

HALF-YEAR REPORT

SIX MONTHS ENDED 31 DECEMBER 2023

22 February 2024



DECISIVE ACTIONS TAKEN IN CHALLENGING MARKETS. FOCUSED STRATEGY TO IMPROVE MEDIUM-TERM PROFITABILITY & GROWTH, UNDERPINNED BY OPERATIONAL EXECUTION

Six months ended 31 December (In £s million)	2023	2022	Reported growth	LFL growth
Net fees ⁽¹⁾	583.3	651.9	(11)%	(9)%
Operating profit (before exceptional items) ⁽²⁾	60.1	97.0	(38)%	(37)%
Conversion rate ⁽³⁾	10.3%	14.9%	(460) bps	
Profit before tax (before exceptional items) ⁽²⁾	55.5	94.0	(41)%	(40)%
Profit before tax	27.6	94.0	(71)%	(70)%
Cash generated by operations ⁽⁴⁾	67.3	66.4	1%	
Basic earnings per share (before exceptional items) ⁽²⁾	2.37p	4.11p	(42)%	
Basic earnings per share	0.77p	4.11p	(81)%	
Core dividend per share	0.95p	0.95p	-	

Note: unless otherwise stated all growth rates discussed in this statement are LFL (like-for-like), YoY (year-on-year) net fees and profits, representing organic growth of continuing operations at constant currency. WDA = working-day adjusted.

Dirk Hahn, Chief Executive, commented:

"As previously reported, the half-year saw increasingly challenging conditions, with a clear slowdown in most Perm markets in December, while our larger Temp & Contracting business again showed greater resilience. We acted decisively to drive consultant productivity, better align our operations to market conditions and opportunities, and reduce costs. Consequently, we delivered £30 million of annualised savings between August and December and are on track to deliver a further c.£20 million in H2.

This said, I am not satisfied with our profit performance. Our focused strategy targets the many structural growth opportunities we see, while driving profitability through increased resilience, operational rigour and enhanced execution. We will also be guided by our 'Golden Rule' for our businesses, namely that operating profit growth should exceed fee growth, which in turn should exceed headcount growth through the cycle. As our end markets stabilise and then recover, I am confident we can return to, and then exceed, our previous peak profits. While our markets today are challenging, and we are making some difficult decisions, Hays is a strong business with a great team of talented colleagues, and I am excited about what we can achieve together".

- **Group fees** down 9%, with Temp more resilient and down 3% (down 2% WDA⁽⁵⁾), and Perm down 15%. As reported at our Q2 results, overall trading slowed through H1, particularly in December, and H1 pre-exceptional operating profit decreased by 37% to £60.1 million (down 33% WDA⁽⁵⁾)
 - **Decisive actions taken** and Group headcount down 9% YoY. We restructured Group management and operations in several regions and accelerated back-office efficiency programmes, which drove a £12.6 million exceptional charge⁽²⁾. Our H1 actions will deliver £30 million in annualised cost savings, with a further c.£20 million expected in H2
 - **Strong balance sheet and cash generation** with net cash of £66.9 million and H1 cash conversion⁽⁴⁾ of 112%. The Board proposes an unchanged FY24 interim dividend of 0.95 pence per share
- New Year Temp & Contracting **Return to work** volumes are building in line with prior year in the UK and Australia, although are 2% behind prior year in Germany. Perm remains tough overall, with slower decision-making impacting time-to-hire
- **Our focused strategy** targets the many structural growth opportunities we see and is designed to increase our business resilience, quality of earnings and cash generation through the cycle. Our long-term vision is to be recognised as the leading business in Talent and Workforce Solutions globally
 - **Five strategic levers** target the most in-demand job categories, higher salary roles and most resilient end-markets, while growing our proportion of non-Perm fees and continuing to build stronger relationships with clients & candidates
 - **Enhanced operational execution & delivery** will underpin our strategy and help increase profitability towards our medium-term Group conversion rate target of 22-25%. We will drive consultant productivity in excess of inflation, with greater use of dynamic pricing, technology tools & data. We have identified efficiencies from greater consistency of operating models, and we will better leverage our overhead costs

- (1) Net fees comprise turnover less remuneration of temporary workers and other recruitment agencies.
- (2) H1 24 operating profit is presented before exceptional costs of £27.9 million. This comprised £12.6m relating to restructuring of Group management and our operations in several regions, plus back-office functions. The remaining £15.3 million non-cash exceptional charge related to the partial impairment of goodwill in our US business.
- (3) Conversion rate is the conversion of net fees into pre-exceptional operating profit.
- (4) Cash generated by operations is stated after lease payments of £26.2 million (2022: £24.6 million). Cash conversion represents cash generated by operations divided by pre-exceptional Group operating profit.
- (5) Due to the timing of public holidays, our largest market of Germany had two fewer working days in H1 24 versus H1 23 which had a £3.5 million net fee and operating profit impact.
- (6) Underlying Temp margin is calculated as Temp net fees divided by Temp gross revenue and relates solely to Temp placements in which Hays generates net fees. This specifically excludes transactions in which Hays acts as agent on behalf of workers supplied by third party agencies and arrangements where Hays provides major payrolling services.
- (7) Represents percentage of Group net fees and pre-exceptional operating profit.
- (8) Due to our internal Group reporting cycle, the Group's annual cost base equates to c.12.5x our cost base per period. This is consistent with prior years.

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Results presentation & webcast

Our results webcast will take place at 8.30am on 22 February 2024. To register for the webcast only, please click or copy <https://edge.media-server.com/mmc/p/ykfj3bz6>. To register and be able to ask questions via our audio link, please click or copy this link <https://register.vevent.com/register/BI361365ca7ade4a5c9e434702d958253e>.

A recording of the webcast will be available on our website later the same day along with a copy of this press release and all presentation materials.

Reporting calendar

Trading update for the quarter ending 31 March 2024 (Q3 24)	17 April 2024
Trading update for the quarter ending 30 June 2024 (Q4 24)	11 July 2024
Preliminary results for the year ending 30 June 2024 (FY 24)	22 August 2024

Hays Group Overview

As at 31 December 2023, Hays had c.12,300 employees in 249 offices in 33 countries, and our global network helps position us in the most attractive long-term structural growth sectors. In many of our global markets, the majority of professional and skilled recruitment is still done in-house, with minimal outsourcing to recruitment agencies, which presents substantial long-term structural growth opportunities. This has been a key driver of the diversification and internationalisation of the Group, with the International business representing 80% of the Group's net fees in Q2 24, compared with 25% in FY05.

Our consultants work in a broad range of industries covering recruitment in 21 professional and skilled specialisms. In H1 24 our four largest specialisms of Technology (25% of Group net fees), Accountancy & Finance (15%), Engineering (11%) and Construction & Property (10%) collectively represented c.61% of Group fees.

In addition to our international and sectoral diversification, in H1 24 the Group's net fees were generated 59% from temporary and 41% from permanent placement markets. This well-diversified business model continues to be a key driver of the Group's financial performance.

In our 2023 employee 'YourVoice' survey, 81% of employees said they would recommend Hays as a great place to work.

Current trading

New Year Temp & Contracting 'Return to work' volumes are building in line with the prior year in the UK and Australia, although are 2% behind the prior year in Germany. Perm remains tough overall, with slower decision-making

Group commentary

While we remain mindful of market conditions, our Temp & Contracting ('T&C') New Year 'return to work' has been in line with the prior year in the UK&I and ANZ, with Germany volumes rebuilding 2% behind the prior year. Overall Group T&C volumes are down 8% versus the prior year (Q2 24: down 8%).

In Perm, following previously reported December weakness, we have seen New Year job flow and activity levels in line with Q2. However, we continue to see slower client and candidate decision-making, leading to a longer time-to-hire.

Our key markets continue to be supported by skill shortages, and we expect to see some further fee benefit in the second half from the positive effects of wage inflation globally, albeit at lower levels than in H1, with fee margins stable.

There are no material working-day effects year-on-year in the second half. However, Easter is evenly split between Q3 and Q4, while in FY23 it fell entirely in Q4. We expect this to have a c.1-2% negative impact on net fees at Group level in Q3 24, primarily via our Temp business, with a corresponding benefit to Q4 24.

As previously reported, we expect total Group headcount will reduce by c.3-4% in Q3 24 as we continue to focus on consultant productivity and deliver further back-office efficiencies. This will further reduce our cost base per period⁽⁸⁾ in H2.

Germany

New Year Temp & Contracting volumes are rebuilding 2% behind the prior year. Overall T&C volumes are currently down 5% YoY, partially offset by ongoing positive effects of mix and margins. Perm activity is relatively resilient but is modestly down versus Q2.

UK&I and ANZ

New Year T&C volumes are rebuilding in line with the prior year. T&C volumes are currently down 11% YoY in UK&I and down 17% in ANZ. Perm markets remain tough but are broadly stable, with new job inflows in line with Q2.

RoW

EMEA activity levels are broadly consistent with Q2 24. The Americas and Asia are also stable sequentially.

Group Strategic & Operational update

Our focused strategy is designed to build the leading Talent & Workforce Solutions business globally, recognised for powering progress through people. It focuses on the many structural growth opportunities we see and is designed to increase our business resilience, quality of earnings and cash generation. This will allow us to return to, and then exceed, previous peak profits.

