

FOR IMMEDIATE RELEASE

Contacts:

Investor Relations: Gregg Kvochak, (310) 556-8550 Media: Dan Gugler, (310) 226-2645

Korn Ferry Announces Fourth Quarter and Fiscal 2021 Results of Operations

Highlights

- Korn Ferry reports record fee revenue of \$555.2 million in Q4 FY'21, an increase of 26% from Q4 FY'20 and a sequential increase of 17% from Q3 FY'21.
- Record net income attributable to Korn Ferry and adjusted diluted earnings per share of \$66.2 million and \$1.21 in Q4 FY'21, respectively.
- Operating income and Adjusted EBITDA were both all-time highs in Q4 FY'21 at \$86.3 million (operating margin of 15.5%) and \$112.8 million (Adjusted EBITDA margin of 20.3%), respectively.
- Declared a quarterly dividend of \$0.12 per share on June 21, 2021, a 20% increase in the quarterly dividend, which is payable on July 30, 2021 to stockholders of record on July 6, 2021.

Los Angeles, CA, June 22, 2021 – Korn Ferry (NYSE: KFY), a global organizational consulting firm, today announced fourth quarter and annual fee revenue of \$555.2 million and \$1,810.0 million, respectively. In addition, fourth quarter diluted earnings per share and adjusted diluted earnings per share were \$1.21, both are all-time highs.

"During the fiscal fourth quarter we generated \$555 million in fee revenue, an all-time record, up 26% year-over-year. Our profitably was very strong, with earnings per share of \$1.21, an all-time high and Adjusted EBITDA margin at 20.3%." said Gary D. Burnison, CEO, Korn Ferry.

"I am extremely proud of our company and our accomplishments as we navigate through COVID-19. The diversity and relevance of our offerings and our ability to adapt to delivering our consulting services in a virtual world have helped companies achieve their organizational opportunities. Our Korn Ferry colleagues have truly shown their resilience, pivoting to the transformation and new ways of working that will emerge in a post-pandemic world, and I look forward to what the new fiscal year will bring to our firm and our clients."



Selected Financial Results

(dollars in millions, except per share amounts) (a)

	 Fourth	ter		Year to	ar to Date				
	 Y'21		FY'20		FY'21		FY'20		
Fee revenue	\$ 555.2	\$	440.5	\$	1,810.0	\$	1,932.7		
Total revenue	\$ 557.4	\$	449.0	\$	1,819.9	\$	1,977.3		
Operating income	\$ 86.3	\$	22.2	\$	155.8	\$	176.0		
Operating margin	15.5%	6 5.0		5.0%		8.6%		8.6%	
Net income (loss) attributable to Korn Ferry	\$ 66.2	\$	(8.0)	\$	114.5	\$	104.9		
Basic earnings (loss) per share	\$ 1.22	\$	(0.02)	\$	2.11	\$	1.91		
Diluted earnings (loss) per share	\$ 1.21	\$	(0.02)	\$	2.09	\$	1.90		

Adjusted Results (b):	Fourth C			ter	 Year t	to Date		
		FY'21		Y'20	FY'21		FY'20	
Adjusted EBITDA	\$	112.8	\$	69.6	\$ 286.3	\$	301.0	
Adjusted EBITDA margin		20.3%)	15.8%	15.8%		15.6%	
Adjusted net income attributable to Korn Ferry	\$	66.2	\$	32.7	\$ 137.3	\$	161.3	
Adjusted basic earnings per share	\$	1.22	\$	0.60	\$ 2.53	\$	2.94	
Adjusted diluted earnings per share	\$	1.21	\$	0.60	\$ 2.51	\$	2.91	

⁽a) Numbers may not total due to rounding.

⁽b) Adjusted EBITDA refers to earnings before interest, taxes, depreciation and amortization, further adjusted to exclude integration/acquisition costs, net restructuring charges and separation costs when applicable. Adjusted results on a consolidated basis are non-GAAP financial measures that adjust for the following, as applicable (see attached reconciliations):

	Fourth Quarter					Year t	Year to Date				
	FY'21			FY'20		FY'21		FY'20			
Integration/acquisition costs	\$	_	\$	2.8	\$	0.7	\$	12.2			
Restructuring charges, net	\$	_	\$	40.5	\$	30.7	\$	58.6			
Separation costs	\$	_	\$	_	\$	_	\$	1.8			
Debt refinancing costs	\$	_	\$	_	\$	_	\$	0.8			

Fiscal 2021 Fourth Quarter Results

The Company reported fee revenue in Q4 FY'21 of \$555.2 million, an increase of 26% (up 22% on a constant currency basis) compared to Q4 FY'20. Fee revenue increased in all lines of business. The increase in fee revenue when compared to Q4 FY'20 was primarily due to the Company's recovery from the coronavirus pandemic ("COVID-19") which began to impact the Company on a worldwide basis in Q4 FY'20, as well as the increasing relevance of the Company's solutions in helping businesses solve their organizational and human capital issues in today's business environment.

Operating margin was 15.5% in Q4 FY'21 compared to 5.0% in the year-ago quarter. Adjusted EBITDA margin was 20.3%, compared to Adjusted EBITDA margin of 15.8% in the year-ago quarter. Net income attributable to Korn Ferry was \$66.2 million in Q4 FY'21 compared to net loss attributable to Korn Ferry of \$0.8 million in Q4 FY'20.

The year-over-year improvement in each of the above measures of profitability was due to the increase in fee revenue discussed above and cost saving actions the Company took in response to the impact of COVID-19 in both Q4 FY'20 and Q1 FY'21, partially offset by an increase in compensation and benefits expense due to the Company recording an accrual to fully reimburse colleagues for pay cuts taken in FY'21 that were not previously reimbursed and an increase in performance related bonus expense due to the revenue growth through the recovery combined with an increase in overall profitability.

Fiscal 2021 Results

The Company reported fee revenue in FY'21 of \$1,810.0 million, a decrease of 6% (down 7% on a constant currency basis) compared to FY'20.

Operating income was \$155.8 million in FY'21 with an operating margin of 8.6% compared to \$176.0 million and 9.1% in FY'20. The decrease in operating income was primarily due to a decline in fee revenue, associated with the impact of COVID-19, partially offset by decreases in net restructuring charges, integration/acquisition costs and general administrative expenses, the latter of which resulted from the cost saving initiatives that were put in place.

Net income attributable to Korn Ferry was \$114.5 million in FY'21 as compared to \$104.9 million in FY'20.

Adjusted EBITDA was \$286.3 million in FY'21 with Adjusted EBITDA margin of 15.8%, compared to \$301.0 million and 15.6%, respectively, in the year-ago period.



Results by Line of Business

Selected Consulting Data

(dollars in millions) (a)

	Fourth	rter		Year to Date			
	FY'21		FY'20		FY'21		FY'20
Fee revenue	\$ 153.6	\$	121.0	\$	515.8	\$	543.1
Total revenue	\$ 153.8	\$	123.4	\$	517.0	\$	557.3
Ending number of consultants and execution staff (b)	1,565		1,671		1,565		1,671
Hours worked in thousands (c)	428		415		1,565		1,758
Average billed rate (d)	\$ 359	\$	292	\$	330	\$	309

Adjusted Results (e):		Fourth	ter		Year to	o Dat	e	
	F	Y'21		Y'20	F	Y'21	F	Y'20
Adjusted EBITDA	\$	27.2		11.1	\$	81.5	\$	61.1
Adjusted EBITDA margin		17.7%		9.2%		15.8%		11.2%

⁽a) Numbers may not total due to rounding.

