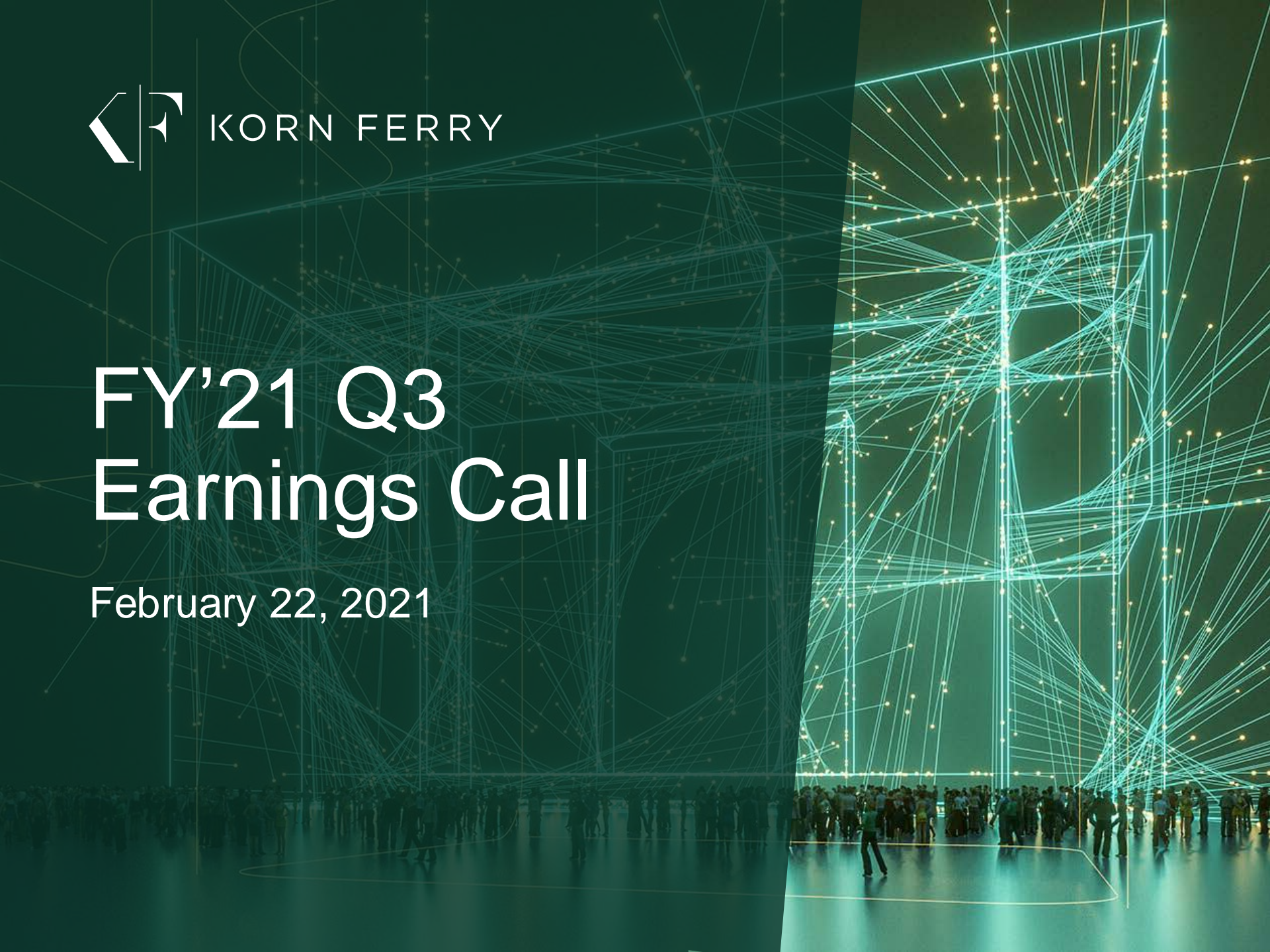




KORN FERRY

FY'21 Q3 Earnings Call

February 22, 2021



Safe Harbor Statement

FORWARD-LOOKING STATEMENTS

Statements in this presentation that relate to our outlook, projections, goals, strategy, future plans and expectations, and other statements of future events or conditions future results and events 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 that are beyond the control of Korn Ferry. For a detailed description of such risks and uncertainties, please refer to Korn Ferry's earnings release and its periodic filings with the Securities and Exchange Commission.

NON-GAAP FINANCIAL MEASURES

This presentation includes financial information calculated other than in accordance with U.S. Generally Accepted Accounting Principles ("GAAP"). This non-GAAP disclosure has limitations as an analytical tool, should not be viewed as a substitute for financial information determined in accordance with GAAP, and should not be considered in isolation or as a substitute for analysis of the Company's results as reported under GAAP, nor is it necessarily comparable to non-GAAP performance measures that may be presented by other companies. Please refer to slides 16 to 21 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 shift toward comprehensive organizational consulting is facilitating less cyclical and more predictable and recurring revenue streams with more scalable earnings.



Capitalizing on global leadership in solutions with great relevance today:

Monetizing investments in data and IP. Driving greater Digital subscription engagements and integration with Consulting creates greater differentiation.

Established record of thought leadership and action on Diversity & Inclusion, as well as across ESG, provides a competitive edge to support companies in their implementation of best-practice policies.



Driving an integrated go-to-market strategy through our Marquee and Regional accounts:

Enduring client relationships of scale that deliver less cyclical, more resilient revenue and new business 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 through continued investment in building 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 in identifying, acquiring and integrating M&A targets that have the potential to further our strategic objectives and enhance shareholder value.