Our strategy is based on five key strategic levers. These are proven drivers of resilient, long-term growth, having been the cornerstone of our successful strategy in Germany, where we have grown organically from £3 million of operating profit in 2003, to over £100 million today:

1. Grow our leading positions in the most in-demand future job categories;
2. Increase our focus on higher skilled, higher paid roles;
3. Greater focus on resilient and growing industries and markets;
4. Continue to build stronger relationships with our clients and candidates; and
5. Drive an increased proportion of non-Perm fees across our businesses.

Recognising that each Hays country faces a different starting point, we have defined three categories of countries based on current market position, expertise, management capability and the strength and depth of these five strategic levers:

- **Key Countries** (Germany, Australia and the UK), where we have the management expertise, scale, structure and track record to both increase our conversion rates and materially grow each business.
- **Focus Countries** (Austria, France, Italy, Japan, Poland, Spain, Switzerland and the USA) are future key drivers of long-term growth and will deliver greater profit diversity.
- **Emerging Countries** represent the 22 countries in our global network. Each has the potential to be an attractive growth market and are also important from a network standpoint to service our Enterprise clients.

Overall, we are targeting greater fee resilience within each Hays country, with more countries driving material profit contributions.

Enhanced operational delivery

Underpinning our strategy is an increased focus on operational execution, which we are driving across the Group. We will improve medium-term consultant productivity in excess of inflation, with a greater focus on dynamic pricing, technology tools and data. We have also identified efficiencies from greater consistency of operating models globally, and we will better leverage our overhead costs.

For strategic levers 1, 2 and 3 we will make better use of data to track growth in job categories and evaluate each business line's performance against local market opportunities. We are closely tracking our progress in areas like STEM recruitment, and the development of our pricing and average candidate salary. For lever 4, we will assess the delivery models in place and drive productivity further in our delivery teams. In Enterprise clients, we will better understand the client's needs and structure, and increase our network effect within clients to win market share. For lever 5, in addition to non-Perm being highly complementary to many of our future job categories and targeted resilient industries, we will closely manage our resources in-country, and better automate our end-to-end Temp workflow, reducing compliance and admin time, and costs.

We have accelerated our back-office efficiency programmes, to standardise and globalise processes, removing duplicated costs and better leveraging our shared service centres. We will also drive significant medium-term benefits from investing in our own technology stack, working with best-in-class partners, and bringing in the best of AI and automation into our processes worldwide.

Outcomes

We have strong, market leading businesses, many of which are implementing our strategy well. But we need to ensure this is happening across all countries, and we expect all businesses to be able to deliver a conversion rate of at least 25%. Large businesses like Germany and Switzerland, which have proven to be resilient over time, have delivered high compound growth. However, we also have some businesses which are volatile and more cyclical, and we have a plan to address this. We can improve our focus on the key growth industries and job categories of the future in all countries. And we have some business lines which are sub-scale, and which are not profitable enough, which we are addressing, and some may close.

Overall, we are implementing a **'Golden Rule'** for all countries that operating profit growth should be greater than fee growth, which should in turn exceed headcount growth through the cycle. This underpins our long-term focus on growing consultant productivity at least in line with inflation and increasing operating leverage to drive greater profitability through the cycle, with a medium-term Group conversion rate target of 22-25%.

H1 Financial & Operational review

Summary Income Statement

Six months ended 31 December (In £s million)	2023	2022	Growth	
			Reported	LFL
Turnover	3,538.4	3,839.8	(8)%	(5)%
Temp	341.6	359.5	(5)%	(3)%
Perm	241.7	292.4	(17)%	(15)%
Net fees ⁽¹⁾	583.3	651.9	(11)%	(9)%
Administrative expenses	(523.2)	(554.9)	(6)%	(4)%
Operating profit (before exceptional items ⁽²⁾)	60.1	97.0	(38)%	(37)%
Operating profit (after exceptional items ⁽²⁾)	32.2	97.0	(67)%	(66)%
Conversion rate ⁽³⁾	10.3%	14.9%		
Underlying Temp margin ⁽⁶⁾	15.2%	15.3%		
Temp fees as % of total net fees	59%	55%		
Period-end consultant headcount	7,971	9,099	(12)%	

H1 24: lower fees in challenging market conditions

Turnover for the six months to 31 December 2023 decreased by 5% (8% on a reported basis). Net fees in the six months to 31 December 2023 decreased by 9% on a like-for-like basis, and by 11% on a reported basis, to £583.3 million. This represented a like-for-like fee decline of £55.1 million versus the prior year, with the fee decline accelerating through the half-year, including a December net fee exit rate of minus 13% WDA⁽⁵⁾.

The decrease in Group fees was due to lower volumes in both Temp and Perm, partially offset by increases in our average fees per placement, which were driven by management actions and the impact of wage inflation. The higher net fee decline compared to turnover was due to relatively resilient performance in Temp fees versus Perm.

Temp fees (59% of Group) were relatively resilient and decreased by 3%, or down 2% WDA⁽⁵⁾. Temp volumes decreased by 7% YoY, with a further 1% decline from fewer working days YoY, partially offset by 5% growth from positive mix effects and higher Temp rates. Our underlying Temp margin⁽⁶⁾ was stable YoY at 15.2%. Temp volumes remained stable sequentially through our second quarter but did not benefit from our normal seasonal uplift through Q2.

Perm fees (41% of Group) decreased by 15%, with activity slowing through the half-year. Overall, Perm volumes decreased by 25% as job inflow decreased and hiring processes extended, notably in December. As with FY23, this was partially offset by good growth in our average Perm fee, up 10%.

Fees in the Private sector (83% of Group), decreased by 10%, with the Public sector more resilient, down 1%.

Our largest global specialism of Technology (25% of Group fees) decreased by 10%, with Accountancy & Finance down 6%, which included Senior Finance hires outperforming lower salary levels. Engineering performed well and grew by 6%, although Construction & Property decreased by 14%. Direct and indirect outsourcing fees with Enterprise clients decreased by 5%, although we continue to have a good pipeline of opportunities.

H1 operating profit impacted by lower fees, however decisive cost actions taken

H1 24 pre-exceptional⁽²⁾ Group operating profit of £60.1 million represented a like-for-like decrease of 37% (down 33% WDA⁽⁵⁾). Group conversion rate⁽²⁾ decreased by 460 bps year-on-year to 10.3% (10.8% WDA⁽⁵⁾). As reported at our Q2 results, given the deceleration in fees we saw at the end of the quarter (December fees decreased by 15% on a reported basis), the December fee slowdown directly impacted our H1 24 operating profit.

As market conditions became more challenging, we moved decisively to align consultant capacity to market demand and reduced consultant headcount, while protecting our core business. Overall, Group consultant headcount in H1 24 was decreased by 619, or 7%, and by 12% YoY, through a mix of natural attrition and performance management. We also restructured operations in several regions which included refocusing and delayering of management and accelerated our back-office efficiency programmes. This led to a 3% reduction in non-consultant headcount in Q2 24.

Since our FY23 preliminary results in August, our actions have reduced our costs per period⁽⁸⁾ by c.£2.5 million, which equates to annualised Group cost savings of £30 million. Of these savings, c.£20 million arose from the 7% reduction in consultant headcount delivered in H1. A further c.£10 million of savings resulted from the restructuring of operations and back-office functions, which resulted in an exceptional restructuring charge in H1 of £12.6 million⁽²⁾, detailed below. Looking ahead, we expect our ongoing actions will deliver further annualised Group cost reductions of c.£20 million in H2 24.

Like-for-like costs decreased by 4% YoY or £20.0million (£31.7 million on reported basis). This was driven by a 9% lower Group headcount, lower commissions and bonuses and reduced operational overhead spend. This was partially offset by our own salary increases and underlying cost inflation, notably in property and insurance costs.

Overall Group average fee productivity per consultant was solid, given market conditions, but remained below peak levels. Productivity was supported by our actions to manage consultant headcount, increase our fee margins and focus on higher value roles. Market conditions meant that Group average volume productivity per consultant was down significantly YoY, and versus pre-pandemic levels. We remain focused on driving productivity in H2 24 and beyond.

Exchange rate movements decreased net fees and operating profit by £13.5 million and £1.8 million, respectively. This resulted from the strengthening in the average rate of exchange of sterling versus our main trading currencies, notably the Australian dollar. Currency fluctuations remain a significant Group sensitivity.

Working-day adjustments

As previously reported, our Germany business had two fewer working days versus the prior year, which impacted our fees and operating profit by c.£3.5 million. Therefore, on a WDA basis Group operating profit was £63.6 million, down 33% YoY, and represented a conversion rate of 10.8%. There are no material working-day impacts in H2. However, in H2 Easter is evenly split between Q3 and Q4, while in FY23 it fell entirely in Q4. We expect this to have a c.1-2% negative impact on net fees at Group level in Q3 FY24, primarily via our Temp business, with a corresponding benefit to Q4 24.

Impairment of goodwill and exceptional restructuring charge

During the half-year, the Group incurred an exceptional charge of £27.9 million (2022: £nil). Of this, £15.3 million is a non-cash exceptional charge resulting from the partial impairment of the carrying value of goodwill relating to the 2014 Veredus acquisition in the USA, given ongoing challenges in the US market. The goodwill impairment charge is a material non-cash item that based on its size and nature is considered to be exceptional. The remaining Veredus goodwill balance at 31 December 2023 is £7.1 million

In a direct and decisive response to increasingly challenging market conditions and a clear slowdown in most markets, we restructured the business operations of several countries across the Group, to better align business operations to market opportunities and reduce operating costs. The restructuring exercise led to the redundancy of a number of employees, including senior and operational management and back-office positions. As reported at our Q2 results, the combined costs relating to this were £12.6 million, and are considered exceptional given their size and impact on business operations. The cash impact of the exceptional charge in the half-year was £6.8 million, with a further £2.5 million cash outflow expected in the six months to 30 June 2024. We estimate that these restructuring actions will result in c.£10 million per annum in longer-term cost savings, which are included in the overall £30 million of annualised cost savings resulting from our H1 actions.