⁽e) Adjusted results exclude the following:

		Fourth	Quarte	er	Year to Date			
	F۱	FY'21		FY'20	FY'21		FY'20	
Restructuring charges, net	\$	\$ —		13.4	\$ 14.2	\$	24.5	

Fee revenue was \$153.6 million in Q4 FY'21 compared to \$121.0 million in Q4 FY'20, an increase of \$32.6 million or 27% (up 23% on a constant currency basis). The increase in fee revenue was due to the Company recovering from COVID-19, which began to negatively impact the Company on a worldwide basis in Q4 FY'20. The diversity and increasing relevance of our consulting services and our ability to adapt to delivering the services in a virtual world has led to an increase in fee revenue in Q4 FY'21 compared to the year-ago quarter.

Adjusted EBITDA was \$27.2 million in Q4 FY'21 with an Adjusted EBITDA margin of 17.7% compared to Adjusted EBITDA of \$11.1 million with an associated margin of 9.2%, respectively, in the year-ago quarter. This change resulted from an increase in fee revenue and a decline in general and administrative expenses, which resulted from the cost saving initiatives that were put in place. These changes were offset by an increase in compensation and benefits expense due to the Company recording an accrual to fully reimburse colleagues for pay cuts taken in FY'21 that were not previously reimbursed and an increase in performance related bonus expense due to the revenue growth through the recovery combined with an increase in overall profitability.

⁽b) Represents number of employees originating, delivering and executing consulting services.

⁽c) The number of hours worked by consultant and execution staff during the period.

⁽d) The amount of fee revenue divided by the number of hours worked by consultants and execution staff.



Selected Digital Data

(dollars in millions) (a)

Digital leverages an artificial intelligence powered, machine-learning platform to identify the best structures, roles, capabilities, and behaviors needed to drive business forward. This end-to-end platform combines Korn Ferry proprietary data, client data, and external market data to help make better, faster decisions about organizations, leadership, and people.

		Fourth	rter	Year to Date						
	F	FY'21		FY'20		FY'20		FY'21		FY'20
Fee revenue	\$	80.5	\$	69.3	\$	287.3	\$	292.4		
Total revenue	\$	80.8	\$	69.9	\$	287.8	\$	294.3		
Ending number of consultants		295		421		295		421		
Subscription & License fee revenue	\$	23.6	\$	20.9	\$	89.9	\$	73.5		

Adjusted Results (b):	Fourth Quarter					Year to	r to Date				
	F	/'21		FY'20	F	Y'21	F	Y'20			
Adjusted EBITDA	\$	27.9	\$	17.0	\$	86.1	\$	83.1			
Adjusted EBITDA margin		34.7% 24.5		24.5%		30.0%		28.4%			

⁽a) Numbers may not total due to rounding.

⁽b) Adjusted results exclude the following:

	Fourth Quarter					Year t	ear to Date			
	FY'21			FY'20		FY'21	FY'2			
Integration/acquisition costs	\$	_	\$	1.6	\$	0.6	\$	5.9		
Restructuring charges, net	\$	_	\$	3.4	\$	2.9	\$	10.5		

Fee revenue was \$80.5 million in Q4 FY'21 compared to \$69.3 million in Q4 FY'20, an increase of \$11.2 million or 16% (up 12% on a constant currency basis). The increase in fee revenue was due to the Company recovering from COVID-19, which began to negatively impact the Company on a worldwide basis in Q4 FY'20. As economies around the world recover and companies pivot from in person training to virtual delivery of training courses, the demand for our products and services has now exceeded pre-pandemic levels.

Adjusted EBITDA was \$27.9 million in Q4 FY'21 with an Adjusted EBITDA margin of 34.7% compared to \$17.0 million and 24.5%, respectively, in the year-ago quarter. Contributing to the increase were higher fee revenues and decreases in general and administrative expenses, partially offset by an increase in compensation and benefits expense due to the Company recording an accrual to fully reimburse colleagues for pay cuts taken in FY'21 that were not previously reimbursed and an increase in performance related bonus expense due to the revenue growth through the recovery combined with an increase in overall profitability.



Selected Executive Search Data(a)

(dollars in millions) (b)

	Fourth Quarter					Year to Date				
	F	FY'21		FY'20	20 FY'21			FY'20		
Fee revenue	\$	200.7	\$	167.9	\$	637.0	\$	732.5		
Total revenue	\$	201.3	\$	171.2	\$	639.3	\$	749.2		
Ending number of consultants		524		556		524		556		
Average number of consultants		523		569		540		560		
Engagements billed		3,794		3,424		8,672		9,722		
New engagements (c)		1,712		1,229		5,459		6,064		

Adjusted Results (d):		Fourth C	Quart	er	 Year to	o Dat	e
	F	Y'21	F	Y'20	FY'21	1	FY'20
Adjusted EBITDA	\$	\$ 49.8		47.5	\$ 127.8	\$	181.1
Adjusted EBITDA margin		24.8%		28.3%	20.1%	1	24.7%

⁽a) Executive Search is the sum of the individual Executive Search Reporting Segments and is presented on a consolidated basis as it is consistent with the Company's discussion of its Lines of Business, and financial metrics used by the Company's investor base.

⁽d) Executive Search Adjusted EBITDA and Adjusted EBITDA margin are non-GAAP financial measures that adjust for the following:

	Fourth Quarter					Year t	ar to Date				
	FY'21	FY'21		Y'20		FY'21		FY'20			
Restructuring charges, net	\$	_	\$	17.5	\$	10.4	\$	17.5			
Separation costs	\$	_	\$	_	\$	_	\$	1.8			

Fee revenue was \$200.7 million and \$167.9 million in Q4 FY'21 and Q4 FY'20, respectively, a year-over-year increase of \$32.8 million or 20% (up 16% on a constant currency basis). The increase in fee revenue was primarily attributable to higher fee revenue in North America where demand for our products and services has now exceeded pre-pandemic levels in conjunction with the worldwide economic recovery.

Adjusted EBITDA was \$49.8 million in Q4 FY'21 with an Adjusted EBITDA margin of 24.8% compared to Adjusted EBITDA of \$47.5 million and Adjusted EBITDA margin of 28.3%, respectively, in the year-ago quarter. While Adjusted EBITDA was up slightly, Adjusted EBITDA margin was down 350bps due to the Company recording an accrual to fully reimburse colleagues for pay cuts taken in FY'21 that were not previously reimbursed and an increase in performance related bonus expense due to the revenue growth through the recovery combined with an increase in overall profitability.

⁽b) Numbers may not total due to rounding.

⁽c) Represents new engagements opened in the respective period.



Selected RPO and Professional Search Data

(dollars in millions) (a)

	Fourth Quarter Year to Day FY'21 FY'20 FY'21 \$ 120.4 \$ 82.4 \$ 369.9 \$ \$ 121.5 \$ 84.5 \$ 375.8 \$						o Da	te
	F	Y'21	ı	Y'20		FY'21		FY'20
Fee revenue	\$	120.4	\$	82.4	\$	369.9	\$	364.8
Total revenue	\$	121.5	\$	84.5	\$	375.8	\$	376.6
Engagements billed (b)		1,626		1,206		3,558		3,641
New engagements (c)		883		573		2,971		2,744

Adjusted Results (d):		Fourth (<u> </u>				
	F	Y'21	F	Y'20	F	Y'21	F	Y'20
Adjusted EBITDA	\$	30.0	\$	12.7	\$	69.4	\$	60.2
Adjusted EBITDA margin		24.9%		15.4%		18.8%		16.5%

⁽a) Numbers may not total due to rounding.

⁽d) Adjusted results exclude the following:

		Fourth	Quarter			Date		
	FY	"21	FΥ	"20	F'	Y'21	F۱	Y'20
Restructuring charges, net	\$	-		5.7	\$	3.2	\$	5.7

Fee revenue was \$120.4 million in Q4 FY'21, an increase of \$38.0 million or 46% (up 40% on a constant currency basis), compared to the year-ago quarter. The higher fee revenue was driven by an increase in recruitment process outsourcing ("RPO") fee revenue of \$28.9 million or 58% (51% at constant currency) and an increase in Professional Search of \$9.1 million or 28% (23% at constant currency) due to the Company recovering from COVID-19, which began to negatively impact the Company on worldwide basis in Q4 FY'20.