FY'21 Q3 Financial Results Significantly Improved Sequentially Achieved Record Profitability

\$475M

+\$40M +9%

Fee Revenue

20.3%

+510 bps

Adj. EBITDA Margin %⁽²⁾
(Non-GAAP)

\$97M

+\$31M +46%

Adj. EBITDA⁽³⁾ (Non-GAAP)

\$0.95

+\$0.41 +76%

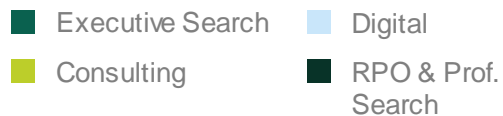
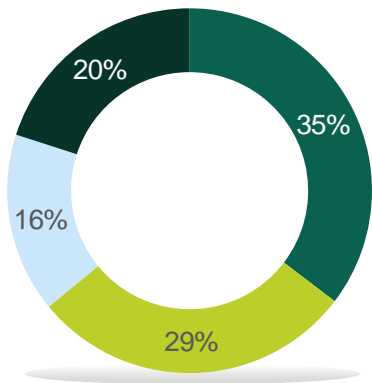
Adj. Diluted EPS⁽⁴⁾
(Non-GAAP)



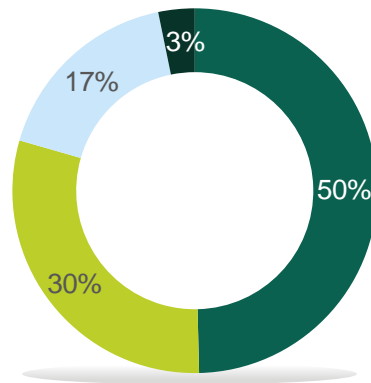
Business Continues to be Highly Diversified Across Segment, Geography and Industry

For the third quarter of FY'21

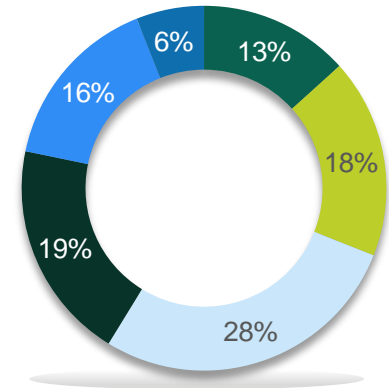
Fee Revenue by Segment



Fee Revenue by Geography

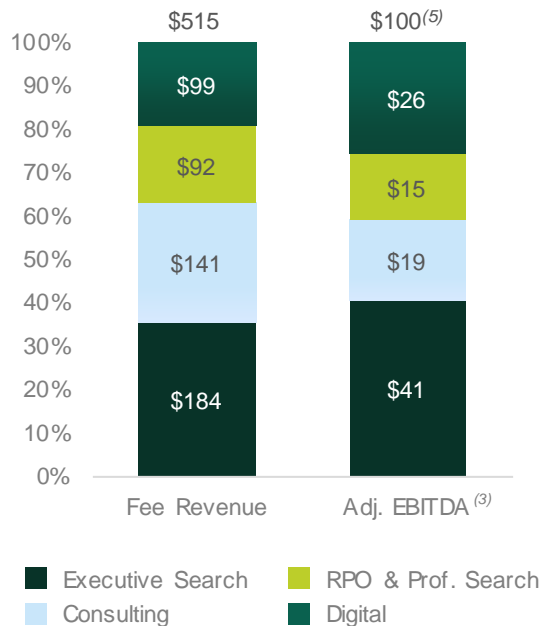


Fee Revenue by Industry

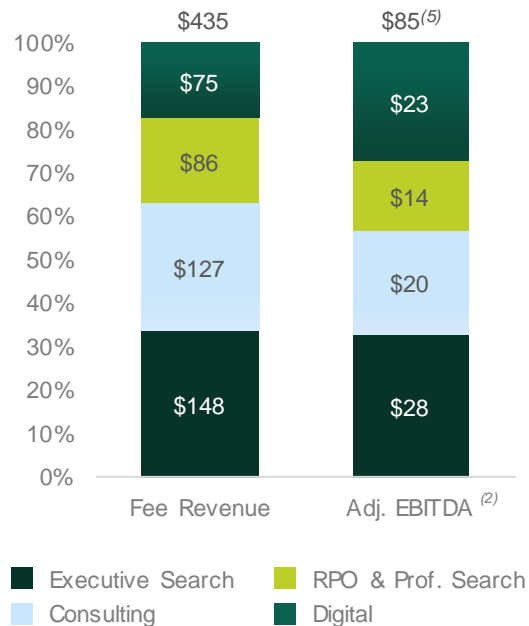


Diversified Mix of Revenue & Operating Efficiencies Are Driving Significantly Improved & More Balanced Earnings (\$M)