Net finance charge

The net finance charge for the half-year was £4.6 million (2022: £3.0 million). The increase YoY was primarily due to a £0.8 million charge on defined benefit pension scheme obligations (2022: credit of £0.4 million), and is non-cash. Net bank interest payable (including amortisation of arrangement fees) was £1.3 million (2022: £1.3 million). The interest charge on lease liabilities under IFRS 16 was £2.4 million (2022: £2.0 million), and the Pension Protection Fund levy was £0.1 million (2022: £0.1 million). We expect the net finance charge for FY24 to be c.£9 million, modestly higher YoY driven by higher non-cash items of c.£6 million.

Taxation

Taxation for the half-year was £15.3 million (2022: £27.3 million), representing a pre-exceptional⁽²⁾ effective tax rate (ETR) of 32.0% (2022: 29.0%). The increase in the ETR year-on-year is primarily driven by the geographic mix of operating profit, notably the impact of Germany, which has one of our highest country tax rates and which accounted for 68% of group profits in the half-year. We expect the Group's ETR will be c.32% in FY24.

Earnings per share

The Group's pre-exceptional basic Earnings per share (EPS) of 2.37p was 42% lower than the prior year. The reduction was primarily driven by 37% lower pre-exceptional operating profit. In addition, we incurred a modestly higher net finance charge and a higher ETR, both noted above. The impact on EPS was partially offset by a 2.1% reduction in average shares in issue, resulting from our FY23 share buyback programme.

Strong balance sheet and cash generation

Our net cash position at 31 December 2023 was £66.9 million. We converted 112% of operating profit⁽²⁾ into operating cash flow⁽⁴⁾, significantly up YoY (2022: 68%⁽⁴⁾). We saw a working capital outflow of £3.6 million in the half-year (2022: £44.3 million outflow), with a reduction in our Temp debtor book offset by a decrease in payables, and a modest increase in debtor days to 36 days (2022: 35 days), due to the timing of customer payments and geographic mix of business. Debtor days remain below pre-pandemic levels.

Cash tax paid in the half-year was £28.5 million (2022: £33.2 million) and included some pre-payments to certain tax authorities. Net capital expenditure was £13.7 million (2022: £12.3 million), with continued investments in technology infrastructure and cyber security. We expect capital expenditure will be c.£30 million in FY24.

Company pension contributions were £9.1 million (2022: £8.8 million) and net interest paid was £1.3 million (2022: £1.4 million). The cash impact of the exceptional restructuring charge in H1 24 was £6.8million.

During the half-year we paid a £32.6 million final core dividend for FY23 and a special dividend of £35.7 million. During the half-year we also purchased £12.3 million in shares under our Treasury share buyback programme announced in September 2023, which has been completed.

Retirement benefits

The Group's defined benefit pension scheme position under IAS 19 at 31 December 2023 has resulted in a surplus of £26.4 million (30 June 2023: surplus of £25.7 million). This £0.7 million increase in surplus was driven by employer contributions of £9.1 million, plus higher-than-expected return on the scheme assets, partially offset by a decrease in the discount rate adopted within the key financial assumptions, which increased the calculation of the schemes' liabilities.

During the half-year, the Group contributed £9.1 million of cash to the defined benefit scheme (2022: £8.8 million), in line with the agreed deficit recovery plan. The 2021 triennial valuation quantified the actuarial deficit at £23.9 million on a Technical Provisions basis. Our long-term objective continues to be reaching full buy-out of the scheme and therefore our recovery plan remained unchanged and comprised an annual payment of £16.7 million from July 2021, with a fixed 3% uplift per year. The scheme was closed to new entrants in 2001 and to future accrual in June 2012.

Capital allocation

Our business model remains highly cash generative. The Board's free cash flow priorities are to fund the Group's investment and development, maintain a strong balance sheet, deliver a progressive, sustainable and appropriate core dividend and to return any surplus cash to shareholders through a combination of special dividends and share buybacks, subject to the economic outlook.

The Board has declared an unchanged interim core dividend of 0.95 pence per share, reflecting our strong financial position and the Board's confidence in the Group's strategy. This represents pre-exceptional dividend cover of 2.5x, within our target core full year dividend cover range of 2.0 to 3.0x earnings. The ex-dividend date is 29 February 2024, and our dividend payment date will be 9 April 2024.

Our policy for returning surplus cash to shareholders remains unchanged and is based on paying capital above our cash buffer at each financial year-end (30 June) of £100 million, subject to the economic outlook. We have a strong track record of paying cash to shareholders, with c.£950 million in core and special dividends paid in respect of FY17 to FY23, and additionally £93.2 million of share buybacks since April 2022.

Foreign exchange

Overall, net currency movements versus sterling negatively impacted results in the half-year, decreasing net fees by £13.5 million, and operating profit by £1.8 million, primarily due to the strengthening of sterling versus the Australian dollar.

Fluctuations in the rates of the Group's key operating currencies versus sterling represent a significant sensitivity for the reported performance of our business. By way of illustration, based on our H1 24 results, each 1 cent movement in annual exchange rates of the euro and Australian dollar impacts net fees by c.£4.9 million and c.£0.8 million respectively per annum, and operating profits by c.£1.2 million and c.£0.1 million respectively per annum.

The rate of exchange between the Australian dollar and sterling over the half-year averaged AUD \$1.9205 and closed at AUD \$1.8661. As at 20 February 2024 the rate stood at AUD 1.9271. The rate of exchange between the euro and sterling over the half-year averaged €1.1587 and closed at €1.1517. As at 20 February 2024 the rate stood at €1.1690.

The strengthening of sterling versus our main trading currencies of the euro and Australian dollar is currently a headwind to Group operating profit in FY24.

Movements in consultant headcount and office network changes

Consultant headcount at 31 December 2023 was 7,971, down 12% year-on-year and 7% lower than June 2023. Total Group headcount decreased by 9% year-on-year. We expect total headcount will decrease by c.3-4% in Q3 FY24, as we continue our focus on improving productivity and managing our overall cost base.

	31 Dec 2023	31 Dec 2022	Net change (vs. 31 Dec 2022)	30 Jun 2023	Net change (vs. 30 Jun 2023)
Consultant headcount					
Germany	2,055	2,072	(1)%	2,044	1%
United Kingdom & Ireland	1,800	2,082	(14)%	1,935	(7)%
Australia & New Zealand	887	1,110	(20)%	1,071	(17)%
Rest of World	3,229	3,835	(16)%	3,540	(9)%
Group	7,971	9,099	(12)%	8,590	(7)%

We consolidated several smaller locations, meaning our office network decreased by a net three locations in the half-year.

	31 Dec 2023	30 Jun 2023	Net change (vs. 30 Jun 2023)	31 Dec 2022
Office network				
Germany	26	26	-	26
United Kingdom & Ireland	85	85	-	87
Australia & New Zealand	38	39	(1)	39
Rest of World	100	102	(2)	103
Group	249	252	(3)	255

Germany (32%⁽⁷⁾ net fees, 68%⁽⁷⁾ operating profit)

Resilient performance, with operating profit up 3% WDA⁽⁵⁾ despite a tougher economic backdrop

Six months ended 31 December (In £s million)	2023	2022	Growth	
			Reported	LFL
Net fees ⁽¹⁾	186.2	180.2	3%	3%
Operating profit ⁽²⁾	40.8	43.2	(6)%	(6)%
Conversion rate ⁽³⁾	21.9%	24.0%		
Period-end consultant headcount	2,055	2,072	(1)%	

Our largest market of Germany saw net fees increase by 3% to £186.2 million. Operating profit decreased by 6% to £40.8 million, mainly due to two fewer working days in H1 24 versus the prior year, which as previously reported impacted fees and profit by £3.5 million. Adjusting for two fewer working days, fees increased by 5% and operating profit growth was 3%. Conversion rate was 21.9% (2023: 24.0%), or 23.4% WDA⁽⁵⁾. Currency impacts were minimal in the half-year.

We have delivered this growth despite German GDP declining over the last 18 months, highlighting the relative resilience of demand for skilled Contractors and Temps, driven by talent shortages. At the specialism level, our largest specialism of Technology (33% of Germany fees), decreased by 3%, with Engineering, our second largest, up 11%. Accountancy & Finance and Construction & Property increased by 4% and 6% respectively, with HR flat. Fees in our Public sector business (15% of Germany fees) increased by 16%.

Temp and Contracting, (82% of Germany fees), increased by 3%, or up 5% WDA⁽⁵⁾. This was driven by 1% growth in volumes and 5% from the positive impact of price and mix, partially offset by 2% from two fewer working days and 1% from slightly lower average hours worked. Pricing and mix remained solid in the half-year and is expected to remain a positive tailwind in H2 24, albeit at lower levels than H1. As previously reported at our Q2 results, Temp and Contracting volumes were sequentially stable through H1, however we did not see our normal seasonal volume increase in Q2.

Perm, 18% of Germany fees, increased by 2%. This included a 10% increase in our average Perm fee, partially offset by 8% lower Perm volumes.