Adjusted EBITDA was \$30.0 million in Q4 FY'21 with an Adjusted EBITDA margin of 24.9% in Q4 FY'21 compared to \$12.7 million and 15.4%, respectively, in the year-ago quarter. The increase in Adjusted EBITDA was due to the higher fee revenue discussed above, partially offset by an increase in compensation and benefits expense due to the Company recording an accrual to fully reimburse colleagues for pay cuts taken in FY'21 that were not previously reimbursed and an increase in performance related bonus expense due to the revenue growth through the recovery combined with an increase in overall profitability.

⁽b) Represents professional search engagements billed.

⁽c) Represents new professional search engagements opened in the respective period.



Outlook

Assuming no new major pandemic lockdowns, worldwide economic conditions, financial markets and foreign exchange rates remain steady, on a consolidated basis:

- Q1 FY'22 fee revenue is expected to be in the range of \$535 million and \$555 million; and
- Q1 FY'22 diluted earnings per share is expected to range between \$1.04 to \$1.14.

Earnings Conference Call Webcast

The earnings conference call will be held today at 12:00 PM (EDT) and hosted by CEO Gary Burnison, CFO Robert Rozek and SVP Finance Gregg Kvochak. The conference call will be webcast and available online at <u>ir.kornferry.com</u>. We will also post to this section of our website earnings slides, which will accompany our webcast, and other important information, and encourage you to review the information that we make available on our website.



About Korn Ferry

Korn Ferry is a global organizational consulting firm. We help clients synchronize strategy and talent to drive superior performance. We work with organizations to design their structures, roles, and responsibilities. We help them hire the right people to bring their strategy to life. And we advise them on how to reward, develop, and motivate their people. Visit kornferry.com for more information.

Forward-Looking Statements

Statements in this press release and our conference call that relate to our outlook, projections, goals, strategies, future plans and expectations, and other statements of future events or conditions are forward-looking statements that involve a number of risks and uncertainties. Words such as "believes", "expects", "anticipates", "goals", "estimates", "guidance", "may", "should", "could", "will" or "likely", and variations of such words and similar expressions are intended to identify such forward-looking statements. Statements that refer to or are based on estimates, forecasts, projections, uncertain events or assumptions, including statements relating to expected demand for our products and services, the timing and expected benefits of our restructuring plan, the magnitude and duration of the impact of the COVID-19 outbreak on our business, employees, customers and our ability to provide services in affected regions, and the potential opportunities for our business as a result of worldwide changes in how companies conduct business as a result of COVID-19. Readers are cautioned not to place undue reliance on such statements. Such statements are based on current expectations; actual results in future periods may differ materially from those currently expected or desired because of a number of risks and uncertainties that are beyond the control of Korn Ferry. The potential risks and uncertainties include those relating to the ultimate magnitude and duration of COVID-19 and any future pandemic or similar outbreaks, and related restrictions and operational requirements that apply to our business and the businesses of our clients, and any related negative impacts on our business, employees, customers and our ability to provide services in affected regions, global and local political or economic developments in or affecting countries where we have operations, competition, changes in demand for our services as a result of automation, the dependence on and costs of attracting and retaining qualified and experienced consultants, our ability to maintain relationships with customers and suppliers and retain key employees, maintaining our brand name and professional reputation, potential legal liability and regulatory developments, the portability of client relationships, consolidation of the industries we serve, changes and developments in government laws and regulations, evolving investor and customer expectations with regard to environmental matters, currency fluctuations in our international operations, risks related to growth, alignment of our cost structure, restrictions imposed by offlimits agreements, reliance on information processing systems, cyber security vulnerabilities, changes to data security, data privacy and data protection laws, limited protection of our intellectual property, our ability to enhance and develop new technology, our ability to develop new products and services, the utilization and billing rates of our consultants, dependence on third parties for the execution of critical functions, our ability to successfully recover from a disaster or other business continuity problems, changes in our accounting estimates/assumptions, technical guidance relating to the Tax Act, treaties, or regulations on our business and our company, impairment of goodwill and other intangible assets, deferred tax assets that we may not be able to use, our indebtedness, the phase-out of the London Interbank Offered Rate, the withdrawal of the United Kingdom from the European Union, expansion of social media platforms, seasonality, ability to effect acquisition and integrate acquired businesses and employment liability risk. For a detailed description of risks and uncertainties that could cause differences, please refer to Korn Ferry's periodic filings with the Securities and Exchange Commission. Korn Ferry disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Use of Non-GAAP Financial Measures

This press release contains financial information calculated other than in accordance with U.S. Generally Accepted Accounting Principles ("GAAP"). In particular, it includes:

- Adjusted net income attributable to Korn Ferry, adjusted to exclude integration/acquisition costs, restructuring charges, separation costs and debt refinancing costs net of income tax effect;
- Adjusted basic and diluted earnings per share, adjusted to exclude integration/acquisition costs, restructuring charges, separation costs and debt refinancing costs net of income tax effect;
- Constant currency (calculated using a quarterly average) percentages that represent the percentage change that
 would have resulted had exchange rates in the prior period been the same as those in effect in the current period;
- Consolidated and Executive Search Adjusted EBITDA, which is earnings before interest, taxes, depreciation and amortization, further adjusted to exclude integration/acquisition costs, restructuring charges and separations costs, and Consolidated and Executive Search Adjusted EBITDA margin.



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.

Management believes the presentation of non-GAAP financial measures in this press release provides meaningful supplemental information regarding Korn Ferry's performance by excluding certain charges that may not be indicative of Korn Ferry's ongoing operating results. These non-GAAP financial measures are performance measures and are not indicative of the liquidity of Korn Ferry. These charges, which are described in the footnotes in the attached reconciliations, represent 1) costs we incurred to acquire and integrate a portion of our Digital business, 2) charges we incurred to restructure the Company as a result of COVID-19 and due to the acquisition of the acquired companies, 3) separation costs and 4) debt refinancing costs. The use of non-GAAP financial measures facilitates comparisons to Korn Ferry's historical performance. Korn Ferry includes non-GAAP financial measures because management believes they are useful to investors in allowing for greater transparency with respect to supplemental information used by management in its evaluation of Korn Ferry's ongoing operations and financial and operational decision-making. Adjusted net income attributable to Korn Ferry, adjusted basic and diluted earnings per share and Consolidated and Executive Search Adjusted EBITDA, exclude certain charges that management does not consider on-going in nature and allows management and investors to make more meaningful period-toperiod comparisons of the Company's operating results. Management further believes that Consolidated and Executive Search Adjusted EBITDA is useful to investors because it is frequently used by investors and other interested parties to measure operating performance among companies with different capital structures, effective tax rates and tax attributes and capitalized asset values, all of which can vary substantially from company to company. In the case of constant currency percentages, management believes the presentation of such information provides useful supplemental information regarding Korn Ferry's performance as excluding the impact of exchange rate changes on Korn Ferry's financial performance allows investors to make more meaningful period-to-period comparisons of the Company's operating results, to better identify operating trends that may otherwise be masked or distorted by exchange rate changes and to perform related trend analysis, and provides a higher degree of transparency of information used by management in its evaluation of Korn Ferry's ongoing operations and financial and operational decision-making.

