



# QUARTERLY UPDATE FOR THE THREE MONTHS ENDED 31 DECEMBER 2025

14 January 2026

# Financial Summary

Net fee performance for the quarter ended 31 December 2025 (Q2 26)

	Actual	YoY Growth LFL
Germany	(10)%	(14)%
United Kingdom & Ireland (UK&I)	(8)%	(9)%
Australia & New Zealand (ANZ)	(4)%	(1)%
Rest of World (RoW)	(9)%	(11)%
<b>Total</b>	<b>(9)%</b>	<b>(10)%</b>
Temp & Contracting	(6)%	(8)%
Permanent	(14)%	(14)%
<b>Total</b>	<b>(9)%</b>	<b>(10)%</b>

Note: Unless otherwise stated, all growth rates in this statement are LFL (like-for-like) net fees, representing year-on-year organic growth of continuing operations at constant currency.

## Highlights

- Group net fees down 10% YoY with Temp & Contracting and Perm down 8% and 14% respectively
- Temp & Contracting volumes remain solid but the modest decline in average hours worked in Germany through the summer accelerated further during Q2 due to public sector and Enterprise client cost control. Perm remains challenging with longer time to hire
- Strong consultant net fee productivity growth of 6% driven by continued focus on strategic delivery and resource allocation. Consultant headcount reduced by 1% sequentially and by 15% YoY
- Strong progress with our initiatives to deliver further structural cost savings of c.£45m per annum by the end of FY29 with c.£15m annualised savings already secured in H1 26
- c.£40m net cash (30 September 2025: c.£40m net debt) reflecting seasonal inflows and timing of month end payments, and in line with our expectations

## Dirk Hahn, Chief Executive Officer, commented:

"Amidst ongoing macroeconomic uncertainty, challenging Perm conditions, and weaker average hours worked in Germany, we are executing well against our strategy and continue to make significant operational progress. We were pleased to deliver resilient net fees with Enterprise clients and good Temp & Contracting net fee growth in several of our Focus countries<sup>(1)</sup> during the quarter. Strong consultant fee productivity growth and cost discipline has broadly offset our lower net fees and, as a result, we expect pre-exceptional operating profit in our first half to be c.£20m, including YoY improvement in the UK&I and ANZ, and in line with consensus expectations<sup>(2)</sup>.

As ever, our New Year 'return to work' will be important so we are closely monitoring activity levels. We are delivering on our strategy to focus on long-term growth markets and are resolutely driving operational rigour through business line prioritisation, resource allocation, and efficiency initiatives. With our continued actions to reposition the business, I remain confident that we will benefit materially when markets recover."

(1) Our Focus countries are Austria, France, Italy, Japan, Poland, Spain, Switzerland, and the United States

(2) Company complied consensus for H1 26 pre-exceptional operating profit is £20.0m, based on eight analysts as of 12 January 2026

## Group

### **Q2 trading overview; Productivity growth and cost discipline broadly offset lower net fees**

Group net fees decreased by 10% YoY on a like-for-like basis. On an actual basis, net fees decreased by 9% due to a weakening of sterling versus the Euro partially offset by our previously communicated action to close our operations in Chile and Colombia.

Temp & Contracting net fees decreased by 8% as volumes remained solid but were impacted by lower average hours worked in Germany during the quarter. Group Temp & Contracting volumes decreased by 7% YoY including Germany down 9%, UK&I down 12%, ANZ down 8%, and RoW up 1%. The latter once again included strong Temp & Contracting net fee performances in several of our Focus countries, particularly Spain up 31%, Japan up 21% and USA up 1%. The aggregate impact of price, mix and German hours worked was -1% YoY.

Perm net fees decreased by 14%, driven by a 14% decline in volumes with the Group average Perm fee flat.

The December net fee growth rate was in line with the quarter on a working day adjusted basis.

### **Building a structurally more profitable and resilient business**

We are making good progress in delivering our strategy to build a structurally more resilient, profitable and growing business underpinned by our culture and talented colleagues worldwide. Through our Five Levers, we will achieve this by increasing our exposure to the most in-demand future job categories, higher skilled and higher paid roles, growing industries and end-markets, large Enterprise clients, and Temp & Contracting. Our strategy is not 'one-size-fits-all' and we will tailor each region and country to its market and customer needs.

Business line prioritisation, optimised resource allocation, and scaling our eight Focus countries will establish a broader base and enable the Group to return to, and then exceed, our previous peak profits of £250m.