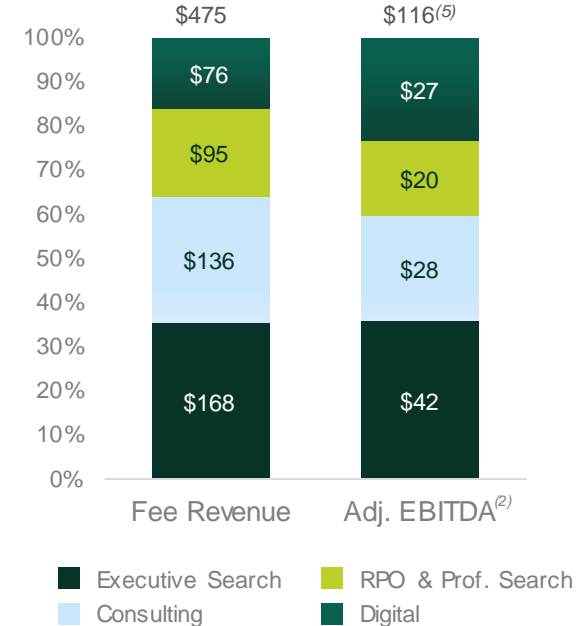
FY'20 QTR. 3



FY'21 QTR. 2

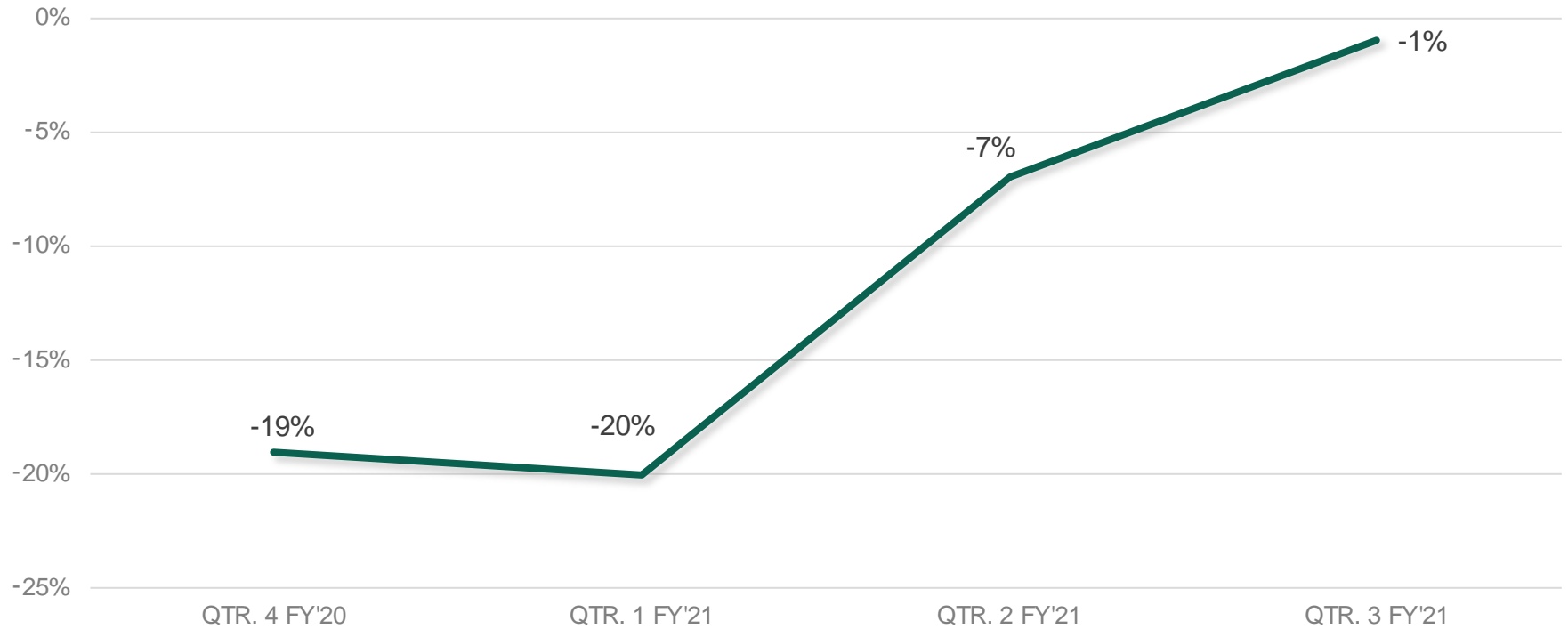


FY'21 QTR. 3



Quarterly New Business* - Improving YoY Growth Trend (Excluding RPO)

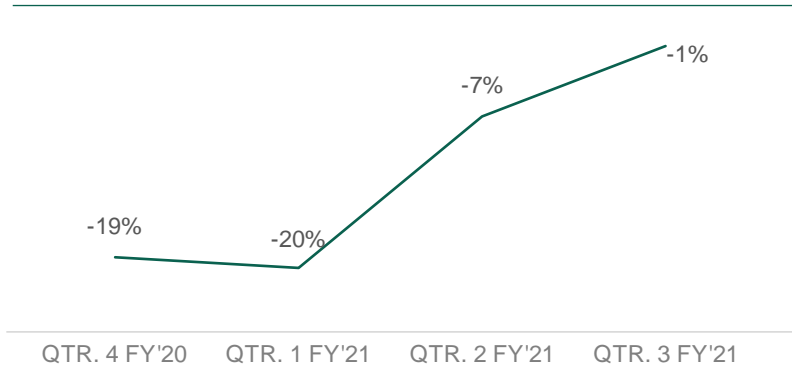
FY'20 QTR. 4 to FY'21 QTR. 3



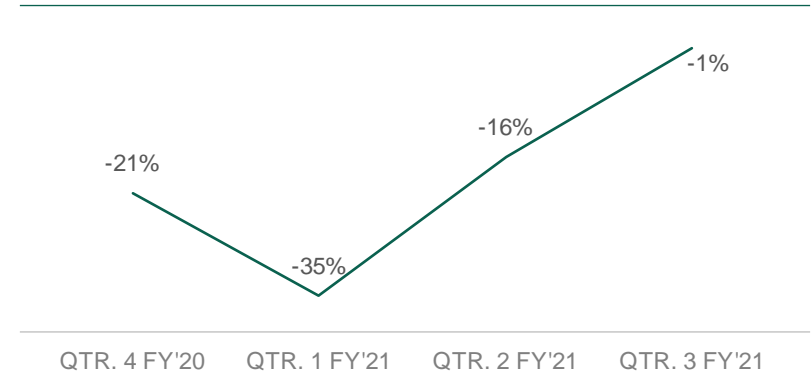
Quarterly New Business* - YoY Growth By Segment (Excluding RPO)