[Tables attached]

KORN FERRY AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF OPERATIONS (in thousands, except per share amounts)

		onths Ended oril 30,	Year E Apri	
	2021	2020	2021	2020
		nudited)		
Fee revenue	\$ 555,151	\$ 440,469	\$ 1,810,047	\$ 1,932,732
Reimbursed out-of-pocket engagement expenses	2,243	8,507	9,899	44,598
Total revenue	557,394	448,976	1,819,946	1,977,330
Compensation and benefits	380,350	283,519	1,297,880	1,297,994
General and administrative expenses	50,940	59,786	191,776	258,957
Reimbursed expenses	2,243	8,507	9,899	44,598
Cost of services	21,832	19,515	72,030	85,886
Depreciation and amortization	15,777	14,956	61,845	55,311
Restructuring charges, net		40,466	30,732	58,559
Total operating expenses	471,142	426,749	1,664,162	1,801,305
Operating income	86,252	22,227	155,784	176,025
Other income (loss), net	10,820	(10,893)	37,194	(2,879)
Interest expense, net	(7,592)	(6,998)	(29,278)	(22,184)
Income before provision for income taxes	89,480	4,336	163,700	150,962
Income tax provision	22,729	4,957	48,138	43,945
Net income (loss)	66,751	(621)	115,562	107,017
Net income attributable to noncontrolling interest	(561)	(181)	(1,108)	(2,071)
Net income (loss) attributable to Korn Ferry	\$ 66,190	\$ (802)	\$ 114,454	\$ 104,946
Earnings (loss) per common share attributable to Korn Ferry:				
Basic	\$ 1.22	\$ (0.02)	\$ 2.11	\$ 1.91
Diluted	\$ 1.21	\$ (0.02)	\$ 2.09	\$ 1.90
Weighted-average common shares outstanding:				
Basic	52,621	53,534	52,928	54,342
Diluted	53,243	53,534	53,405	54,767
Cash dividends declared per share:	\$ 0.10	\$ 0.10	\$ 0.40	\$ 0.40

KORN FERRY AND SUBSIDIARIES FINANCIAL SUMMARY BY REPORTING SEGMENT (dollars in thousands) (unaudited)

	_	Three	Months I	nded April 3	30,	_		Year Ende	d April '30,	
	_	2021		2020	% Change	_	2021	-	2020	% Change
Fee revenue:										
Consulting	\$	153,573		\$ 120,992	26.9%	\$	515,844	9	543,095	(5.0%)
Digital		80,499		69,269	16.2%		287,306		292,366	(1.7%)
Executive Search:										
North America		130,790		102,196	28.0%		397,275		434,624	(8.6%)
EMEA		41,253		39,662	4.0%		138,954		170,314	(18.4%)
Asia Pacific		23,604		19,737	19.6%		83,306		98,132	(15.1%)
Latin America		5,081		6,260	(18.8%)		17,500		29,400	(40.5%)
Total Executive Search (a)		200,728		167,855	19.6%		637,035		732,470	(13.0%)
RPO and Professional Search		120,351		82,353	46.1%		369,862		364,801	1.4%
Total fee revenue		555,151		440,469	26.0%		1,810,047		1,932,732	(6.3%)
Reimbursed out-of-pocket engagement expenses		2,243		8,507	(73.6%)		9,899		44,598	(77.8%)
Total revenue	\$	557,394		\$ 448,976	24.1%	\$	1,819,946	-	1,977,330	(8.0%)

⁽a) Total Executive Search is the sum of the individual Executive Search Reporting Segments and is presented on a consolidated basis as it is consistent with the Company's discussion of its Lines of Business, and financial metrics used by the Company's investor base.

KORN FERRY AND SUBSIDIARIES CONSOLIDATED BALANCE SHEETS (in thousands, except per share amounts)