### **Sustaining our strong momentum in consultant net fee productivity**

We continue to manage our consultant capacity on a business line basis and, despite challenging markets, our actions delivered 6% YoY growth in average consultant net fee productivity in Q2 including notable increases in the UK&I and ANZ. This continues the encouraging trend we demonstrated through FY25 and, on a seasonally adjusted basis, productivity has increased now for nine consecutive quarters.

The most potent driver of our strong momentum over this period was a more forensic analysis of our business lines to reallocate consultants to those with the most attractive productivity and long-term structural growth opportunity.

Group consultant headcount decreased by 1% sequentially in the quarter and by 15% year-on-year.

### **Resilient net fee performance with Enterprise clients in Q2**

Net fees in our Enterprise business decreased by 3% YoY with good growth in UK&I and ANZ offset by contract losses in North America and Switzerland. We have grown within existing clients driven by headcount investment, higher fill rates, and geographic expansion.

Enterprise currently has a substantial bid pipeline, particularly in North America, and our win rate has significantly improved over the last two years driven by our growing reputation for excellent client service and enhancements to our deal qualification discipline under a new global sales process.



### Strong progress with our structural cost savings programme

We will deliver c.£80m per annum structural cost savings by the end of FY29, comprising the c.£35m delivered in FY25 and the additional c.£45m target we communicated at our full year results. We have made strong progress towards the latter, with c.£15m annualised savings already secured in H1 26. Our non-consultant headcount exited the quarter down 5% YoY.

We expect to incur a c.£10m exceptional restructuring charge in H1 26.

### Trading outlook

Given ongoing macroeconomic uncertainty and reduced average hours worked in Germany, our New Year 'return to work' will be particularly important in FY26, and we are closely monitoring activity levels.

We were pleased once again with our net fee productivity through Q2 and believe our Group consultant headcount capacity is appropriate for current market conditions and therefore expect it to remain broadly stable in Q3 as we balance focused investment in high performing and potential business lines with improving productivity in more challenging areas.

In addition, we will continue to structurally reduce our cost base, to position Hays strongly for when end markets recover.

There are no material working-day impacts anticipated in Q3 and Q4 26.

## Divisional Net Fee Analysis

	Temp & Contracting		Perm		Total	
	% of Divisional net fees	LFL	% of Divisional net fees	LFL	% of Group net fees	LFL
Germany	85%	(13)%	15%	(20)%	31%	(14)%
United Kingdom & Ireland	60%	(9)%	40%	(9)%	20%	(9)%
Australia & New Zealand	67%	(3)%	33%	2%	12%	(1)%
Rest of World	48%	(2)%	52%	(17)%	37%	(11)%
<b>Total</b>	<b>64%</b>	<b>(8)%</b>	<b>36%</b>	<b>(14)%</b>	<b>100%</b>	<b>(10)%</b>

### Germany: Volumes stable overall but impacted by lower average hours worked

Germany net fees were down 14%. Temp & Contracting net fees decreased by 13% with volumes down 9% and a further 4% impact from negative hours and mix. Temp & Contracting volumes remained solid overall, however, the modest decline in average hours worked through the summer accelerated further during Q2 driven by cost control measures predominantly in our public sector and Enterprise clients. Perm also remained challenging and net fees decreased by 20%.

Our largest specialism of Technology, 35% of Germany net fees, decreased by 10%, with our second largest, Engineering, down 23%. Accountancy & Finance was down 22%. Construction & Property performed strongly again and increased by 36% driven by our focus on infrastructure and the energy sector. Public sector net fees, which represented 17% of Germany, decreased by 9%.

Consultant headcount decreased by 3% in the quarter and by 14% year-on-year. Despite our ongoing focus on resource allocation, consultant net fee productivity decreased by 1% YoY in Q2 impacted by the reduction in average hours worked.

### United Kingdom & Ireland: Our actions drive a return to profitability

Net fees in the United Kingdom & Ireland decreased by 9% with Temp & Contracting and Perm both down by 9%. The Private sector (71% of UK&I net fees) declined by 5% YoY and the Public sector was tougher, down 16%.

Most regions traded broadly in line with the overall UK&I division and Ireland increased by 1%. At the specialism level, Technology, up 4%, moved back into positive YoY growth for the first time since Q2 23 while Construction & Property and Accountancy & Finance decreased by 12% and 10% respectively. Enterprise continued to perform well with net fees up 3%.

We reduced consultant headcount by 2% in the quarter and by 22% year-on-year. We have taken decisive action over the last 12 months to improve consultant net fee productivity, with growth accelerating to 15% YoY in Q2, and have made good progress in improving operational efficiency. As expected, our sustained focus on cost discipline, including initiatives to delayer management and optimise our office portfolio, has driven a further structural improvement in costs in H1 26. As a result of these actions, the UK&I returned to profitability on a pre-exceptional basis in H1 26.