FY'20 QTR. 4 to FY'21 QTR. 3

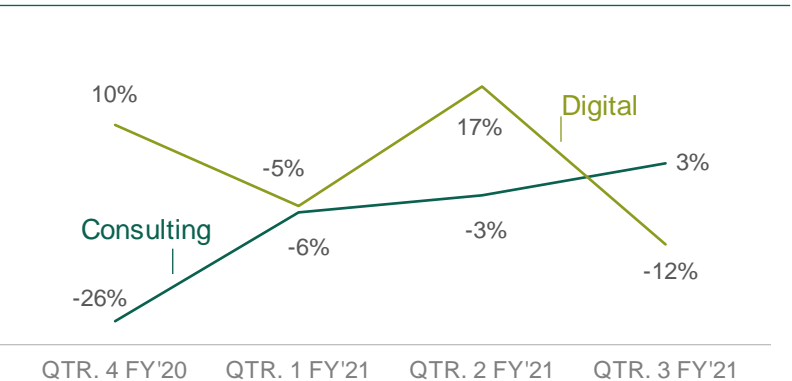
KF Total*



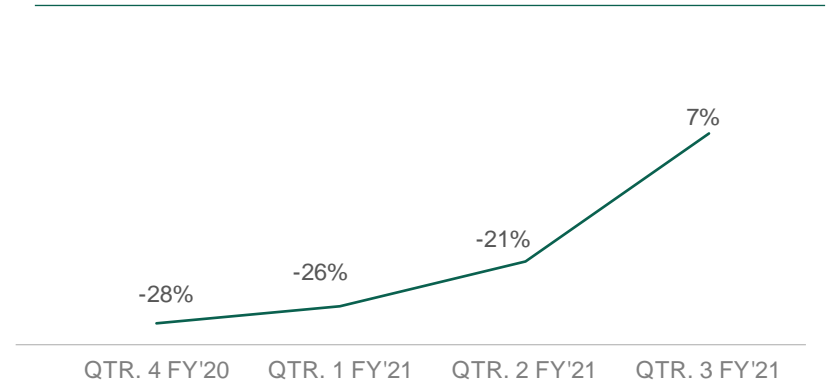
Executive Search*



Digital and Consulting



Professional Search*



Consulting

29% of Fee Revenue and 24% of Adjusted EBITDA in FY'21 QTR. 3

Fee Revenue and New Business each up

↑ 8%

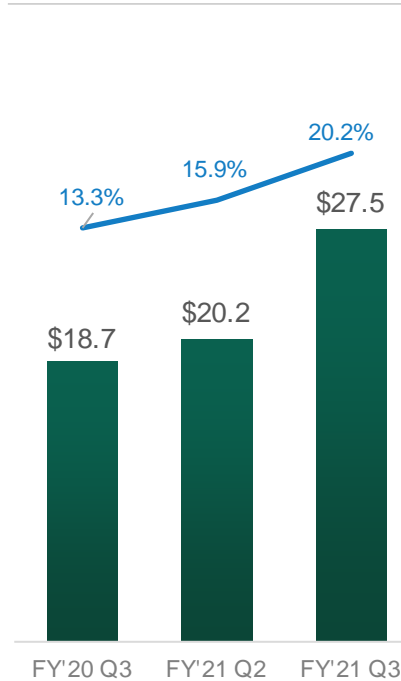
Sequentially in QTR. 3

- New Business engagements > \$500K up 23% YoY
- Engagement Backlog > \$500K up 24% YoY and 10% sequentially

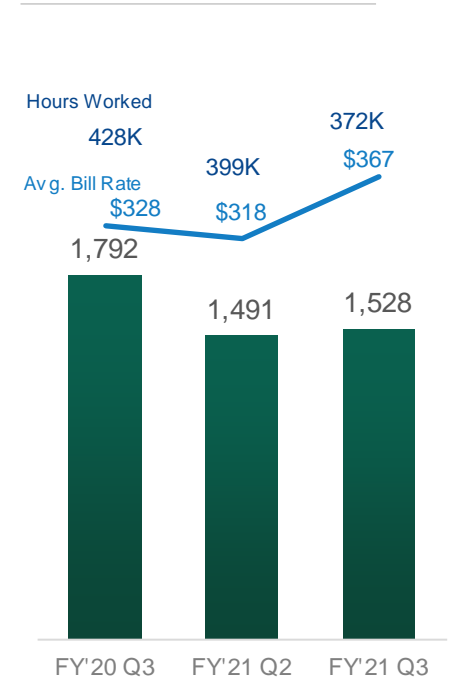
Fee Revenue (\$M)



Adj. EBITDA (\$M) & Adj. EBITDA⁽²⁾ Margin (%) (Non-GAAP)



Consultant + Execution Staff Productivity



■ Adj. EBITDA⁽²⁾

— Adj. EBITDA Margin (%)⁽²⁾

■ Consultant + Execution Staff

— Hours Worked / Average Bill Rate

Digital

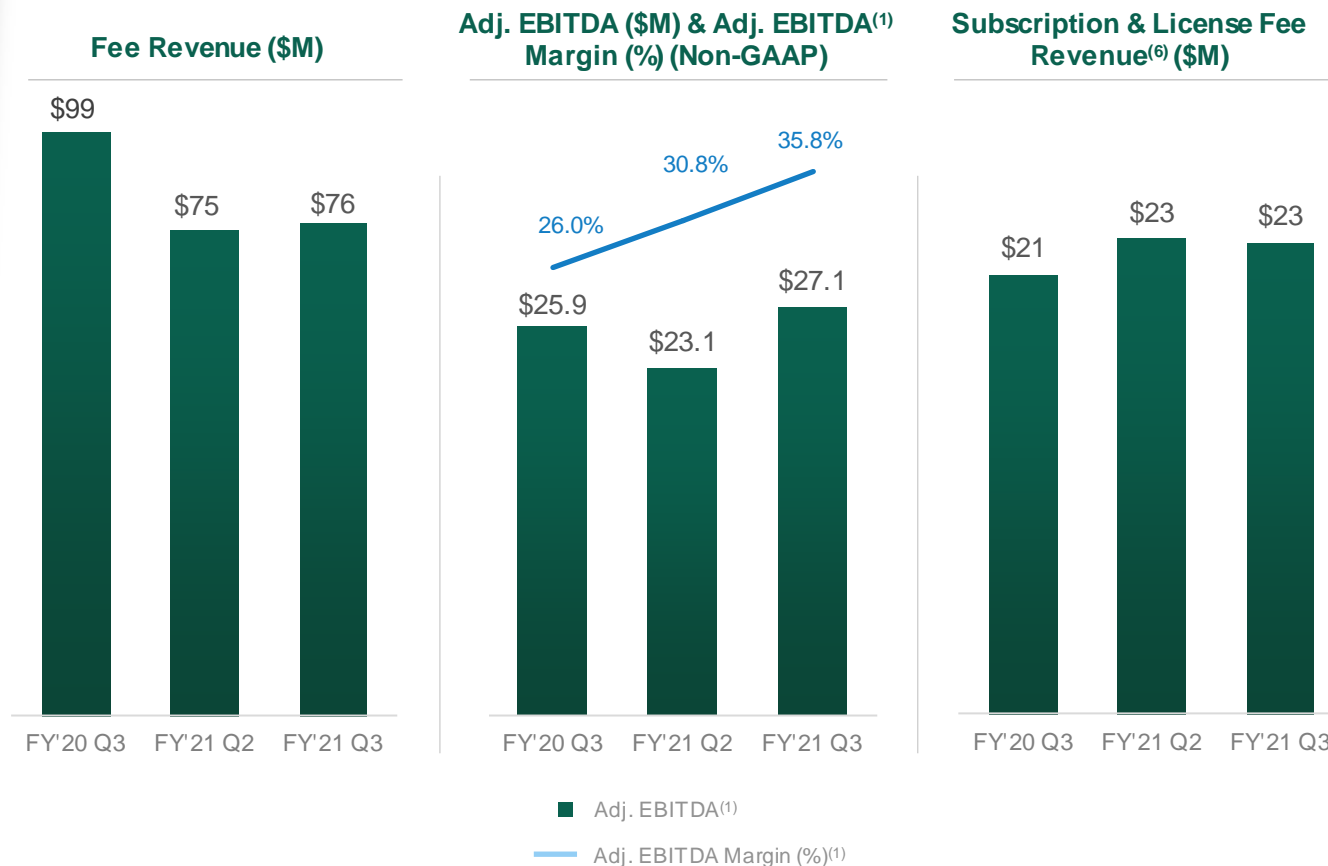
16% of Fee Revenue and 23% of Adjusted EBITDA in FY'21 QTR. 3