Consultant headcount decreased by 1% year-on-year and increased by 1% in the half.

United Kingdom & Ireland (20%⁽⁷⁾ net fees, 9%⁽⁷⁾ operating profit)

Markets slowed sharply through the half-year, particularly in Perm, significantly impacting profit

Six months ended 31 December (In £s million)	2023	2022	Growth	
			Reported	LFL
Net fees ⁽¹⁾	118.1	136.9	(14)%	(14)%
Operating profit ⁽²⁾	5.7	15.2	(63)%	(63)%
Conversion rate ⁽³⁾	4.8%	11.1%		
Period-end consultant headcount	1,800	2,082	(14)%	

In the United Kingdom & Ireland (“UK&I”), net fees decreased by 14% to £118.1 million. Operating profit of £5.7 million represented a decrease of 63% versus the prior year, and a conversion rate of 4.8% (2023: 11.1%).

Perm markets slowed materially through the half-year, impacted by negative GDP and decreased client and candidate confidence, with Temp remaining broadly stable sequentially, but down YoY. Our UK&I costs decreased by 8%, driven by headcount reductions, and costs will reduce further in H2 as a number of restructuring projects complete. However, given the pace of decline in fees through the half-year, we incurred negative operating profit leverage, particularly in Q2, amplified by December’s fee exit rate of minus 20%.

Temp (56% of UK&I), decreased by 11%, with Temp volumes also down 11% and the mix of price and margin flat YoY. Our Perm business saw fees decrease by 17%, with volumes down 28%, partially offset by an 11% increase in average Perm fee. The Private sector (67% of UK&I fees) declined by 18%, with the Public sector down 3%.

All UK&I regions traded broadly in line with the overall UK&I business, except for Yorkshire & the North, down 5%, and Scotland, down 20%. Our largest region of London decreased by 18%, while Ireland declined by 6%. Direct fees with Enterprise clients were more resilient, up 9%.

Our largest UK&I specialism of Accountancy & Finance decreased by 10%, with Construction & Property down 11%. Technology and Office Support decreased by 26% and 21% respectively.

Consultant headcount decreased by 14% year-on-year and decreased by 7% in the half.

Australia & New Zealand (13%⁽⁷⁾ net fees, 11%⁽⁷⁾ operating profit)

Markets slowed sharply through the half-year, particularly in Perm, significantly impacting profit

Six months ended 31 December (In £s million)	2023	2022	Growth	
			Reported	LFL
Net fees ⁽¹⁾	74.3	99.9	(26)%	(19)%
Operating profit ⁽²⁾	6.4	17.8	(64)%	(60)%
Conversion rate ⁽³⁾	8.6%	17.8%		
Period-end consultant headcount	887	1,110	(20)%	

In Australia & New Zealand (“ANZ”), net fees decreased by 19% to £74.3 million, with operating profit down 60% to £6.4 million. This represented a conversion rate of 8.6% (2023: 17.8%). Currency impacts were negative in the half-year, decreasing net fees by £8.5 million.

Cost decreases of 10% were driven by 15% lower average consultant headcount in the half-year, partially offset by our own cost inflation. Having changed our ANZ leadership team in H2 23, we continued to take decisive action to improve our performance. We undertook a restructuring of the business, focusing on improving consultant productivity and driving operational efficiencies. We also conducted a full review of operational management capacity, which we aligned to market conditions. This said, the pace of decline in fees through the half-year meant we incurred negative operating profit leverage, which was amplified by the further slowdown in December.

Temp (63% of ANZ) decreased by 15%, with volumes down 17%, but remained sequentially stable through the half-year. Fees continued to be impacted by the Federal government’s policy decision to reduce the use of Temps in the Public sector, and by reduced activity in some large Enterprise clients. Perm fees decreased by 25%, with volumes down 21% and slowing through the half-year, including a particularly difficult December. The Private sector (62% of ANZ fees), declined by 22%, with Public sector fees down 13%.

Australia, 92% of ANZ, saw fees decrease by 18%. New South Wales and Victoria decreased by 22% and 19% respectively. Queensland fell by 11%, with ACT down 22%. At the ANZ specialism level, Construction & Property (19% of fees), decreased by 24%, with Technology down 20%. Accountancy & Finance decreased by 16%, although Banking and HR were less impacted, down 11% and 9% respectively. New Zealand fees decreased by 26%.

ANZ consultant headcount decreased by 20% year-on-year and decreased by 17% in the half.

Rest of World (35%⁽⁷⁾ net fees, 12%⁽⁷⁾ operating profit)

Slowing markets in EMEA and challenging conditions in China and the Americas negatively impacted operating profit

Six months ended 31 December (In £s million)	2023	2022	Growth	
			Reported	LFL
Net fees ⁽¹⁾	204.7	234.9	(13)%	(11)%
Operating profit ⁽²⁾	7.2	20.8	(65)%	(65)%
Conversion rate ⁽³⁾	3.5%	8.9%		
Period-end consultant headcount	3,229	3,835	(16)%	

Fees in our Rest of World (“RoW”) division, which comprises 28 countries, decreased by 11%. Fees in Temp (37% of RoW) were resilient and flat YoY, with Perm down 16% as markets slowed through the half-year. Operating profit decreased by 65% to £7.2 million, with RoW operating costs down 6% YoY, representing a conversion rate of 3.5% (2023: 8.9%). Currency impacts were negative in the half-year, decreasing fees by £5.1 million and operating profit by £0.1 million.

EMEA ex-Germany (63% of RoW) fees decreased by 4%. France, our largest RoW country, delivered flat fees, however activity slowed through the half-year. Belgium and Spain increased by 6% and 1% respectively, and the UAE delivered record fees, up 26%. Switzerland and Poland decreased by 4% and 23% respectively. In response to market conditions, we reduced EMEA ex-Germany headcount at the end of the half-year.

The Americas (21% of RoW) fees decreased by 26% and with tough conditions throughout the region. The USA declined by 26%, Latin America by 27% and Canada by 28%. Given the extent of the fee declines, the Americas was modestly loss-making in the half-year.

Asia (16% RoW) fees decreased by 14%, with China down 22%. Japan and Malaysia decreased by 2% and 5% respectively. Overall, we made a small operating profit in Asia, however Mainland China was modestly loss-making.

In response to market conditions, we restructured our Americas and Asia businesses, including a right-sizing and de-layering of operational management, and a reduction in non-fee earner headcount. Overall consultant headcount in the RoW division decreased by 16% year-on-year. EMEA ex-Germany consultant headcount decreased by 10%, the Americas decreased by 33% and Asia was down 10%.

Purpose, Net Zero, Equity and our Communities

Our purpose is to benefit society by investing in lifelong partnerships that empower people and organisations to succeed, creating opportunities and improving lives. Becoming lifelong partners to millions of people and thousands of organisations also helps to make our business sustainable. Our core company value is that we should always strive to 'do the right thing'. Linked to this and our commitment to Environmental, Social & Governance (ESG) matters, Hays has shaped its Sustainability Framework around the United Nations Sustainable Development Goals (UNSDG's), and further details can be found in our [FY23 ESG report](#).

Treasury management

The Group's operations are financed by retained earnings and cash reserves. In addition, the Group has in place a £210 million revolving credit facility, which reduces in November 2024 to £170 million and expires in November 2025. This provides considerable headroom versus current and future Group funding requirements.

The covenants within the facility require the Group's interest cover ratio to be at least 4:1 (ratio as at 31 Dec 2023: 177:1) and its leverage ratio (net debt to EBITDA) to be no greater than 2.5:1 (as at 31 December 2023 the Group held a net cash position). The interest rate of the facility is on a ratchet mechanism with a margin payable over Compounded Reference Rate in the range of 0.70% to 1.50%.

As at 31 December 2023, £125 million of the committed facility was undrawn (31 December 2022: £120m of the committed facility was undrawn).

The Group's UK-based Treasury function manages the Group's currency and interest rate risks in accordance with policies and procedures set by the Board and is responsible for day-to-day cash management; the arrangement of external borrowing facilities; and the investment of surplus funds. The Treasury function does not operate as a profit centre or use derivative financial instruments for speculative purposes.

Principal risks facing the business

Hays plc operates a comprehensive enterprise risk management framework, which is monitored and reviewed by the Board. There are a number of potential risks and uncertainties that could have a material impact on the Group's financial performance and position. These include risks relating to the cyclical nature of our business and inflation, business model, talent recruitment and retention, compliance, reliance on technology, cyber security, data protection, contracts and the covid pandemic. These risks and our mitigating actions are set out in the [2023 Annual Report](#), and remain relevant. There are no additional risks since this date which impact Hays' financial position or performance, although as noted earlier in this statement, with macroeconomic uncertainties increasing, we are closely monitoring our activity levels and KPI's.

Responsibility Statement

We confirm that, to the best of our knowledge:

- the unaudited condensed Consolidated Interim Financial Statements have been presented in accordance with IAS 34 "Interim Financial Reporting" and give a true and fair view of the assets, liabilities, financial position and profit for the Group;
- the interim management report includes a fair review of the information required by DTR 4.2.7R (indication of important events during the first six months of the financial year and their impact on the condensed financial statements, and description of principal risks and uncertainties for the remaining six months of the financial year); and
- the interim management report includes a fair review of the information required by DTR 4.2.8R (disclosure of related parties transactions in the first six months of the financial year and any changes in the related parties transactions described in the last Annual Report).

This interim report was approved and authorised for issue by the Board of Directors on 21 February 2024.