ASSET Cash and captiquisments 8 (2007) 8 (2007) Receivable seutrities 6,500 4,105 Receivables due from clents, net of allowance for doubtful accounts of \$29,324 and \$23,795 at April 30,201 and 2000 48,473 39,106 Incente clauses and other receivables 5,300 43,107 20,201			April 30, 2021	_	April 30, 2020
Marketable securities 63,667 41,951 Receivables for fire clients, net of allowance for doubtful accounts of \$29,324 and \$23,795 at April 30,2021 and 2020; 448,733 307,165 Income taxes and other receivables 440,224 38,755 Incamed compensation 33,024 26,831 Proper dispenses and other assets 30,724 26,831 Marketable securities, non-current 182,692 131,778 142,728 Properly and equipment, net 181,778 142,728 150,707 Qparating lasse right-of-use assets, net 111,950 146,008 150,709 146,008 Goodwill 61,669 613,943 150,709 146,008 150,709 146,008 150,709 146,008 150,709 146,008 150,709 146,008 150,709 146,008 150,709 146,008 150,009 146,008 150,009 146,008 150,009 146,008 150,009 146,008 150,009 146,008 150,009 146,008 150,009 146,008 150,009 146,008 150,009 146,008 150,009 146,008					
Receivables due from clients, net of allowance for doubtful accounts of \$29,324 and \$23,795 at April 30, 2021 and 2020. 448,73 30,765 Income taxes and other receivables 40,024 38,755 Uneamed compensation 30,006 43,117 Prepaid expense and other assets 30,704 1,237,083 Total current assets 18,695 132,738 Marketable securities, non-current 181,692 132,738 Property and equipment, net 131,778 181,778 181,778 Operating lease right-of-use assets, net 164,608 164,008 181,609 1	·	\$	•	\$	•
respectively 448,73 97.15 floomed nome say and other receivables 40,04 38,755 Unearned compensation 53,00 43,117 Prepaid expenses and other assets 30,724 26,855 Total contract assets 182,692 132,178 Marketable securities, non-current 182,692 132,178 Property and equipment, net 131,778 142,121 Operating lease right-of-use sasts, net 161,295 146,008 Operating lease right-of-use sasts, net 73,006 51,392 Goodwill 73,006 51,392 Incapacity of company-owned life insurance policies, net of loans 73,006 51,492 Operating lease right-of-use sasts, net 9,2949 111,608 Incapacity of company-owned life insurance policies, net of loans 62,492 11,608 Codedition 3,2949 111,608 13,608 Incapacity 4,493 2,452 2,524 Incapacity 4,493 2,452 2,524 Incapacity 4,493 2,452 2,524 Inc			63,667		41,951
Income taxes and other receivables 40,024 38,75 Unarpard expenses and other assets 30,72 42,115 Total current assets 30,72 26,851 Total current assets 18,77,72 32,72 Markable securities, non-current 182,92 132,214 Opporting lease right-of-use assets, net 174,121 195,07 Cash surrender value of company-owned life insurance policies, net of loans 174,121 195,07 Cash surrender value of company-owned life insurance policies, net of loans 61,03 5,03 Codovill 62,66 13,04 11,02 Codovill 62,66 13,04 11,02 Codovill 62,66 13,04 11,02 Unear text compensation, non-current 10,235 75,10 Total assets 24,04 29,94 11,12 Total assets 5 45,95 25,94 Total assets 5 45,95 25,94 Total assets 5 45,95 25,94 Count to spayable 23,04 23,94 25,94			440 722		207.465
Uneared compensation 53,00% 43,17b Prepaid expenses and other assets 30,70x 2,6285 Total current assets 1,487,102 1,237,008 Marketable securities, non-current 182,009 132,174 Properting lease right-of-use assets, net 161,178 142,000 Coperating lease right-of-use assets, net 161,209 140,000 Ceferred inome taxs 31,000 5,078 Code/in Company-owned life insurance policies, net of lonos 161,209 110,100 Ceferred inome taxs 2,940 110,100 Code/in Company-owned life insurance policies, net of lonos 3,000 15,000 Coderigin Company-owned life insurance policies, net of long assets, net 9,294 111,000 Coderigin Company-owned Life 1,240,000 1,240,000 Uneared Company-owned Life 2,240 2,29,000 Interpation Company-owned Life 3,240 2,29,000 Total assets 4,493 4,586 4,586 Total assets 2,440 2,21,000 2,21,000 Compensation Assets (asset) 3,400 2,	• •		· ·		· ·
Prepaid expense and other assets 30,74 76,85 Total current assets 1,807,100 2,807,300 Markatible securities, non-current 131,778 132,728 Opportuge dequipment, net 131,778 142,728 Operating lease right-of-use assets, net 174,000 151,000 Cash surrender value of company-owned life insurance policies, net of loans 616,005 161,005 Construction 73,100 151,000 151,000 Class sets, net 62,009 111,000 151,000			•		· ·
Total current assets 1,487,132 1,237,083 Marketable securities, non-current 182,692 132,138 Property and equipment, net 131,778 142,728 Cparting lease gright-of-use assets, net 161,255 146,008 Coptering rejets eright-of-use assets, net 161,255 146,008 Godwill 626,669 161,394 Condering Lease sets, net 102,356 78,106 Condering Lease sets, net 102,356 111,1926 Conserved compensation, non-current 102,356 78,106 Unearned compensation, non-current 102,356 78,106 Total assets 24,493 29,540 Total assets 24,493 29,540 Total assets 24,493 24,588 Income taxes payable 47,996 28,941 Compensation and benefits payable 39,466 28,941 Operating lease liability, current 346,655 289,136 Operating lease liability, current 346,455 289,136 Operating lease liability, non-current 35,602 30,802	'		•		•
Marketable securities, non-current 182,692 132,178 Property and equipment, net 131,778 142,728 Operating lease right-of-use assets, net 174,121 195,077 Cash surrender value of company-owned life insurance policies, net of loans 161,295 146,408 Deferred income taxes 37,3106 55,479 Goodwill 626,669 613,943 Intangible assets, net 102,356 79,510 Unearned compensation, non-current 20,426 25,408 Total assets 244,28 25,408 Total assets \$ 3,055,526 \$ 2,743,828 Total assets \$ 44,993 \$ 45,684 Total assets \$ 24,493 \$ 45,684 Composation and benefits payable \$ 34,945 \$ 45,81 Compensation and benefits payable \$ 34,945 \$ 48,91 Operating lease liability, current \$ 239,44 221,613 Operating lease liability, current \$ 34,945 88,11 Operating lease liability, non-current \$ 35,000 \$ 22,001 Deferred compensation and other retirement plans	·			_	
Property and equipment, net 131,778 125,778 Operating lease right-of-use assets, net 174,211 155,077 Cash surrender value of company-owned life insurance policies, net of loans 161,25 146,408 Deferred income taxes 73,106 55,479 Goodwill 626,669 613,948 Intangible assets, net 102,356 79,510 Investments and other assets 20,408 29,540 Total assets \$ 3,056,526 27,438,285 Total assets \$ 44,993 \$ 45,684 Income taxes payable \$ 44,993 \$ 45,684 Income taxes payable \$ 44,993 \$ 45,684 Income taxes payable \$ 47,986 54,815 Ompensation and benefits payable \$ 47,986 54,815 Other accrued liabilities 239,44 221,601 Total current liabilities 346,455 289,136 Operating lease liability, non-current 155,998 180,766 Deferred Compensation and other retirement plans 36,602 30,828 Deferred Librities 36,602 30,828<	Total current assets		1,487,132		1,237,083
Operating lease right-of-use assets, net 174,121 195,077 Cash surender value of company-owned life insurance policies, net of loans 161,255 146,408 Deferred income taxes 73,106 55,479 Goodwill 626,669 613,943 Intengible assets, net 92,402 211,926 Unearned compensation, non-current 102,356 79,510 Investments and other assets 24,428 29,506 Total assets \$ 3,056,528 2,743,828 Recounts payable \$ 44,993 45,684 Income taxes payable 34,406 28,011 Compensation and benefits payable 344,936 28,011 Operating lease liability, current 47,986 28,911 Operating lease liability, current 35,934 221,083 Deferred compensation and other retirement plans 36,455 289,136 Deferred compensation and other retirement plans 155,998 180,766 Deferred tax liabilities 334,949 34,414 Deferred tax liabilities 36,602 30,828 Total liabilities <td< td=""><td>Marketable securities, non-current</td><td></td><td></td><td></td><td>132,134</td></td<>	Marketable securities, non-current				132,134
Ash surrender value of company-owned life insurance policies, net of 10e 164,085 146,086 161,095 154,789 154,789 154,789 154,789 161,081 163,081 163,081 163,081 161,081 161,081 161,081 161,081 161,081 161,081 161,081 161,081 161,081 161,081 161,081 161,081 161,081 161,082 161,082 175,081 175,081 175,081 175,081 175,081 175,082<	Property and equipment, net		•		· ·
Defered income taxes 73,106 55,479 Cookwill 60,666 613,943 611,948 Intentage lassets, net 90,949 111,926 Unearned compensation, non-current 102,356 79,510 Investments and other assets 2,424.82 79,510 Total assets 44,993 \$ 45,684 Commensation STOKKHOLDERS' EQUITY 23,041 21,158 Cacounts payable \$ 44,993 \$ 45,684 Commensation and benefits payable 394,606 280,911 Comer taxes payable 394,606 280,911 Compensation and benefits payable 394,606 280,911 Compensation and Jenefits payable 394,606 280,911 Operating lease liability, current 394,606 280,911 Operating lease liability, current 384,655 289,136 Operating lease liability, non-current 384,655 289,136 Ongetting lease liabilities 38,007 38,260 Congetting lease liabilities 38,260 38,260 Other liabilities 38,007 38,260			•		•
Godwill 626,699 613,948 Intangible assets, net 92,949 111,926 Investments and other assets 102,356 29,540 Total assets 24,428 29,540 Total assets 2,305,520 2,734,382 ***********************************	Cash surrender value of company-owned life insurance policies, net of loans		· ·		· ·
Intangible assets, net 9,949 111,926 Une and compensation, non-current 102,356 79,510 Investments and other assets 2,4248 29,648 Total assets \$ 3,056,526 \$ 2,743,828 CARBILITES AND STOCKHOLDERS' EQUITY Accounts payable \$ 44,993 \$ 45,684 Income taxes payable 39,406 280,911 Opperating lease liability, current 47,996 4,815 Operating lease liability, current 47,996 4,815 Operating lease liability, current 346,455 289,136 Operating lease liability, non-current 35,260 36,622 Operating lease liability, non-current			•		· ·
Unerned compensation, non-current 102,356 79,510 Investments and other assets 24,428 29,504 Total assets \$ 3,056,526 \$ 2,743,828 Common SPOCKHOUDERS' FQUITY Exercise payable \$ 4,993 4,508 Compensation and benefits payable 23,041 21,158 Compensation and benefits payable 394,606 280,911 Operating lease liability, current 394,606 280,911 Other accured liabilities 239,444 221,603 Operating lease liability, non-current 346,455 289,136 Operating lease liability, non-current 35,949 30,762 Operating lease liability, non-current 35,999 180,766 Operating lease liabilities 36,002 38,302 180,766 Other liabilities 36,002 38,302 1,502,137 Other liabilities			•		•
Total assets			· ·		· ·
Total assets \$ 3,055,250 \$ 2,743,828 LABILITIES AND STOCKHOLDERS' EQUITY \$ 44,993 \$ 45,684 Accounts payable 23,041 21,158 Longensation and benefits payable 334,606 280,911 Operating lease liability, current 47,986 54,815 Operating lease liability, current 239,444 221,603 Operating lease liability, non-current 346,455 289,136 Operating lease liability, non-current 346,455 289,136 Long-term deth 394,794 394,144 Deferred compensation and other retirement plans 346,455 89,136 Long-term deth 394,794 394,144 Deferred tak liabilities 3,832 1,056 Deferred tak liabilities 3,832 1,502,137 Other liabilities 3,832 1,502,137 Total liabilities 3,832 1,502,137 Common stock: \$0.01 par value, 150,000 shares authorized, 74,915 and 73,205 shares issued and 54,008 and 54,000 583,600 585,500 Retained earnings 384,949 742,993 Accumulated other	·		· ·		•