Fee Revenue

↑ 1%

Sequentially in QTR. 3

- New Business - \$100M with 43% Subscription & License
- Subscription & License New Business up 123% YoY and 48% sequentially



Executive Search

35% of Fee Revenue and 36% of Adjusted EBITDA in FY'21 QTR. 3

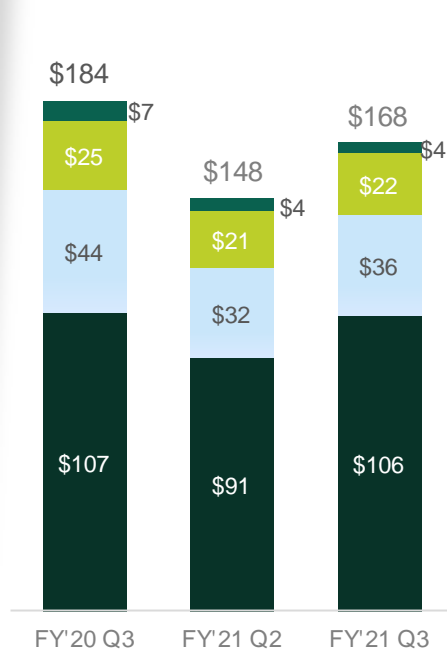
Global Fee Revenue

↑ **14%**

Sequentially in QTR. 3

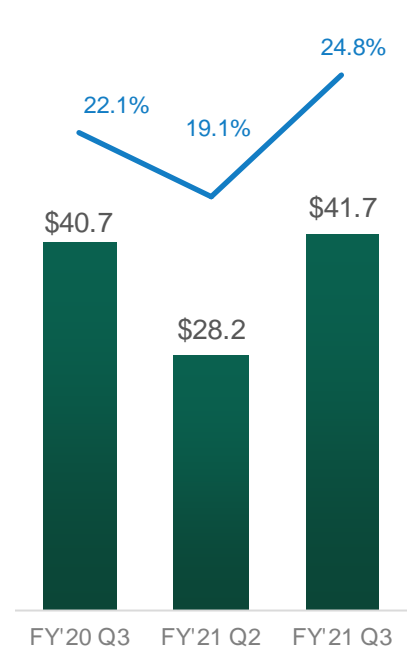
- New Business in NAM back to pre-pandemic levels

Fee Revenue (\$M)



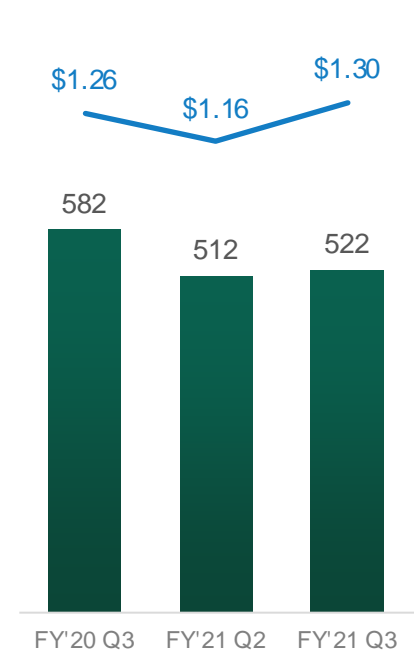
■ NAM ■ EMEA
■ APAC ■ LATM

Adj. EBITDA (\$M) & Adj. EBITDA⁽⁸⁾ Margin (%) (Non-GAAP)