Dirk Hahn

Chief Executive

Hays plc

20 Triton Street

London

NW1 3BF

haysplc.com/investors

James Hilton

Group Finance Director

Cautionary statement

This Preliminary Report (the “Report”) has been prepared in accordance with the Disclosure Guidance and Transparency Rules of the UK Financial Conduct Authority and is not audited. No representation or warranty, express or implied, is or will be made in relation to the accuracy, fairness or completeness of the information or opinions contained in this Report. Statements in this Report reflect the knowledge and information available at the time of its preparation. Certain statements included or incorporated by reference within this Report may constitute “forward-looking statements” in respect of the Group’s operations, performance, prospects and/or financial condition. By their nature, forward-looking statements involve a number of risks, uncertainties and assumptions and actual results or events may differ materially from those expressed or implied by those statements. Accordingly, no assurance can be given that any particular expectation will be met and reliance shall not be placed on any forward-looking statement. Additionally, forward-looking statements regarding past trends or activities shall not be taken as a representation that such trends or activities will continue in the future. The information contained in this Report is subject to change without notice and no responsibility or obligation is accepted to update or revise any forward-looking statement resulting from new information, future events or otherwise. Nothing in this Report shall be construed as a profit forecast. This Report does not constitute or form part of any offer or invitation to sell, or any solicitation of any offer to purchase or subscribe for any shares in the Company, nor shall it or any part of it or the fact of its distribution form the basis of, or be relied on in connection with, any contract or commitment or investment decisions relating thereto, nor does it constitute a recommendation regarding the shares of the Company or any invitation or inducement to engage in investment activity under section 21 of the Financial Services and Markets Act 2000. Past performance cannot be relied upon as a guide to future performance. Liability arising from anything in this Report shall be governed by English Law, and neither the Company nor any of its affiliates, advisors or representatives shall have any liability whatsoever (in negligence or otherwise) for any loss howsoever arising from any use of this Report or its contents or otherwise arising in connection with this Report. Nothing in this Report shall exclude any liability under applicable laws that cannot be excluded in accordance with such laws.

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Independent Review Report to Hays plc Report on the Condensed Consolidated Interim Financial Statements

Our conclusion

We have reviewed Hays plc's condensed consolidated interim financial statements (the "interim financial statements") in the Half-year report of Hays plc for the 6 month period ended 31 December 2023 (the "period").

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements are not prepared, in all material respects, in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

The interim financial statements comprise:

- the Condensed Consolidated Balance Sheet as at 31 December 2023;
- the Condensed Consolidated Income Statement and the Condensed Consolidated Statement of Comprehensive Income for the period then ended;
- the Condensed Consolidated Cash Flow Statement for the period then ended;
- the Condensed Consolidated Statement of Changes in Equity for the period then ended; and
- the explanatory notes to the interim financial statements.

The interim financial statements included in the Half-year report of Hays plc have been prepared in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Financial Reporting Council for use in the United Kingdom ("ISRE (UK) 2410"). A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We have read the other information contained in the Half-year report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the interim financial statements.

Conclusions relating to Going Concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for conclusion section of this report, nothing has come to our attention to suggest that the directors have inappropriately adopted the going concern basis of accounting or that the directors have identified material uncertainties relating to going concern that are not appropriately disclosed. This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410. However, future events or conditions may cause the group to cease to continue as a going concern.

Responsibilities for the interim financial statements and the review

Our responsibilities and those of the Directors

The Half-year report, including the interim financial statements, is the responsibility of, and has been approved by the directors. The directors are responsible for preparing the Half-year report in accordance with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority. In preparing the Half-year report, including the interim financial statements, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

Our responsibility is to express a conclusion on the interim financial statements in the Half-year report based on our review. Our conclusion, including our Conclusions relating to going concern, is based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion paragraph of this report. This report, including the conclusion, has been prepared for and only for the company for the purpose of complying with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority and for no other purpose. We do not, in giving this conclusion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

PricewaterhouseCoopers LLP
Chartered Accountants
London
21 February 2024

Condensed Consolidated Income Statement

(In £s million)	Note	Six months to 31 December 2023 (unaudited)	Six months to 31 December 2022 (unaudited)	Year to 30 June 2023 (audited)
Turnover	2	3,538.4	3,839.8	7,583.3
Net fees ⁽¹⁾	2	583.3	651.9	1,294.6
Administrative expenses ⁽²⁾		(523.2)	(554.9)	(1,097.6)
Operating profit before exceptional items	2	60.1	97.0	197.0
Exceptional items ⁽³⁾	3	(27.9)	-	-
Operating profit	2	32.2	97.0	197.0
Net finance charge	4	(4.6)	(3.0)	(4.9)
Profit before tax		27.6	94.0	192.1
Tax ⁽⁴⁾	5	(15.3)	(27.3)	(53.8)
Profit after tax		12.3	66.7	138.3
Profit attributable to equity holders of the parent company		12.3	66.7	138.3
Earnings per share before exceptional items (pence)				
- Basic	7	2.37p	4.11p	8.59p
- Diluted	7	2.36p	4.08p	8.52p
Earnings per share (pence)				
- Basic	7	0.77p	4.11p	8.59p
- Diluted	7	0.77p	4.08p	8.52p

⁽¹⁾ Net fees comprise turnover less remuneration of temporary workers and other recruitment agencies.

⁽²⁾ Administrative expenses include impairment loss on trade receivables of £1.7 million (2022: £2.4 million).

⁽³⁾ Exceptional items for the six months to 31 December 2023 comprise goodwill impairment of £15.3 million and a restructuring charge of £12.6 million.

⁽⁴⁾ The tax charge for the six months ended 31 December 2023 of £15.3 million included a £2.5 million tax credit in respect of exceptional items. The pre-exceptional tax charge of £17.8 million represents an effective tax rate of 32.0% against a pre-exceptional profit before tax of £55.5 million. On a post-exceptional basis the effective tax rate was 55.4%.

Condensed Consolidated Statement of Comprehensive Income

(In £s million)	Note	Six months to 31 December 2023 (unaudited)	Six months to 31 December 2022 (unaudited)	Year to 30 June 2023 (audited)
Profit for the period		12.3	66.7	138.3
Items that will not be reclassified subsequently to profit or loss:				
Actuarial remeasurement of defined benefit pension schemes		(7.6)	(76.6)	(95.1)
Tax relating to components of other comprehensive income		1.8	15.1	19.5
		(5.8)	(61.5)	(75.6)
Items that may be reclassified subsequently to profit or loss:				
Currency translation adjustments		6.6	9.5	(15.6)
Other comprehensive income/(loss) for the period net of tax		0.8	(52.0)	(91.2)
Total comprehensive income for the period		13.1	14.7	47.1
Attributable to equity shareholders of the parent company		13.1	14.7	47.1

Condensed Consolidated Balance Sheet

(In £s million)	Note	31 December 2023 (unaudited)	31 December 2022 (unaudited)	30 June 2023 (audited)
Non-current assets				
Goodwill	8	186.1	205.1	200.3
Other intangible assets		59.6	49.6	53.7
Property, plant and equipment		27.5	29.5	29.7
Right-of-use assets	9	180.6	176.3	176.1
Deferred tax assets		21.4	20.8	21.4
Retirement benefit surplus	11	26.4	34.6	25.7
		501.6	515.9	506.9
Current assets				
Trade and other receivables	10	1,119.8	1,174.1	1,244.6
Corporation tax debtor		6.8	5.2	6.8
Cash and cash equivalents	13	151.9	191.4	145.6
Derivative financial instruments		-	-	0.1
		1,278.5	1,370.7	1,397.1
Total assets		1,780.1	1,886.6	1,904.0
Current liabilities				
Trade and other payables		(862.0)	(894.2)	(991.3)
Lease liabilities	9	(45.6)	(42.2)	(41.3)
Corporation tax liabilities		(0.8)	(22.0)	(16.2)
Provisions	12	(16.3)	(11.5)	(10.8)
		(924.7)	(969.9)	(1,059.6)
Non-current liabilities				
Bank loans	13	(85.0)	(90.0)	(10.0)
Deferred tax liabilities		(2.9)	(4.4)	(2.8)
Lease liabilities	9	(149.2)	(147.5)	(148.5)
Provisions	12	(9.1)	(8.9)	(12.8)
		(246.2)	(250.8)	(174.1)
Total liabilities		(1,170.9)	(1,220.7)	(1,233.7)
Net assets		609.2	665.9	670.3
Equity				
Called up share capital		16.0	16.2	16.0
Share premium		369.6	369.6	369.6
Merger reserve		43.8	43.8	43.8
Capital redemption reserve		3.4	3.2	3.4
Retained earnings		90.6	131.4	155.4
Cumulative translation reserve		64.6	83.1	58.0
Equity reserve		21.2	18.6	24.1
Total equity		609.2	665.9	670.3

Condensed Consolidated Statement of Changes in Equity

For the six months ended 31 December 2023

(In £s million)	Called up share capital	Share premium	Merger reserve	Capital redemption reserve	Retained earnings	Cumulative translation reserve	Equity reserve	Total equity
At 1 July 2023	16.0	369.6	43.8	3.4	155.4	58.0	24.1	670.3
Currency translation adjustments	-	-	-	-	-	6.6	-	6.6
Remeasurement of defined benefit pension schemes	-	-	-	-	(7.6)	-	-	(7.6)
Tax relating to components of other comprehensive income	-	-	-	-	1.8	-	-	1.8
Net income recognised in other comprehensive income	-	-	-	-	(5.8)	6.6	-	0.8
Profit for the period	-	-	-	-	12.3	-	-	12.3
Total comprehensive income for the period	-	-	-	-	6.5	6.6	-	13.1
Dividends paid	-	-	-	-	(68.3)	-	-	(68.3)
Purchase of own shares	-	-	-	-	(12.3)	-	-	(12.3)
Share-based payments charged to the income statement	-	-	-	-	-	-	6.4	6.4
Share-based payments settled on vesting	-	-	-	-	9.3	-	(9.3)	-
At 31 December 2023 (unaudited)	16.0	369.6	43.8	3.4	90.6	64.6	21.2	609.2

