> | <i>29.5%</i> | | <i>19.0%</i> |

(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 Income & Consolidated Operating Income (GAAP) to Adjusted EBITDA (Non-GAAP) (\$M)

FY'23 Q4

| FY'23 Q4 | | | | | | | | | | |
|--|------------------|---------|---------------|--------|--------------|---------------|---------|----------------------|---------|----------|
| | Executive Search | | | | | | RPO | Prof. Sch. & Interim | Corp. | KF |
| | Consulting | Digital | North America | EMEA | Asia Pacific | Latin America | | | | |
| Fee Revenue | \$175.3 | \$91.5 | \$135.3 | \$46.4 | \$23.2 | \$7.8 | \$212.6 | \$99.8 | \$151.7 | \$730.9 |
| Net Income Attributable to Korn Ferry | | | | | | | | | | \$47.5 |
| Net Income Attributable to Noncontrolling Interest | | | | | | | | | | 0.6 |
| Other Income - Net | | | | | | | | | | (0.4) |
| Interest Exps. - Net | | | | | | | | | | 5.8 |
| Income Tax Expense | | | | | | | | | | 19.1 |
| Oper. Income | | | | | | | | | | \$72.6 |
| Margin (%) | | | | | | | | | | 9.9% |
| Deprec. & Amortiz. | | | | | | | | | | 18.0 |
| Other Income - Net | | | | | | | | | | 0.4 |
| (1) Restructuring Chgs. | | | | | | | | | | 1.4 |
| (2) Integ. / Acq. Costs | | | | | | | | | | 5.5 |
| Adjusted EBITDA | \$24.6 | \$23.6 | \$28.7 | \$6.8 | \$5.5 | \$1.7 | \$42.7 | \$9.0 | \$27.3 | (\$29.3) |
| Margin (%) | 14.0% | 25.8% | 21.2% | 14.7% | 23.7% | 21.7% | 20.1% | 9.0% | 18.0% | 13.4% |

(1) Restructuring changes incurred to realign our workforce with business needs and objectives due to shifts in global trade lanes and persistent inflationary pressures

(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 Income & Consolidated Operating Income (GAAP) to Adjusted EBITDA (Non-GAAP) (\$M)

FY'24 Q1

| | FY'24 Q1 | | | | | | | | | | |
|--|------------------|---------|---------------|---------|--------------|---------------|--------------------|--------|----------------------|----------|---------|
| | Executive Search | | | | | | | | | | KF |
| | Consulting | Digital | North America | EMEA | Asia Pacific | Latin America | Total Exec. Search | RPO | Prof. Sch. & Interim | Corp. | |
| 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% |
| Adjusted EBITDA - FY'23 Q4 | \$24.6 | \$23.6 | \$28.7 | \$6.8 | \$5.5 | \$1.7 | \$42.7 | \$9.0 | \$27.3 | (\$29.3) | \$97.9 |
| Sequential Incr. / (Decr.) - \$ | \$0.6 | \$0.7 | \$0.1 | (\$1.2) | \$0.8 | \$0.0 | (\$0.2) | \$1.5 | (\$3.0) | (\$1.8) | (\$2.2) |
| Sequential Incr. / (Decr.) - % | 2.4% | 3.0% | 0.3% | (17.6%) | 14.5% | 0.0% | (0.5%) | 16.7% | (11.0%) | 6.1% | (2.2%) |

(1) Restructuring changes incurred to realign our workforce with business needs and objectives due to shifts in global trade lanes and persistent inflationary pressures

(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 certain senior management separation charges

(3) Costs associated with the impairment of fixed assets (leasehold improvements) due to early termination of the lease agreements

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

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

FY'23 Q1; FY'23 Q4; FY'24 Q1

| | FY'23 Qtr. 1 | FY'23 Qtr. 4 | FY'24 Qtr. 1 | YoY Incr. / (Decr.) | | Sequential Incr. / (Decr.) | |
|---|-----------------|------------------|-----------------|------------------------|--------------|-------------------------------|--------------|
| | | | | \$ | % | \$ | % |
| Cash | \$639.8 | \$844.0 | \$562.2 | (\$77.6) | (12%) | (\$281.8) | (33%) |
| Marketable Securities | 256.7 | 223.9 | 218.8 | (37.9) | (15%) | (5.1) | (2%) |
| Cash & Marketable Securities | \$896.4 | \$1,067.9 | \$781.0 | (\$115.4) | (13%) | (\$286.9) | (27%) |
| Less: | | | | | | | |
| ECAP & Bonus Liability | 282.6 | 579.7 | 300.4 | 17.8 | 6% | (279.3) | (48%) |
| Investable Cash | \$613.9 | \$488.2 | \$480.6 | (\$133.2) | (22%) | (\$7.5) | (2%) |

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

| | FY'23 Q1 vs. FY'24 Q1 | | |
|--|-----------------------|----------------|----------------|
| | Reported | | Const. Curr. |
| | \$M | % Grth. | % Grth. |
| <u>Executive Search</u> | | | |
| North America | \$127.5 | (15.8%) | (15.6%) |
| Europe | 46.8 | (0.6%) | (3.7%) |
| Asia / Pacific | 24.5 | (7.2%) | (3.7%) |
| Latin America | 6.4 | (17.9%) | (23.4%) |
| Total Exec. Search | \$205.2 | (11.9%) | (12.1%) |
| <u>Consulting</u> | | | |
| North America | \$74.4 | (9.8%) | (9.6%) |
| Europe | 61.2 | 15.9% | 13.6% |
| Asia / Pacific | 26.8 | 2.3% | 5.5% |
| Latin America | 5.7 | 14.0% | 10.1% |
| Total Consulting | \$168.1 | 1.0% | 0.8% |
| <u>Digital</u> | | | |
| North America | \$37.7 | 4.7% | 5.1% |
| Europe | 32.1 | 2.2% | 0.8% |
| Asia / Pacific | 13.4 | 8.9% | 12.4% |
| Latin America | 4.7 | 14.6% | 20.2% |
| Total Digital | \$88.0 | 5.0% | 5.2% |
| <u>RPO</u> | | | |
| North America | \$43.1 | (18.7%) | (18.6%) |
| Europe | 32.5 | 5.2% | 1.9% |
| Asia / Pacific | 16.4 | (35.7%) | (32.5%) |
| Latin America | 3.7 | (17.8%) | (21.3%) |
| Total RPO | \$95.7 | (16.0%) | (15.9%) |
| <u>Prof. Search & Interim</u> | | | |
| North America | \$118.9 | 58.5% | 58.7% |
| Europe | 14.4 | 5.1% | 1.9% |
| Asia / Pacific | 5.5 | (32.1%) | (29.6%) |
| Latin America | 3.4 | 61.9% | 49.8% |
| Total Prof. Search & Interim | \$142.2 | 43.8% | 43.5% |
| Total KF | \$699.2 | 0.5% | 0.3% |

Thank You

KORN FERRY