■ Adj. EBITDA⁽⁸⁾
— Adj. EBITDA Margin (%)⁽⁸⁾

Consultant Productivity



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

RPO & Professional Search

20% of Fee Revenue and 17% of Adjusted EBITDA in FY'21 QTR. 3

Fee Revenue

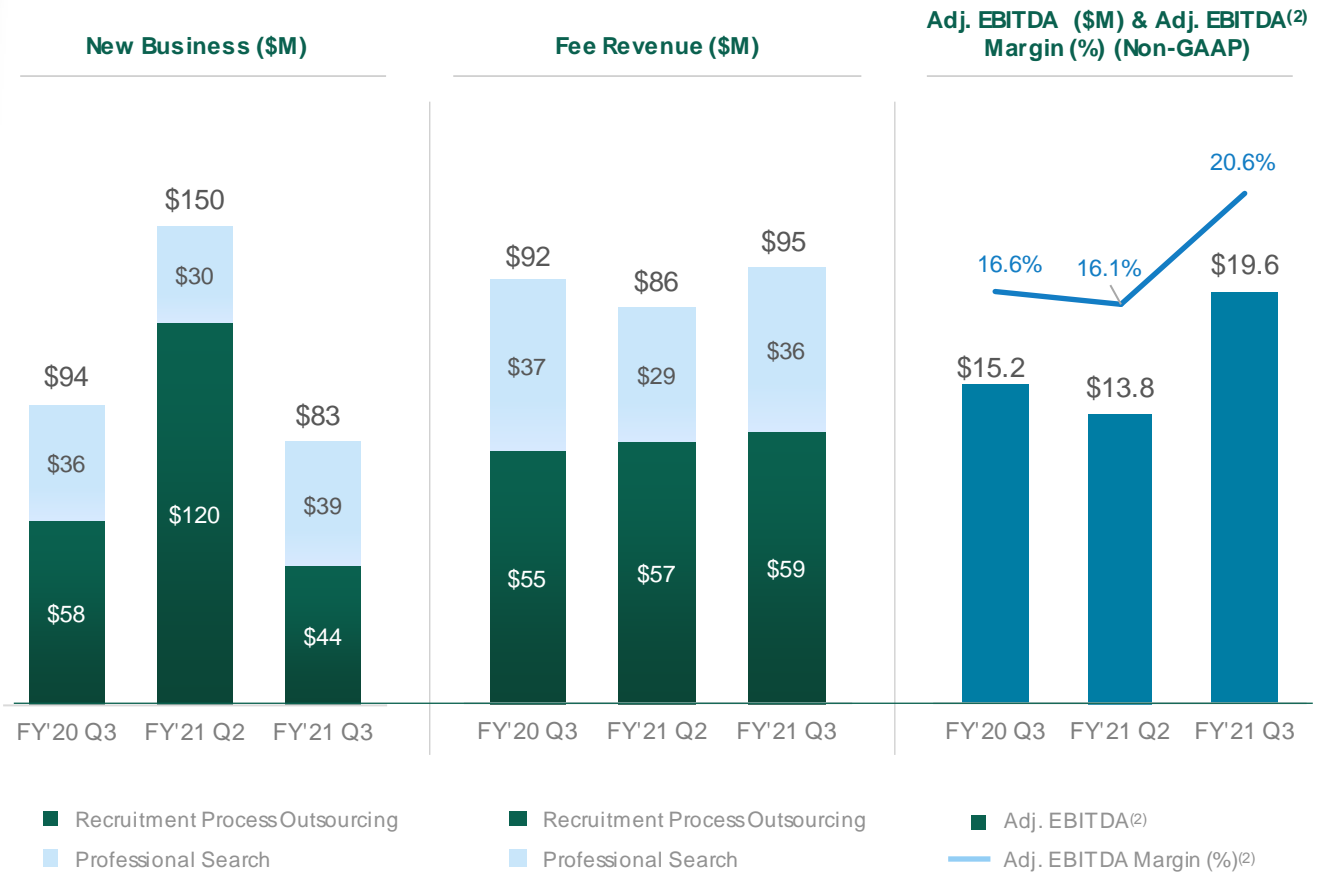
↑ **11%**

Sequentially and

↑ **4%**

YoY in QTR. 3

- RPO New Business - \$32M new clients & \$12M renewals / extensions



Cash & Marketable Securities

Strong Liquidity with \$534M of Investable Cash⁽⁷⁾

Investable Cash⁽⁷⁾

↑ \$112M

27% YoY

Repurchased

220K shares (\$7.6M)

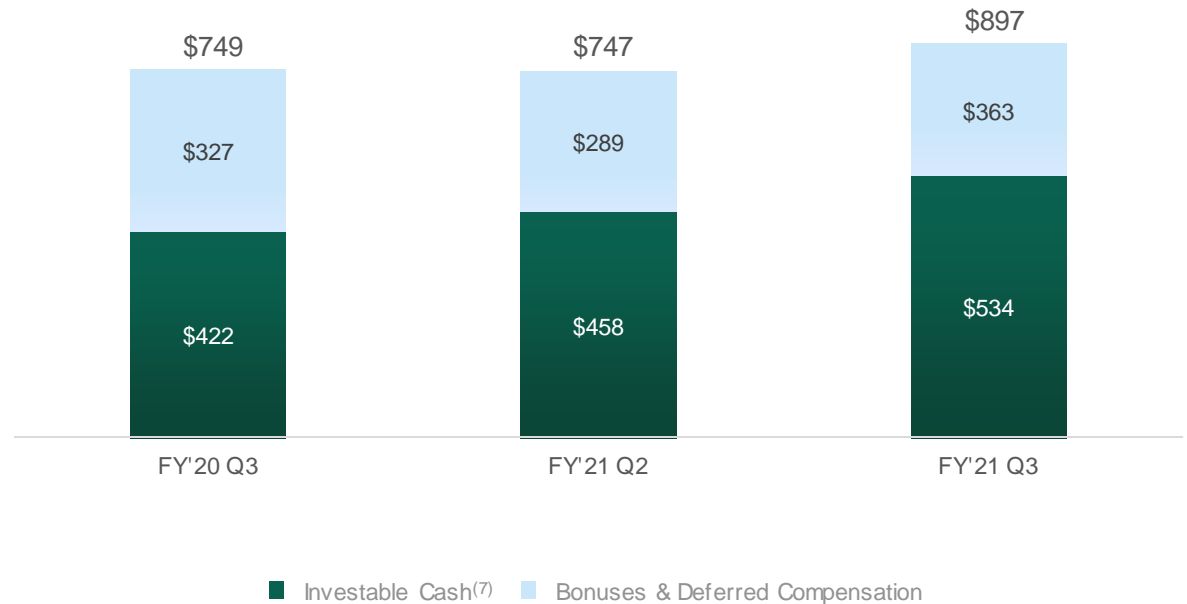
FY'21 Q3

Dividend Payments

\$5.5M

FY'21 Q3

Cash & Marketable Securities (\$M)



Footnotes

- (1) Earnings Before Interest, Taxes, Depreciation & Amortization Adjusted to Exclude Acquisition/Integration Costs and Restructuring Charges.
- (2) Earnings Before Interest, Taxes, Depreciation & Amortization Adjusted to Exclude Restructuring Charges.
- (3) Earnings Before Interest, Taxes, Depreciation & Amortization Adjusted to Exclude Acquisition / Integration Costs, Restructuring Charges and Management Separation Costs
- (4) Diluted Earnings per Share Adjusted to Exclude Restructuring Charges Net of Tax.
- (5) Excludes Corporate Adj. EBITDA which was (\$22.3M) in FY'20 Q3, (\$19.1M) in FY'21 Q2 and (\$19.3M) in FY'21 Q3.
- (6) Represents Fee Revenue Derived from Annual Subscriptions and Licenses to KF's Intellectual Property and Data Solutions.
- (7) Investable Cash = Total Cash & Marketable Securities Less Cash & Marketable Securities Reserved for Bonuses & Deferred Compensation.
- (8) Earnings Before Interest, Taxes, Depreciation & Amortization Adjusted to Exclude Restructuring Charges and Management Separation Costs