For the six months ended 31 December 2022

(In £s million)	Called up share capital	Share premium	Merger reserve	Capital redemption reserve	Retained earnings	Cumulative translation reserve	Equity reserve	Total equity
At 1 July 2022	16.7	369.6	43.8	2.7	268.2	73.6	21.6	796.2
Currency translation adjustments	-	-	-	-	-	9.5	-	9.5
Remeasurement of defined benefit pension schemes	-	-	-	-	(76.6)	-	-	(76.6)
Tax relating to components of other comprehensive income	-	-	-	-	15.1	-	-	15.1
Net expense recognised in other comprehensive income	-	-	-	-	(61.5)	9.5	-	(52.0)
Profit for the period	-	-	-	-	66.7	-	-	66.7
Total comprehensive income for the period	-	-	-	-	5.2	9.5	-	14.7
Dividends paid	-	-	-	-	(149.9)	-	-	(149.9)
Purchase of own shares	(0.5)	-	-	0.5	(0.8)	-	-	(0.8)
Share-based payments charged to the income statement ⁽¹⁾	-	-	-	-	-	-	5.6	5.6
Share-based payments settled on vesting ⁽¹⁾	-	-	-	-	8.6	-	(8.6)	-
Tax on share-based payment transactions	-	-	-	-	0.1	-	-	0.1
At 31 December 2022 (unaudited)	16.2	369.6	43.8	3.2	131.4	83.1	18.6	665.9

For the year ended 30 June 2023

(In £s million)	Called up share capital	Share premium	Merger reserve	Capital redemption reserve	Retained earnings	Cumulative translation reserve	Equity reserve	Total equity
At 1 July 2022	16.7	369.6	43.8	2.7	268.2	73.6	21.6	796.2
Currency translation adjustments	-	-	-	-	-	(15.6)	-	(15.6)
Remeasurement of defined benefit pension schemes	-	-	-	-	(95.1)	-	-	(95.1)
Tax relating to components of other comprehensive income	-	-	-	-	19.5	-	-	19.5
Net expense recognised in other comprehensive income	-	-	-	-	(75.6)	(15.6)	-	(91.2)
Profit for the year	-	-	-	-	138.3	-	-	138.3
Total comprehensive income for the year	-	-	-	-	62.7	(15.6)	-	47.1
Dividends paid	-	-	-	-	(165.1)	-	-	(165.1)
Purchase of own shares	(0.7)	-	-	0.7	(19.0)	-	-	(19.0)
Share-based payments charged to the income statement	-	-	-	-	-	-	11.1	11.1
Share-based payments settled on vesting	-	-	-	-	8.6	-	(8.6)	-
At 30 June 2023 (audited)	16.0	369.6	43.8	3.4	155.4	58.0	24.1	670.3

⁽¹⁾ The Share-based payments charged to the Consolidated Income Statement and Share-based payments settled on vesting were previously presented net as "Share-based payments". The presentation for the six months ended 31 December 2022 has been updated to enhance the consistency and understandability of the disclosures. There has been no change in the underlying activity.

Condensed Consolidated Cash Flow Statement

(In £s million)	Note	Six months to 31 December 2023 (unaudited)	Six months to 31 December 2022 (unaudited)	Year to 30 June 2023 (audited)
Operating profit		32.2	97.0	197.0
Adjustments for:				
Exceptional items	3	27.9	-	-
Depreciation of property, plant and equipment		5.5	5.4	10.9
Depreciation of right-of-use assets	9	23.9	22.8	46.0
Amortisation of intangible assets		5.4	5.5	10.0
Loss on disposal of business assets		-	-	0.1
Net movements in provisions (excluding exceptional items)		(2.5)	(1.3)	1.9
Share-based payments		4.7	5.9	12.0
		64.9	38.3	80.9
Operating cash flow before movement in working capital		97.1	135.3	277.9
Movement in working capital:				
Decrease/(increase) in receivables		136.3	49.8	(53.2)
(Decrease)/increase in payables		(139.9)	(94.1)	24.5
Movement in working capital		(3.6)	(44.3)	(28.7)
Cash generated by operations		93.5	91.0	249.2
Cash paid in respect of exceptional items from current year		(6.8)	-	-
Pension scheme deficit funding	11	(9.1)	(8.8)	(17.7)
Income taxes paid		(28.5)	(33.2)	(65.8)
Net cash inflow from operating activities		49.1	49.0	165.7
Investing activities				
Purchase of property, plant and equipment		(3.6)	(5.8)	(12.3)
Purchase of intangible assets		(10.1)	(6.5)	(16.8)
Acquisition of subsidiaries		-	-	(1.0)
Interest received		1.7	0.7	2.0
Net cash used in investing activities		(12.0)	(11.6)	(28.1)
Financing activities				
Interest paid		(3.0)	(2.1)	(3.7)
Lease liability repayments	9	(26.2)	(24.6)	(49.9)
Purchase of own shares		(12.3)	(57.6)	(75.7)
Equity dividends paid	6	(68.3)	(149.9)	(165.1)
Increase in bank loans and overdrafts	13	75.0	90.0	10.0
Net cash used in financing activities		(34.8)	(144.2)	(284.4)
Net increase/(decrease) in cash and cash equivalents		2.3	(106.8)	(146.8)
Cash and cash equivalents at beginning of period		145.6	296.2	296.2
Effect of foreign exchange rate movements		4.0	2.0	(3.8)
Cash and cash equivalents at end of period	13	151.9	191.4	145.6
Bank loans and overdrafts at beginning of period		(10.0)	-	-
Increase in period	13	(75.0)	(90.0)	(10.0)
Bank loans and overdrafts at end of period		(85.0)	(90.0)	(10.0)
Net cash at end of period	13	66.9	101.4	135.6

The notes on pages 22 to 29 form part of these Interim Financial Statements.

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 31 December 2023

1 Basis of preparation

The condensed Consolidated Interim Financial Statements ("Interim Financial Statements") are the results for the six months ended 31 December 2023. The Interim Financial Statements have been prepared in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules (DTR) sourcebook of the United Kingdom's Financial Conduct Authority. The Interim Financial Statements are presented in sterling, the functional currency of Hays plc.

The Interim Financial Statements represent a 'condensed set of financial statements' as referred to in the DTR. Accordingly, they do not include all of the information required for a full annual financial report and are to be read in conjunction with the Consolidated Financial Statements for the year ended 30 June 2023 which have been prepared in accordance with UK adopted International Accounting Standards.

The Interim Financial Statements do not constitute statutory accounts as defined in section 434 of the Companies Act 2006. The financial information for the year ended 30 June 2023 included in this report was derived from the statutory accounts for the year ended 30 June 2023, a copy of which has been delivered to the Registrar of Companies. The auditor's report on these accounts was unqualified, did not include a reference to any matters to which the auditor drew attention by way of an emphasis of matter and did not contain a statement under sections 498 (2) or (3) of the Companies Act 2006.

Accounting policies

The Interim Financial Statements have been prepared on the basis of the accounting policies and methods of computation applicable for the year ended 30 June 2023. These accounting policies are consistent with those applied in the preparation of the Consolidated Financial Statements for the year ended 30 June 2023, except as where stated below:

- The tax charge recognised for the interim period is based on the estimated weighted average annual income tax expense for the full financial year.

The fair value of trade receivables, trade payables, financial assets, bank loans and overdraft is not materially different to their book value.

The following new standard is mandatory for the first time in the Group's accounting period beginning on 1 July 2023 and no new standards have been early adopted. The Group's interim financial statements have adopted the new standard, but it has had no material impact on the Group's results or financial position:

- IFRS 17 - Insurance contracts (effective 1 January 2023)

The Group's accounting policies align to the requirements of IAS 1 and IAS 8. There have been no alterations made to the accounting policies as a result of considering all of the other amendments above that became effective in the period, as these were either not material or were not relevant.

The Group has not yet adopted certain new standards, amendments and interpretations to existing standards, which have been published but which are only effective for the Group accounting periods beginning on or after 1 July 2024. These new pronouncements include:

- IFRS 16 (amendments) 'Lease accounting', on sale and leaseback (effective 1 January 2024);
- IAS 1 (amendments) 'Presentation of Financial Statements', on non-current liabilities with covenants (effective 1 January 2024); and
- IAS 7 (amendments) 'Financial instruments', on supplier finance (effective 1 January 2024).

The Directors are currently evaluating the impact of the adoption of all standards, amendments and interpretations but do not expect them to have a material impact on the Group's operations or results.

1 Basis of preparation continued

Going Concern

The Group's business activities, together with the factors likely to affect its future development, performance and financial position, including its cash flows and liquidity position, are described in the Half-year report.

In addition, and in making this statement, the Board carried out a robust assessment of the principal risks facing the Group, including those that would threaten the Group's business model, future performance and liquidity. Whilst the review has considered all the principal risks identified by the Group, the resilience of the Group to the occurrence of these risks in severe yet plausible scenarios has been evaluated.