LIABBILITIES AND STOCKHOLDERS' EQUITY Accounts payable \$ 44,993 \$ 45,684 Income taxes payable 23,041 21,158 Compensation and benefits payable 394,606 280,911 Operating lease liability, current 47,986 54,851 Other accrued liabilities 239,444 221,603 Total current liabilities 750,070 624,207 Deferred compensation and other retirement plans 346,455 289,136 Operating lease liability, non-current 155,998 180,766 Long-term debt 394,794 394,144 Deferred tax liabilities 3832 1,056 Other liabilities 36,602 30,828 Total liabilities 36,602 30,828 Total liabilities 583,260 \$85,500 Stockholders' equity \$83,200 \$85,500 Retained earnings 834,949 74,293 Accumulated other comprehensive loss, net (51,820) 107,172 Total Korn Ferry stockholders' equity 1,366,393 1,21,381 Noncontrolling interest				_	
Accounts payable \$ 44,993 \$ 45,684 Income taxes payable 23,041 21,158 Compensation and benefits payable 394,666 289,911 Operating lease liability, current 47,986 54,851 Other accrued liabilities 239,444 221,603 Total current liabilities 346,455 289,136 Operating lease liability, non-current 155,998 180,766 Long-term debt 394,794 394,144 Deferred tax liabilities 3,832 1,056 Other liabilities 36,602 30,828 Other liabilities 36,602 30,828 Total liabilities 583,260 30,228 Common stock: \$0.01 par value, 150,000 shares authorized, 74,915 and 73,205 shares issued and 54,008 and 54,405 583,260 585,560 Retained earnings 834,949 742,993 Retained earnings 834,949 742,993 Accumulated other comprehensive loss, net (51,820) (107,172) Total Korn Ferry stockholders' equity 2,386 2,310 Noncontrolling interest 2,386	Total assets	\$	3,056,526	\$	2,743,828
Income taxes payable 23,041 21,158 Compensation and benefits payable 394,666 280,911 Operating lease liability, current 47,986 54,851 Other accrued liabilities 239,444 221,603 Total current liabilities 750,070 624,207 Deferred compensation and other retirement plans 346,455 289,136 Operating lease liability, non-current 155,998 180,766 Long-term debt 394,794 394,714 Deferred tax liabilities 3,832 1,056 Other liabilities 36,602 30,828 Total liabilities 36,602 30,828 Other liabilities 36,602 30,828 Other liabilities 55,504 55,504 Otmon stock: \$0.01 par value, 150,000 shares authorized, 74,915 and 73,205 shares issued and 54,008 and 54,450 583,260 585,560 Retained earnings 834,949 742,993 Accumulated other comprehensive loss, net (51,820) (107,172) Total Korn Ferry stockholders' equity 1,366,389 1,221,381 Noncontrolling inte	LIABILITIES AND STOCKHOLDERS' EQUITY				
Compensation and benefits payable 394,606 280,911 Operating lease liability, current 47,986 54,851 Other accrued liabilities 239,444 221,608 Total current liabilities 750,070 624,207 Deferred compensation and other retirement plans 346,455 289,136 Operating lease liability, non-current 155,998 180,766 Long-term debt 394,794 394,144 Deferred tax liabilities 36,602 30,828 Other liabilities 36,602 30,828 Total liabilities 1,687,751 1,520,137 Stockholders' equity 583,260 583,560 Retained earnings 834,949 742,993 Accumulated other comprehensive loss, net (51,820) (107,172) Total Korn Ferry stockholders' equity 1,366,389 1,221,381 Noncontrolling interest 2,336 2,310 Total stockholders' equity 1,368,775 1,223,691	Accounts payable	\$	44,993	\$	45,684
Operating lease liability, current 47,986 54,851 Other accrued liabilities 239,444 221,603 Total current liabilities 750,070 624,207 Deferred compensation and other retirement plans 346,455 289,136 Operating lease liability, non-current 155,998 180,766 Long-term debt 394,794 394,144 Deferred tax liabilities 3,832 1,056 Other liabilities 36,602 30,828 Total liabilities 1,687,751 1,520,137 Stockholders' equity Common stock: \$0.01 par value, 150,000 shares authorized, 74,915 and 73,205 shares issued and 54,008 and 54,450 583,260 585,560 Retained earnings 834,949 742,993 Accumulated other comprehensive loss, net (51,820) (107,172) Total Korn Ferry stockholders' equity 1,366,389 1,221,381 Noncontrolling interest 2,386 2,310 Noncontrolling interest 1,368,775 1,223,691	Income taxes payable		23,041		21,158
Other accrued liabilities 239,444 221,603 Total current liabilities 750,070 624,207 Deferred compensation and other retirement plans 346,455 289,136 Operating lease liability, non-current 155,998 180,766 Long-term debt 394,794 394,144 Deferred tax liabilities 3,832 1,056 Other liabilities 36,602 30,828 Total liabilities 1,687,751 1,520,137 Stockholders' equity Common stock: \$0.01 par value, 150,000 shares authorized, 74,915 and 73,205 shares issued and 54,008 and 54,450 583,260 585,560 Retained earnings 834,949 742,993 Accumulated other comprehensive loss, net (51,820) (107,172) Total Korn Ferry stockholders' equity 1,366,389 1,221,381 Noncontrolling interest 2,386 2,310 Total stockholders' equity 1,366,381 1,223,691	Compensation and benefits payable		394,606		280,911
Total current liabilities 750,070 624,207 Deferred compensation and other retirement plans 346,455 289,136 Operating lease liability, non-current 155,998 180,766 Long-term debt 394,794 394,144 Deferred tax liabilities 3,832 1,056 Other liabilities 36,602 30,828 Total liabilities 1,687,751 1,520,137 Stockholders' equity 583,260 585,560 Retained earnings 834,949 742,993 Accumulated other comprehensive loss, net (51,820) (107,172) Total Korn Ferry stockholders' equity 1,366,389 1,221,381 Noncontrolling interest 2,386 2,310 Total stockholders' equity 1,368,875 1,223,691	Operating lease liability, current		47,986		54,851
Deferred compensation and other retirement plans 346,455 289,136 Operating lease liability, non-current 155,998 180,766 Long-term debt 394,794 394,144 Deferred tax liabilities 3,832 1,056 Other liabilities 36,602 30,828 Total liabilities 1,687,751 1,520,137 Stockholders' equity Common stock: \$0.01 par value, 150,000 shares authorized, 74,915 and 73,205 shares issued and 54,008 and 54,450 583,260 585,560 Retained earnings 834,949 742,993 Accumulated other comprehensive loss, net (51,820) (107,172) Total Korn Ferry stockholders' equity 1,366,389 1,213,381 Noncontrolling interest 2,386 2,310 Total stockholders' equity 1,368,775 1,223,691	Other accrued liabilities		239,444		221,603
Operating lease liability, non-current 155,998 180,766 Long-term debt 394,794 394,144 Deferred tax liabilities 3,832 1,056 Other liabilities 36,602 30,828 Total liabilities 1,687,751 1,520,137 Stockholders' equity Common stock: \$0.01 par value, 150,000 shares authorized, 74,915 and 73,205 shares issued and 54,008 and 54,450 583,260 585,560 Retained earnings 834,949 742,993 Accumulated other comprehensive loss, net (51,820) (107,172) Total Korn Ferry stockholders' equity 1,366,389 1,221,381 Noncontrolling interest 2,386 2,310 Total stockholders' equity 1,368,775 1,223,691	Total current liabilities		750,070		624,207
Operating lease liability, non-current 155,998 180,766 Long-term debt 394,794 394,144 Deferred tax liabilities 3,832 1,056 Other liabilities 36,602 30,828 Total liabilities 1,687,751 1,520,137 Stockholders' equity Common stock: \$0.01 par value, 150,000 shares authorized, 74,915 and 73,205 shares issued and 54,008 and 54,450 583,260 585,560 Retained earnings 834,949 742,993 Accumulated other comprehensive loss, net (51,820) (107,172) Total Korn Ferry stockholders' equity 1,366,389 1,221,381 Noncontrolling interest 2,386 2,310 Total stockholders' equity 1,368,775 1,223,691	Deferred compensation and other retirement plans		346,455		289,136
Deferred tax liabilities 3,832 1,056 Other liabilities 36,602 30,828 Total liabilities 1,687,751 1,520,137 Stockholders' equity Common stock: \$0.01 par value, 150,000 shares authorized, 74,915 and 73,205 shares issued and 54,008 and 54,450 shares outstanding at April 30, 2021 and 2020, respectively 583,260 585,560 Retained earnings 834,949 742,993 Accumulated other comprehensive loss, net (51,820) (107,172) Total Korn Ferry stockholders' equity 1,366,389 1,221,381 Noncontrolling interest 2,386 2,310 Total stockholders' equity 1,368,775 1,223,691			155,998		180,766
Other liabilities 36,602 30,828 Total liabilities 1,687,751 1,520,137 Stockholders' equity Common stock: \$0.01 par value, 150,000 shares authorized, 74,915 and 73,205 shares issued and 54,008 and 54,450 shares outstanding at April 30, 2021 and 2020, respectively 583,260 585,560 Retained earnings 834,949 742,993 Accumulated other comprehensive loss, net (51,820) (107,172) Total Korn Ferry stockholders' equity 1,366,389 1,221,381 Noncontrolling interest 2,386 2,310 Total stockholders' equity 1,368,775 1,223,691	Long-term debt		394,794		394,144
Total liabilities 1,687,751 1,520,137 Stockholders' equity Common stock: \$0.01 par value, 150,000 shares authorized, 74,915 and 73,205 shares issued and 54,008 and 54,450 Shares outstanding at April 30, 2021 and 2020, respectively 583,260 585,560 Retained earnings 834,949 742,993 Accumulated other comprehensive loss, net (51,820) (107,172) Total Korn Ferry stockholders' equity 1,366,389 1,221,381 Noncontrolling interest 2,386 2,310 Total stockholders' equity 1,368,775 1,223,691	Deferred tax liabilities		3,832		1,056
Stockholders' equity Common stock: \$0.01 par value, 150,000 shares authorized, 74,915 and 73,205 shares issued and 54,008 and 54,450 shares outstanding at April 30, 2021 and 2020, respectively Retained earnings Accumulated other comprehensive loss, net Total Korn Ferry stockholders' equity Noncontrolling interest Total stockholders' equity 1,366,389 2,310 Total stockholders' equity 1,368,775 1,223,691	Other liabilities		36,602		30,828
Common stock: \$0.01 par value, 150,000 shares authorized, 74,915 and 73,205 shares issued and 54,008 and 54,450 shares outstanding at April 30, 2021 and 2020, respectively Retained earnings Accumulated other comprehensive loss, net Total Korn Ferry stockholders' equity Noncontrolling interest Total stockholders' equity 1,366,389 1,221,381 1,236,91	Total liabilities		1,687,751		1,520,137
Common stock: \$0.01 par value, 150,000 shares authorized, 74,915 and 73,205 shares issued and 54,008 and 54,450 shares outstanding at April 30, 2021 and 2020, respectively Retained earnings Accumulated other comprehensive loss, net Total Korn Ferry stockholders' equity Noncontrolling interest Total stockholders' equity Total stockholders' equity 1,368,775 1,223,691	Stockholders' equity				
shares outstanding at April 30, 2021 and 2020, respectively 583,260 585,560 Retained earnings 834,949 742,993 Accumulated other comprehensive loss, net (51,820) (107,172) Total Korn Ferry stockholders' equity 1,366,389 1,221,381 Noncontrolling interest 2,386 2,310 Total stockholders' equity 1,368,775 1,223,691	• •				
Accumulated other comprehensive loss, net(51,820)(107,172)Total Korn Ferry stockholders' equity1,366,3891,221,381Noncontrolling interest2,3862,310Total stockholders' equity1,368,7751,223,691			583,260		585,560
Total Korn Ferry stockholders' equity 1,366,389 1,221,381 Noncontrolling interest 2,386 2,310 Total stockholders' equity 1,368,775 1,223,691			834,949		742,993
Noncontrolling interest 2,386 2,310 Total stockholders' equity 1,368,775 1,223,691	Accumulated other comprehensive loss, net	_	(51,820)		(107,172)
Noncontrolling interest 2,386 2,310 Total stockholders' equity 1,368,775 1,223,691	Total Korn Ferry stockholders' equity		1,366,389		1,221,381
		_		_	2,310
Total liabilities and stockholders' equity \$ 3,056,526 \$ 2,743,828	Total stockholders' equity		1,368,775		1,223,691
	Total liabilities and stockholders' equity	\$	3,056,526	\$	2,743,828