## Australia & New Zealand: Positive YoY net fee growth in Perm

Net fees in Australia & New Zealand fell by 1% with activity improving slightly through the quarter. Temp & Contracting decreased by 3%, while Perm net fees, up 2%, moved back into positive YoY growth for the first time since Q1 23. Private sector net fees, 62% of ANZ, increased by 2%, with the Public sector again tougher and down 6%.

Australia net fees were flat YoY. Our largest regions of New South Wales and Victoria, which together represented 46% of Australia net fees, decreased by 3% and 2% respectively. ACT and Queensland fell by 12% and 1%, with Western Australia up 13%. New Zealand, 5% of ANZ net fees, remained challenging and decreased by 15%.

At the ANZ specialism level, Construction & Property (20% of ANZ net fees) and Office Support increased by 1%. Technology and Accountancy & Finance were flat.

Consultant headcount decreased by 1% in the quarter and by 10% year-on-year. Driven by our focus on resource allocation, consultant net fee productivity growth accelerated to 9% YoY in Q2. As a result of these actions, pre-exceptional operating profit in ANZ increased YoY in H1.

## Rest of World: EMEA remains challenging; Asia stable overall; Americas subdued

Net fees in our Rest of World division, comprising 26 countries, decreased by 11% with Temp & Contracting down 2% and Perm down 17%. Our actual growth rate includes the impact from our previously communicated action to close our operations in Chile and Colombia.

**EMEA ex-Germany** (63% of RoW) net fees decreased by 12%. France, our largest RoW country, remained tough and loss-making with net fees down 21% but our actions to address productivity and costs are being delivered on plan so we expect an improved performance in H2 26. Portugal and Spain again performed strongly, up 16% and 7% respectively, Poland returned to YoY growth, up 3%, whereas Switzerland and Italy were down 16% and 14% respectively.

**The Americas** (21% of RoW) net fees decreased by 10%. The US and Canada were down 9% and 13% respectively. Latam, down 8%, was again challenging.

**Asia** (16% of RoW) net fees decreased by 3%, with mixed activity overall through the quarter. Japan declined by 3% but we continued to drive good growth in our Temp & Contracting business. Mainland China grew by 3% and Hong Kong by 26%. In December, we announced the closure of our operations in Thailand.

RoW consultant headcount was flat over the quarter and down 14% year-on-year.

## Cash flow and balance sheet

c.£40m net cash (30 September 2025: c.£40m net debt) reflecting seasonal inflows and timing of month end payments and in line with our expectations after paying £4.6m in dividends and purchasing £1.2m shares for employee incentive schemes in the quarter. DSOs were maintained at 37 days.



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## Conference call

James Hilton and Kean Marden will conduct a conference call for analysts and investors at 9:00am United Kingdom time on 14th January 2026. Participants are invited to register via the URL link below:

<https://register-conf.media-server.com/register/BI3f95846877074d48851b7b5fb15662c6>

Once registered, you will receive a confirmation email, with the details of the call and a personal login link and PIN which will place you directly into the call, without the need to speak to an operator. The call will be recorded and will also be available for playback via [the results centre](#) on our investor website.

## Reporting calendar

Interim results for the six months ended 31 December 2025 (H1 26)	27 February 2026
Trading update for the quarter ending 31 March 2026 (Q3 26)	16 April 2026
Trading update for the quarter ending 30 June 2026 (Q4 26)	10 July 2026

## Hays Group overview

As at 31 December 2025, Hays had c.9,100 employees in 203 offices in 30 countries. In many of our global markets, the vast 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 FY25, compared with 25% in FY05.

Our consultants work in a broad range of industries covering recruitment in 21 professional and skilled specialisms. Our four largest specialisms of Technology (25% of Group net fees), Accountancy & Finance (15%), Engineering (11%) and Construction & Property (11%) collectively represented c.62% of Group net fees in FY25.

In addition to our international and sectoral diversification, in FY25 the Group's net fees were generated 62% from Temp & Contracting and 38% from Permanent placement markets. This well-diversified business model continues to be a key driver of the Group's financial performance.

## 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. Our valued behaviours underpin our proactive and bold approach to how we do business, while recognising the importance of acting with integrity. We champion our customers and our communities, realising the benefit of shared-value creation as a key driver for a more sustainable and equitable future.



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 on [pages 54-78 of our FY25 Annual report](#). Hays is proud to be a part of the FTSE4Good Index Series.

## Cautionary statement

This Quarterly Update (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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