At 31 December 2023, the Group had a net cash position of £66.9 million. In addition, the Group currently has an unsecured revolving credit facility of £210 million that reduces to £170 million in November 2024, and expires in November 2025. As at 31 December 2023, £125 million of the committed facility was undrawn. The net cash position is stated after deducting the amount drawn on the RCF.

The Board approves an annual budget and reviews monthly management reports and quarterly forecasts. The output of the planning and budgeting processes has been used to forecast the Group's cash flow throughout the Going Concern period, being at least 12 months from the date of approval of the Interim Financial Statements.

The Board also considered the possible impact on the Group's financial position in the event of a sustained loss of business arising from a prolonged global downturn, similar in scale to the one caused by the Covid-19 pandemic in the year ended 30 June 2020. This scenario also forecasted both a strong net cash position and for the drawdown on the revolving credit facility to reduce throughout the Going Concern period, with significant headroom against its banking covenants.

In addition, the Group's strong balance sheet position and history of strong cash generation, tight cost control and flexible workforce management provides further protection.

The Group has sufficient financial resources which, together with internally generated cash flows, will continue to provide sufficient sources of liquidity to fund its current operations, including its contractual and commercial commitments and any proposed dividends. The Group is therefore well-placed to manage its business risks. After making enquiries, the Directors have formed the judgment at the time of approving the Interim Financial Statements that there is a reasonable expectation that the Group has adequate resources to continue in operational existence throughout the Going Concern period, being at least 12 months from the date of approval of the Interim Financial Statements. For this reason, they continue to adopt the Going Concern basis of accounting in preparing the Interim Financial Statements.

2 Segmental information

IFRS 8, Operating segments

IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker to allocate resources to the segment and to assess their performance.

As a result, the Group segments the business into four regions, Germany, United Kingdom & Ireland, Australia & New Zealand and Rest of World. There is no material difference between the segmentation of the Group's turnover by geographic origin and destination.

The Group's operations comprise one class of business, that of qualified, professional and skilled recruitment.

Turnover, net fees and operating profit

The Group's Executive Board, which is regarded as the chief operating decision maker, uses net fees by segment as its measure of revenue in internal reports, rather than turnover. This is because net fees exclude the remuneration of temporary workers, and payments to other recruitment agencies where the Group acts as principal, which are not considered relevant in allocating resources to segments. The Group's Executive Board considers net fees for the purpose of making decisions about allocating resources. The Group does not report items below operating profit by segment in its internal management reporting. The full detail of these items can be seen in the Condensed Consolidated Income Statement.

2 Segmental information *continued*

Turnover	Six months to 31 December 2023 (unaudited)	Six months to 31 December 2022 (unaudited)	Year to 30 June 2023 (audited)
(In £s million)			
Germany	989.1	940.0	1,956.3
United Kingdom & Ireland	810.4	856.5	1,714.6
Australia & New Zealand	670.9	825.7	1,583.3
Rest of World	1,068.0	1,217.6	2,329.1
Group	3,538.4	3,839.8	7,583.3

Net fees	Six months to 31 December 2023 (unaudited)	Six months to 31 December 2022 (unaudited)	Year to 30 June 2023 (audited)
(In £s million)			
Germany	186.2	180.2	382.0
United Kingdom & Ireland	118.1	136.9	266.1
Australia & New Zealand	74.3	99.9	188.4
Rest of World	204.7	234.9	458.1
Group	583.3	651.9	1,294.6

Operating profit	Six months to 31 December 2023 Pre-exceptional items (unaudited)	Six months to 31 December 2023 Exceptional items (unaudited)	Six months to 31 December 2023 (unaudited)	Six months to 31 December 2022 (unaudited)	Year to 30 June 2023 (audited)
(In £s million)					
Germany	40.8	(2.5)	38.3	43.2	100.2
United Kingdom & Ireland	5.7	(1.6)	4.1	15.2	28.7
Australia & New Zealand	6.4	(2.7)	3.7	17.8	32.1
Rest of World	7.2	(21.1)	(13.9)	20.8	36.0
Group	60.1	(27.9)	32.2	97.0	197.0

3 Exceptional items

During the six months ended 31 December 2023, the Group incurred an exceptional charge of £27.9 million (2022: £nil). Of this, £15.3 million is a non-cash exceptional charge resulting from the partial impairment of the carrying value of goodwill relating to the 2014 Veredus acquisition in the USA, which was partially impaired in the year ended 30 June 2020. The goodwill impairment charge is a material non-cash item that based on its size and nature is considered to be exceptional. The remaining Veredus goodwill balance at 31 December 2023 is £7.1 million.

In response to increasingly challenging market conditions and a clear slowdown in most markets, we restructured the business operations of several countries across the Group, to better align business operations to market opportunities and reduce operating costs. The restructuring exercise led to the redundancy of a number of employees, including senior and operational management and back-office positions and the closure of several offices. Effective 31 August 2023, after 16 years of service, Alistair Cox stepped down as CEO and from the Board. The combined costs relating to this were £12.6 million, and are considered exceptional given their size and impact on business operations. The cash impact of the exceptional charge in the half-year was £6.8 million, with a further £2.5 million cash outflow expected in the six months to 30 June 2024.

In total the exceptional charge generated a tax credit of £2.5 million (2022: £nil).

The last time that the Group recognised an exceptional restructuring charge was in the year ended 30 June 2020, in the immediate aftermath of the Covid-19 pandemic.

4 Net finance charge

(In £s million)	Six months to 31 December 2023 (unaudited)	Six months to 31 December 2022 (unaudited)	Year to 30 June 2023 (audited)
Interest received on bank deposits	1.7	0.7	2.0
Interest payable on bank loans and overdrafts	(3.0)	(2.0)	(3.7)
Interest on lease liabilities	(2.4)	(2.0)	(4.2)
Pension Protection Fund levy	(0.1)	(0.1)	(0.1)
Net interest on pension obligations	(0.8)	0.4	1.1
Net finance charge	(4.6)	(3.0)	(4.9)

5 Tax

The Group's consolidated effective tax rate for the six months ended 31 December 2023 is based on the forecasted pre-exceptional effective tax rate for the full year of 32.0% (31 December 2022: 29.0%, 30 June 2023: 28.0%). The tax rate is higher than the UK statutory tax rate of 25.0% due to higher tax rates in a number of jurisdictions in which the Group operates.

The tax charge for the six months ended 31 December 2023 of £15.3 million included a £2.5 million tax credit in respect of the exceptional charge. The pre-exceptional tax charge of £17.8 million represents an effective tax rate of 32.0% against a pre-exceptional profit before tax of £55.5 million. On a post-exceptional basis the effective tax rate was 55.4%.

The net deferred tax balance at 31 December 2023 is an asset of £18.5 million (31 December 2022: asset of £16.4 million, 30 June 2023: asset of £18.6 million).

On 20 June 2023, Finance (No 2) Act 2023 was substantively enacted in the UK, introducing a global minimum effective tax rate of 15%. The legislation implements a domestic top-up tax and a multinational top-up tax, effective for accounting periods starting on or after 31 December 2023. The Group applied the exception under the IAS12 amendment to recognising and disclosing information about deferred tax assets and liabilities related to top-up income taxes.

6 Dividends

The following dividends were paid by the Group and have been recognised as distributions to equity shareholders:

(In £s million)	Six months to 31 December 2023 (unaudited)	Six months to 31 December 2022 (unaudited)	Year to 30 June 2023 (audited)
Final dividend for the year ended 30 June 2022 of 1.90 pence per share	-	30.8	30.8
Special dividend for the year ended 30 June 2022 of 7.34 pence per share	-	119.1	119.1
Interim dividend for the period to 31 December 2022 of 0.95 pence per share	-	-	15.2
Final dividend for the year ended 30 June 2023 of 2.05 pence per share	32.6	-	-
Special dividend for the year ended 30 June 2023 of 2.24 pence per share	35.7	-	-
Total dividends paid	68.3	149.9	165.1

The final dividend for the year ended 30 June 2023 of 2.05 pence per share and the special dividend for the year ended 30 June 2023 of 2.24 pence per share were paid out of retained earnings.

The proposed interim dividend for the six months ended 31 December 2023 of 0.95 pence per share is not included as a liability in the balance sheet as at 31 December 2023.