KORN FERRY AND SUBSIDIARIES RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES (dollars in thousands, except per share amounts) (unaudited)

		Three Mon April		d			Ended il 30,	
		2021		2020		2021		2020
Net income (loss) attributable to Korn Ferry	\$	66,190	\$	(802)	\$	114,454	\$	104,946
Net income attributable to non-controlling interest		561		181		1,108		2,071
Net income (loss)		66,751		(621)		115,562		107,017
Income tax provision		22,729		4,957		48,138		43,945
Income before provision for income taxes		89,480		4,336		163,700		150,962
Other (income) loss, net		(10,820)		10,893		(37,194)		2,879
Interest expense, net		7,592		6,998	-	29,278		22,184
Operating income		86,252		22,227		155,784		176,025
Depreciation and amortization		15,777		14,956		61,845		55,311
Other income (loss), net		10,820		(10,893)		37,194		(2,879)
Integration/acquisition costs (1)		-		2,833		737		12,152
Restructuring charges, net (2)		-		40,466		30,732		58,559
Separation costs (3)		- 112.040	<u> </u>		<u> </u>	200 202	<u></u>	1,783
Adjusted EBITDA	\$	112,849	\$	69,589	\$	286,292	\$	300,951
Operating margin		15.5%		5.0%		8.6%		9.1%
Depreciation and amortization		2.8%		3.4%		3.4%		2.8%
Other income (loss), net		2.0%		(2.4%)		2.1%		(0.1%)
Integration/acquisition costs (1)		-		0.6%		-		0.7%
Restructuring charges, net (2)		-		9.2%		1.7%		3.0%
Separation costs (3)		<u> </u>		<u>-</u>		<u>-</u>		0.1%
Adjusted EBITDA margin		20.3%		15.8%		15.8%		15.6%
Net income (loss) attributable to Korn Ferry	\$	66,190	\$	(802)	\$	114,454	\$	104,946
Integration/acquisition costs (1)		-		2,833		737		12,152
Restructuring charges, net (2)		-		40,466		30,732		58,559
Separation costs (3)		-		-		-		1,783
Debt refinancing costs (4)		-		-		-		828
Tax effect on the adjusted items (5)		<u>-</u>		(9,819)		(8,597)		(16,938)
Adjusted net income attributable to Korn Ferry	\$	66,190	\$	32,678	\$	137,326	\$	161,330
Basic earnings (loss) per common share	\$	1.22	\$	(0.02)	\$	2.11	\$	1.91
Integration/acquisition costs (1)		-		0.05		0.01		0.22
Restructuring charges, net (2)		-		0.75		0.58		1.07
Separation costs (3)		-		-		-		0.03
Debt refinancing costs (4)		-		-		-		0.02
Tax effect on the adjusted items (5)				(0.18)		(0.17)		(0.31)
Adjusted basic earnings per share	\$	1.22	\$	0.60	\$	2.53	\$	2.94
Diluted earnings (loss) per common share	\$	1.21	\$	(0.02)	\$	2.09	\$	1.90
Integration/acquisition costs (1)		-		0.05		0.01		0.22
Restructuring charges, net (2)		-		0.75		0.57		1.06
Separation costs (3)		-		-		-		0.03
Debt refinancing costs (4)		-		-		-		0.01
Tax effect on the adjusted items (5)		-		(0.18)		(0.16)		(0.31)
Adjusted diluted earnings per share	\$	1.21	\$	0.60	\$	2.51	\$	2.91