Appendix

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

Earnings Conference Call
February 22, 2021

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

FY'20 Q3; FY'21 Q2; FY'21 Q3

	FY'20 Qtr. 3	FY'21 Qtr. 2	FY'21 Qtr. 3	YoY Incr. / (Decr.)		Sequential Incr. / (Decr.)	
				\$ / %	%	\$ / %	%
Net Income Attributable to Korn / Ferry	\$20.0	\$27.8	\$51.3	\$31.3	157%	\$23.5	85%
Net Income Attributable to Non-Controlling Int.	1.0	0.3	0.3	(0.7)	(70%)	-	-
Net Income	\$21.0	\$28.1	\$51.6	\$30.6	146%	\$23.5	84%
Income Tax Provision	8.8	12.9	21.2	12.4	141%	8.3	65%
Income Before Provision for Income Taxes (Benefit)	\$29.7	\$41.0	\$72.8	\$43.1	145%	\$31.8	78%
Other Income - Net	(5.1)	(0.3)	(14.9)	(9.8)	194%	(14.6)	-
Interest Expense - Net	6.9	7.5	7.3	0.4	5%	(0.2)	(3%)
Operating Income	\$31.6	\$48.2	\$65.2	\$33.6	106%	\$17.0	35%
Depreciation & Amortization	14.9	15.3	15.7	0.8	5%	0.4	3%
Other Income - Net	5.1	0.3	14.9	9.8	194%	14.6	-
EBITDA	\$51.5	\$63.7	\$95.8	\$44.2	86%	\$32.0	50%
(1) Restructuring Charges	18.1	2.4	0.8	(17.3)	(95%)	(1.6)	(67%)
(2) Integration / Acquisition Costs	6.7	-	-	(6.7)	(100%)	-	-
(3) Separation Costs	1.8	-	-	(1.8)	(100%)	-	-
Adjusted EBITDA	\$78.1	\$66.2	\$96.7	\$18.5	24%	\$30.5	46%
Operating Margin	6.1%	11.1%	13.7%	7.6%	-	2.6%	-
Depreciation & Amortization	2.9%	3.4%	3.3%	0.4%	-	(0.1%)	-
Other Income - Net	1.0%	0.1%	3.2%	2.2%	-	3.1%	-
EBITDA Margin	10.0%	14.6%	20.2%	10.2%	-	5.6%	-
(1) Restructuring Charges - Net	3.5%	0.6%	0.1%	(3.4%)	-	(0.5%)	-
(2) Integration / Acquisition Costs	1.3%	-	-	(1.3%)	-	-	-
(3) Separation Costs	0.4%	-	-	(0.4%)	-	-	-
Adjusted EBITDA Margin	15.2%	15.2%	20.3%	5.1%	-	5.1%	-

(1) Restructuring incurred to rationalize our cost structure by eliminating redundant positions as a result of COVID-19 and due to the acquisitions of Miller Heiman Group, AchieveForum and Strategy Execution on November 1, 2019

(2) Costs associated with current and previous acquisition, 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.

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

FY'20 Q3; FY'21 Q2; FY'21 Q3

	FY'20 Qtr. 3	FY'21 Qtr. 2	FY'21 Qtr. 3	YoY Incr. / (Decr.)		Sequential Incr. / (Decr.)	
				\$	%	\$	%
Net Income Attributable to Korn / Ferry	\$20.0	\$27.8	\$51.3	\$31.3	157%	\$23.5	85%
(1) Restructuring Charges	18.1	2.4	0.8	(17.3)	(96%)	(1.6)	(67%)
(2) Integration / Acquisition Costs	6.7	-	-	(6.7)	(100%)	-	-
(3) Separation Costs	1.8	-	-	(1.8)	(100%)	-	-
(4) Debt Refinancing Costs	0.8	-	-	(0.8)	(100%)	-	-
(5) Tax Effect of Adjustment Items	(6.5)	(0.7)	(0.3)	6.2	-	0.4	-
Adjusted Net Income Attributable to K/F	\$41.0	\$29.5	\$51.9	\$10.9	27%	\$22.4	76%
Diluted Earnings per Common Sh.	\$0.36	\$0.51	\$0.94	\$0.58	161%	\$0.43	84%
(1) Restructuring Charges - Net	0.34	0.04	0.02	(0.32)	(94%)	(0.02)	(50%)
(2) Integration / Acquisition Costs	0.12	-	-	(0.12)	(100%)	-	-
(3) Separation Costs	0.03	-	-	(0.03)	(100%)	-	-
(4) Debt Refinancing Costs	0.02	-	-	(0.02)	(100%)	-	-
(5) Tax Effect of Adjustment Items	(0.12)	(0.01)	(0.01)	0.12	(100%)	0.00	0%
Adjusted Diluted Earnings per Sh.	\$0.75	\$0.54	\$0.95	\$0.20	27%	\$0.41	76%

(1) Restructuring incurred to rationalize our cost structure by eliminating redundant positions as a result of COVID-19 and due to the acquisitions of Miller Heiman Group, AchieveForum and Strategy Execution on November 1, 2019

(2) Costs associated with current and previous acquisition, 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.

(4) Write-off of 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 and restructuring charges, net, separation costs and the write-off of debt issuance costs