7 Earnings per share

(In £s million)	Six months to 31 December 2023 (unaudited)	Six months to 31 December 2022 (unaudited)	Year to 30 June 2023 (audited)
Earnings from operations before exceptional items	55.5	94.0	192.1
Tax on earnings from operations before exceptional items	(17.8)	(27.3)	(53.8)
Basic earnings before exceptional items	37.7	66.7	138.3
Profit before tax	27.6	94.0	192.1
Tax on earnings after exceptional items	(15.3)	(27.3)	(53.8)
Profit after tax	12.3	66.7	138.3
Number of shares (millions):			
Weighted average number of shares	1,588.5	1,622.3	1,610.0
Dilution effect of share options	6.3	10.6	13.9
Weighted average number of shares used for diluted EPS	1,594.8	1,632.9	1,623.9
Before exceptional items (in pence):			
Basic earnings per share before exceptional items	2.37p	4.11p	8.59p
Diluted earnings per share before exceptional items	2.36p	4.08p	8.52p
After exceptional items (in pence):			
Basic earnings per share	0.77p	4.11p	8.59p
Diluted earnings per share	0.77p	4.08p	8.52p

Reconciliation of earnings

(In £s million)	Six months to 31 December 2023 (unaudited)	Six months to 31 December 2022 (unaudited)	Year to 30 June 2023 (audited)
Basic earnings before exceptional items	37.7	66.7	138.3
Exceptional items (note 3)	(27.9)	-	-
Tax credit on exceptional items (note 3)	2.5	-	-
Profit after tax	12.3	66.7	138.3

8 Goodwill

(In £s million)	Six months to 31 December 2023 (unaudited)	Six months to 31 December 2022 (unaudited)	Year to 30 June 2023 (audited)
At 1 July	200.3	202.3	202.3
Exchange adjustments	1.1	2.8	(2.0)
Impairment loss	(15.3)	-	-
Carried forward	186.1	205.1	200.3

Goodwill arising on business combinations is reviewed and tested on an annual basis for impairment, or more frequently if there is an indication that goodwill might be impaired. Goodwill as at 31 December 2023 has been assessed for triggers for impairment as required under IAS 34 and accordingly, an impairment loss of £15.3m has been recorded in respect of the US business. At this stage, the remaining carrying value of goodwill is £7.1 million, however dependent upon the future impact of the current trading conditions, there is potential for change in the key assumptions that may give rise to an additional impairment. Refer to note 3.

9 Right-of-use assets and lease liabilities

(In £s million)	Right-of-use assets				Lease liabilities
	Property	Motor vehicles	Other assets	Total lease assets	
As at 1 July 2023	164.5	11.5	0.1	176.1	(189.8)
Exchange adjustments	1.7	0.1	-	1.8	(2.2)
Lease additions	21.6	5.2	-	26.8	(26.8)
Lease disposals	(0.1)	(0.1)	-	(0.2)	0.2
Depreciation of right-of-use assets	(20.4)	(3.5)	-	(23.9)	-
Lease liability repayments	-	-	-	-	26.2
Interest on lease liabilities	-	-	-	-	(2.4)
At 31 December 2023 (unaudited)	167.3	13.2	0.1	180.6	(194.8)

(In £s million)	31 December 2023 (unaudited)	31 December 2022 (unaudited)	30 June 2023 (audited)
Current	(45.6)	(42.2)	(41.3)
Non-current	(149.2)	(147.5)	(148.5)
Total lease liabilities	(194.8)	(189.7)	(189.8)

10 Trade and other receivables

(In £s million)	31 December 2023 (unaudited)	31 December 2022 (unaudited)	30 June 2023 (audited)
Trade receivables	756.5	835.0	746.1
Less provision for impairment	(20.1)	(21.2)	(19.1)
Net trade receivables	736.4	813.8	727.0
Net accrued income	335.2	306.5	476.8
Prepayments and other debtors	48.2	53.8	40.8
Trade and other receivables	1,119.8	1,174.1	1,244.6

The required provision for impairment of both trade receivables and accrued income is analysed using a provision matrix to measure the expected credit losses, in which the allowance for impairment increases as balances age. Expected credit losses are measured using historical losses for the past five years, adjusted for forward-looking factors impacting the economic environment, such as the GDP growth outlook, and commercial factors deemed to have a significant impact on expected credit loss rates. The provision for impairment has decreased compared to 31 December 2022 in line with movement on trade receivables.

11 Retirement benefit surplus

(In £s million)	Six months to 31 December 2023 (unaudited)	Six months to 31 December 2022 (unaudited)	Year to 30 June 2023 (audited)
Surplus in the scheme brought forward	25.7	102.0	102.0
Administration costs	(1.5)	(1.6)	(3.2)
Employer contributions (towards funded and unfunded schemes)	9.1	8.8	17.7
Net interest income	0.7	2.0	4.3
Remeasurement of the net defined benefit surplus	(7.6)	(76.6)	(95.1)
Surplus in the scheme carried forward	26.4	34.6	25.7

The £7.6 million loss on the remeasurement of the net defined benefit surplus is mainly due to a decrease in the discount rate adopted within the key financial assumptions, which increased the calculation of the schemes' defined benefit obligation, partially offset by a higher than expected return on the scheme assets.

In respect of IFRIC 14, the Schemes' Definitive Deeds and Rules are considered to provide Hays with an unconditional right to a refund of surplus assets and therefore the recognition of a net defined benefit scheme asset is not restricted. Agreements to make funding contributions do not give rise to any additional liabilities in respect of the scheme.

12 Provisions

(In £s million)	Restructuring	Legal, tax and other matters	Total
At 1 July 2023	-	23.6	23.6
Charged to income statement	11.1	2.3	13.4
Credited to income statement	-	(4.5)	(4.5)
Utilised	(6.8)	(0.3)	(7.1)
At 31 December 2023 (unaudited)	4.3	21.1	25.4

(In £s million)	31 December 2023 (unaudited)	31 December 2022 (unaudited)	30 June 2023 (audited)
Current	16.3	11.5	10.8
Non-current	9.1	8.9	12.8
Total provisions	25.4	20.4	23.6

Restructuring provisions are disclosed in note 3. Of the £12.6 million restructuring charge, £1.5 million related to early vesting on Performance Share Plans (PSPs) and has been charged to equity.

As a global specialist in recruitment and workforce solutions and in common with other similar organisations, in the ordinary course of our business the Group is exposed to the risk of legal, tax and other disputes. Where costs are likely to arise in defending and concluding such disputes, and these costs can be measured reliably, they are provided for in the Consolidated Financial Statements. These items affect various Group subsidiaries in different geographic regions and the amounts provided for are based on management's assessment of the specific circumstances in each case. The timing of settlement depends on the circumstances in each case and is uncertain.

Management does not consider it reasonably possible that any of these balances will materially change in the next 12 months.

13 Cash and cash equivalents

(In £s million)	31 December 2023 (unaudited)	31 December 2022 (unaudited)	30 June 2023 (audited)
Cash and cash equivalents	151.9	191.4	145.6
Bank loans and overdrafts	(85.0)	(90.0)	(10.0)
Net cash	66.9	101.4	135.6

The Group's £210 million unsecured revolving credit facility matures in November 2025, although at the lower value of £170 million in its final year due to reduced lender commitments received. The financial covenants within the facility remain unchanged and require the Group's interest cover ratio to be at least 4:1 (ratio as at 31 December 2023: 177:1) and its leverage ratio (net debt to EBITDA) to be no greater than 2.5:1 (as at 31 December 2023 the Group held a net cash position). The interest rate of the facility is based on a ratchet mechanism with a margin payable over SONIA in the range of 0.70% to 1.50%.

As at 31 December 2023, £125 million of the committed facility was undrawn (31 December 2022: £120 million of the committed facility was undrawn).

14 Events after the balance sheet date

There are no significant events after the balance sheet date to report.

15 Like-for-like results

Like-for-like results represent organic growth of operations at constant currency. For the six months ended 31 December 2023 these are calculated as follows:

(In £s million)	Six months to 31 December 2022 (unaudited)	Foreign exchange impact	31 December 2022 at constant currency	Organic growth	Six months to 31 December 2023 (unaudited)
Net fees					
Germany	180.2	0.1	180.3	5.9	186.2
United Kingdom & Ireland	136.9	-	136.9	(18.8)	118.1
Australia & New Zealand	99.9	(8.5)	91.4	(17.1)	74.3
Rest of World	234.9	(5.1)	229.8	(25.1)	204.7
Group	651.9	(13.5)	638.4	(55.1)	583.3
Operating profit before exceptional items					
Germany	43.2	-	43.2	(2.4)	40.8
United Kingdom & Ireland	15.2	-	15.2	(9.5)	5.7
Australia & New Zealand	17.8	(1.7)	16.1	(9.7)	6.4
Rest of World	20.8	(0.1)	20.7	(13.5)	7.2
Group	97.0	(1.8)	95.2	(35.1)	60.1

16 Like-for-like results H1 analysis by division

Net fee growth/(decline) versus same period last year:

	Q1 2024 (unaudited)	Q2 2024 (unaudited)	H1 2024 (unaudited)
Germany	7%	0%	3%
United Kingdom & Ireland	(11)%	(17)%	(14)%
Australia & New Zealand	(17)%	(20)%	(19)%
Rest of World	(11)%	(11)%	(11)%
Group	(7)%	(10)%	(9)%

H1 2024 is the period from 1 July 2023 to 31 December 2023.

The Q1 and Q2 net fee like-for-like growth percentages are as reported in the Q1 and the Q2 Quarterly Updates.

17 Disaggregation of net fees H1 2024

IFRS 15 requires entities to disaggregate revenue recognised from contracts with customers into relevant categories that depict how the nature, amount and cash flows are affected by economic factors. As a result, the following information is considered to be relevant:

(unaudited)	Germany	United Kingdom & Ireland	Australia & New Zealand	Rest of World	Group
Temporary placements	82%	56%	63%	37%	59%
Permanent placements	18%	44%	37%	63%	41%
Total	100%	100%	100%	100%	100%
Private sector	85%	67%	62%	98%	83%
Public sector	15%	33%	38%	2%	17%
Total	100%	100%	100%	100%	100%
Technology	33%	16%	16%	28%	25%
Accountancy & Finance	17%	20%	12%	11%	15%
Engineering	27%	2%	0%	7%	11%
Construction & Property	4%	16%	19%	9%	10%
Office Support	0%	9%	11%	5%	5%
Other	19%	37%	42%	40%	34%
Total	100%	100%	100%	100%	100%