Explanation of Non-GAAP Adjustments

- (1) Costs associated with previous acquisitions, such as legal and professional fees, retention awards and the on-going integration expenses to combine the companies.
- (2) Restructuring charges we incurred to rationalize our cost structure by eliminating redundant positions because of COVID-19 and due to the acquisition of Miller Heiman Group, AchieveForum and Strategy Execution on November 1, 2019.
- (3) Costs associated with certain senior management separation charges.
- (4) Costs to write-off debt issuance costs and interest rate swap as a result of replacing our prior Credit Agreement with a new senior secured Credit Agreement.
- (5) Tax effect on integration/acquisition costs, restructuring charges, net, separation costs and write-offs of debt issuance costs.

KORN FERRY AND SUBSIDIARIES RECONCILIATION OF CONSOLIDATED NET INCOME (LOSS) AND OPERATING INCOME (GAAP) TO ADJUSTED EBITDA (NON-GAAP) (in thousands) (unaudited)

								Three Mo	onths	Ended April	30, 202	1						
							Exe	cutive Sea	rch									
				_	North			Asia		Latin			RPO and					
	Co	Consulting Digital			America	EMEA	_	Pacific	A	merica	Subt	otal	Professional Search		Corporate		Co	nsolidated
Fee revenue	\$	153,573	\$ 80,499	\$	130,790	\$ 41,253	\$	23,604	\$	5,081	\$ 200),728	\$	120,351	\$	_	\$	555,151
Total revenue	\$	153,812	\$ 80,753	\$	131,314	\$ 41,288	\$	23,623	\$	5,081	\$ 20:	L,306	\$	121,523	\$	-	\$	557,394
Net income attributable to Korn Ferry Net income attributable to noncontrolling interest																	\$	66,190 561
Other income, net																		(10,820)
Interest expense, net Income tax provision																		7,592 22,729
Operating income																		86,252
Depreciation and amortization																		15,777
Other income, net Adjusted EBITDA	\$	27,240	\$ 27,934	\$	40,660	\$ 3,297	\$	5,066	\$	809	\$ 49	9,832	\$	29,958	\$	(22,115)	\$	10,820 112,849
Adjusted EBITDA margin		17.7%	34.7%		31.1%	8.0%	,	21.5%		15.9%		24.8%		24.9%			_	20.3%
							Exe	Three Mo		Ended April	30, 202	0						
					North			Asia		Latin			RI	PO and				
	Co	nsulting	Digital		America	EMEA		Pacific	Α	merica	Subt	otal		ional Search	C	orporate	Co	nsolidated
Fee revenue	\$	120,992	\$ 69,269	\$	102,196	\$ 39,662	\$	19,737	\$	6,260	\$ 16	7,855	\$	82,353	\$	-	\$	440,469
Total revenue	\$	123,423	\$ 69,890	\$	104,775	\$ 40,148	\$	20,008	\$	6,282	\$ 17	1,213	\$	84,450	\$	-	\$	448,976
Net loss attributable to Korn Ferry Net income attributable to																	\$	(802)
noncontrolling interest																		181
Other loss, net																		10,893
Interest expense, net																		6,998
Income tax provision																	_	4,957 22,227
Operating income Depreciation and amortization																		14,956
Other loss, net																		(10,893)
Integration/acquisition costs																		2,833
Restructuring, charges, net																		40,466
A line is a second of the seco									_						_		_	40,400

\$ 11,102 \$ 16,989 \$ 32,114 \$ 9,342 \$ 3,822 \$ 2,216 \$ 47,494 \$

9.2% 24.5% 31.4% 23.6% 19.4% 35.4%

12,712 \$ (18,708) \$

15.4%

28.3%

69,589

15.8%

Adjusted EBITDA

Adjusted EBITDA margin

KORN FERRY AND SUBSIDIARIES RECONCILIATION OF CONSOLIDATED NET INCOME AND OPERATING INCOME (GAAP) TO ADJUSTED EBITDA (NON-GAAP) (in thousands) (unaudited)

Year Ended April 30, 2021

										icai Ellaco	4 Ap.	11 30, 2021							
								Ex	kecu	tive Search									
	<u>_c</u>	onsulting		Digital		North America	_	EMEA	_	Asia Pacific		Latin America	Subtotal		RPO and rofessional Search	_ <u>C</u> (orporate	_Co	nsolidated
Fee revenue	\$	515,844	\$	287,306	\$	397,275	\$	138,954	\$	83,306	\$	17,500	\$ 637,035	\$	369,862	\$	-	\$	1,810,047
Total revenue	\$	517,046	\$	287,780	\$	399,104	\$	139,213	\$	83,463	\$	17,500	\$ 639,280	\$	375,840	\$	-	\$	1,819,946
Net income attributable to Korn Ferry Net income attributable to noncontrolling interest Other income, net Interest expense, net Income tax provision Operating income Depreciation and amortization																		\$	114,454 1,108 (37,194) 29,278 48,138 155,784 61,845
Other income, net Integration/acquisition costs																			37,194 737
Restructuring charges, net Adjusted EBITDA	Ś	81,522	\$	86,095	Ś	98,099	\$	11,742	\$	16,676	Ś	1,289	\$ 127,806	\$	69,411	\$	(78,542)	<u></u>	30,732 286,292
Adjusted EBITDA margin	•	15.8%	,	30.0%	,	24.7%	,	8.5%	,	20.0%	,	7.4%	20.1%	•	18.8%	•	(,,	<u> </u>	15.8%
	_				Year Ended April 30, 2020 Executive Search														
	_c	onsulting	_	Digital	_	North America	_	EMEA		Asia Pacific		Latin America	Subtotal		RPO and rofessional Search	_C(orporate	_Co	onsolidated
Fee revenue	\$	543,095	\$	292,366	\$	434,624	\$	170,314	\$	98,132	\$	29,400	\$ 732,470	\$	364,801	\$	_	\$	1,932,732
Total revenue	\$	557,255	\$	294,261	\$	447,528	\$	172,978	\$	99,209	\$	29,493	\$ 749,208	\$	376,606	\$	-	\$	1,977,330
Net income attributable to Korn Ferry Net income attributable to noncontrolling interest Other loss, net Interest expense, net Income tax provision																		\$	2,071 2,879 22,184 43,945
Operating income Depreciation and amortization Other loss, net Integration/acquisition costs Restructuring charges, net Separation costs																			176,025 55,311 (2,879) 12,152 58,559 1,783
Adjusted EBITDA	\$	61,092	\$	83,073	\$	120,725	\$	31,067	\$	22,885	\$	6,402	\$ 181,079	\$	60,168	\$	(84,461)	\$	300,951
Adiant deptend accords		44.224		20.424		27.00/		40.224		22.24		24.634	24 701		46.504			=	45.00

27.8% 18.2% 23.3%

21.8%

24.7%

16.5%

15.6%

Adjusted EBITDA margin

11.2%

28.4%