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

FY'20 Q3; FY'21 Q2

	FY'20 Q3						FY'21 Q2					
	Consulting	Digital	Exec. Search	RPO & Prof. Search	Corp.	KF	Consulting	Digital	Exec. Search	RPO & Prof. Search	Corp.	KF
Fee Revenue	\$140.5	\$99.4	\$183.6	\$91.9	-	\$515.3	\$126.7	\$75.0	\$148.1	\$85.7	-	\$435.4
Total Revenue	144.3	100.7	188.0	95.0	-	528.0	127.1	75.0	148.6	87.1	-	437.8
Net Income Attributable to Korn / Ferry	-	-	-	-	-	20.0	-	-	-	-	-	27.8
Net Income Attributable to Noncontrolling Interest	-	-	-	-	-	1.0	-	-	-	-	-	0.3
Other Income - Net	-	-	-	-	-	(5.1)	-	-	-	-	-	(0.3)
Interest Exps. - Net	-	-	-	-	-	6.9	-	-	-	-	-	7.5
Income Tax (Benefit) / Exps.	-	-	-	-	-	8.8	-	-	-	-	-	12.9
Oper. Incm. / (Loss)	\$2.7	\$8.5	\$32.7	\$14.1	(\$26.4)	\$31.6	\$14.6	\$15.8	\$25.6	\$12.5	(\$20.4)	\$48.2
Margin (%)	1.9%	8.5%	17.8%	15.4%	-	6.1%	11.5%	21.1%	17.3%	14.6%	-	11.1%
Deprec. & Amortiz.	4.4	5.8	1.9	1.0	1.7	14.9	4.1	7.0	1.5	0.9	1.8	15.3
Oth. Incm. / (Loss) - Net	0.6	0.2	4.3	0.1	(0.0)	5.1	0.3	0.2	0.2	0.0	(0.5)	0.3
EBITDA	\$7.6	\$14.5	\$38.9	\$15.2	(\$24.7)	\$51.5	\$19.0	\$23.0	\$27.3	\$13.5	(\$19.1)	\$63.7
Margin (%)	5.4%	14.6%	21.2%	16.6%	-	10.0%	15.0%	30.7%	18.5%	15.7%	-	14.6%
(1) Restructuring Chgs.	11.1	7.0	-	-	-	18.1	1.1	0.1	0.9	0.3	-	2.4
(3) Separation Costs	-	-	1.8	-	-	1.8	-	-	-	-	-	-
(2) Integ. / Acq. Costs	-	4.3	-	-	2.4	6.7	-	-	-	-	-	-
Adjusted EBITDA	\$18.7	\$25.9	\$40.7	\$15.2	(\$22.3)	\$78.1	\$20.2	\$23.1	\$28.2	\$13.8	(\$19.1)	\$66.2
Margin (%)	13.3%	26.0%	22.1%	16.6%	-	15.2%	15.9%	30.8%	19.1%	16.1%	-	15.2%

(1) Restructuring charges incurred to rationalize our cost structure by eliminating redundant positions as a result of COVID-19 and due to the acquisition of Miller Heiman Group, AchieveForum and Strategy Execution on November 1, 2019

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

(3) Costs associated with certain senior management separation charges

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

FY'21 Q3

	FY'21 Q3					
	Consulting	Digital	Exec. Search	RPO & Prof. Search	Corp.	KF
Fee Revenue	\$136.3	\$75.8	\$168.1	\$95.2	-	\$475.4
Total Revenue	136.6	76.0	168.5	96.8	-	477.9
Net Income Attributable to Korn / Ferry	-	-	-	-	-	51.3
Net Income Attributable to Noncontrolling Interest	-	-	-	-	-	0.3
Other Income - Net	-	-	-	-	-	(14.9)
Interest Exps. - Net	-	-	-	-	-	7.3
Income Tax (Benefit) / Exps.	-	-	-	-	-	21.2
Oper. Incm. / (Loss)	\$22.2	\$19.2	\$26.9	\$18.4	(\$21.5)	\$65.2
Margin (%)	16.3%	25.4%	16.0%	19.3%	-	13.7%
Deprec. & Amortiz.	4.1	7.4	1.4	0.9	1.9	15.7
Other Income - Net	0.9	0.5	13.0	0.2	0.3	14.9
EBITDA	\$27.2	\$27.1	\$41.3	\$19.5	(\$19.3)	\$95.8
Margin (%)	19.9%	35.8%	24.6%	20.5%	-	20.2%
(1) Restructuring Chgs.	0.3	-	0.4	0.1	-	0.8
Adjusted EBITDA	\$27.5	\$27.1	\$41.7	\$19.6	(\$19.3)	\$96.7
Margin (%)	20.2%	35.8%	24.8%	20.6%	-	20.3%
Adjusted EBITDA - FY'21 Q2	\$20.2	\$23.1	\$28.2	\$13.8	(\$19.1)	\$66.2
Sequential Incr. / (Decr.) - \$	\$7.3	\$4.0	\$13.5	\$5.8	(\$0.2)	\$30.5
Sequential Incr. / (Decr.) - %	36.2%	17.4%	47.7%	42.3%	1.0%	46.0%

(1) Restructuring charges incurred to rationalize our cost structure by eliminating redundant positions as a result of COVID-19 and due to the acquisition of Miller Heiman Group, AchieveForum and Strategy Execution on November 1, 2019

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

FY'20 Q3; FY'21 Q2; FY'21 Q3

	FY'20 Qtr. 3	FY'21 Qtr. 2	FY'21 Qtr. 3	YoY Incr. / (Decr.)		Sequential Incr. / (Decr.)	
				\$	%	\$	%
Cash	\$563.7	\$553.1	\$694.1	\$130.4	23%	\$141.0	25%
Marketable Securities	184.8	194.3	203.0	18.1	10%	8.6	4%
Cash & Marketable Securities	\$748.5	\$747.5	\$897.1	\$148.6	20%	\$149.6	20%
ECAP & Bonus Liability	(326.9)	(288.9)	(362.8)	(35.9)	11%	(73.9)	26%
Investable Cash	\$421.6	\$458.5	\$534.3	\$112.7	27%	\$75.7	17%

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

FY'21 Q3 vs. FY'20 Q3				
		Reported		Const. Curr.
		\$M	% Grth.	% Grth.
<u>Executive Search</u>				
North America		\$106.0	(0.8%)	(1.0%)
Europe		36.0	(18.8%)	(22.9%)
Asia / Pacific		21.6	(13.7%)	(17.1%)
Latin America		4.5	(38.7%)	(32.3%)
Total Exec. Search		\$168.1	(8.4%)	(9.8%)
<u>Consulting</u>				
North America		\$57.6	7.5%	7.3%
Europe		48.6	(8.8%)	(11.8%)
Asia / Pacific		26.4	(5.0%)	(8.7%)
Latin America		3.7	(36.2%)	(24.5%)
Total Consulting		\$136.3	(3.0%)	(4.4%)
<u>Digital</u>				
North America		\$28.6	(34.3%)	(34.3%)
Europe		31.9	(10.6%)	(13.8%)
Asia / Pacific		12.5	(22.4%)	(25.6%)
Latin America		2.8	(33.3%)	(24.3%)
Total Digital		\$75.8	(23.7%)	(25.0%)
<u>RPO & Prof. Search</u>				
North America		\$43.7	(1.8%)	(1.8%)
Europe		25.3	4.1%	(1.9%)
Asia / Pacific		21.9	19.7%	13.5%
Latin America		4.3	(10.4%)	7.5%
Total RPO & Prof. Sch		\$95.2	3.6%	1.6%
Total KF		\$475.4	(7.8%)	(9.2%)

Thank You