Manpower Group (MAN)

Updated June 24th, 2025, by Yiannis Zourmpanos

Key Metrics

Current Price:	$39	**5 Year CAGR Estimate:**	8.2%	**Market Cap:**	$1.87 B
Fair Value Price:	$38	**5 Year Growth Estimate:**	5.0%	**Ex-Dividend Date:**	12/02/25[1]
% Fair Value:	102%	**5 Year Valuation Multiple Estimate:**	-0.3%	**Dividend Payment Date:**	12/16/25[2]
Dividend Yield:	3.7%	**5 Year Price Target**	$49	**Years Of Dividend Growth:**	0
Dividend Risk Score:	D	**Sector:**	Industrials	**Rating:**	Sell

Overview & Current Events

ManpowerGroup Inc. (MAN) is a leading global workforce solution company with a well-established network of 2,500 offices in 75 countries and territories. Manpower owns hundreds of subsidiary companies globally and serves large and small organizations through the following brands: Manpower, Experis, and Talent Solutions. The company is one of the three leading diversified global recruitment providers alongside Adecco and Randstad, with each player possessing about 5%-6% of the market share. The major geographic markets for Manpower include the United States (13% of 2021 revenues), Southern Europe (45%), Northern Europe (23%), Asia Pacific/Middle East (12%), and other parts of the Americas (7%).

On April 17th, 2025, the company announced Q1 2025 results, reporting non-GAAP EPS of $0.12, which missed analysts' estimates by $0.39, and revenue of $4.1 billion for the quarter, which was down by 7.0% year over year.

ManpowerGroup (MAN) reported first-quarter 2025 revenue of $4.1 billion, down 5% in constant currency and lower by 2% organically, as macroeconomic softness continued to pressure demand in Europe and North America. In contrast, Latin America and Asia Pacific showed more resilient growth. Gross margin held steady at 17.1%, supported by solid staffing margins across major markets, though permanent recruitment softened slightly. Earnings-per-share were down sharply from $0.81 in the prior year, largely due to $0.32 in restructuring and higher tax charges tied to legislative changes in France and country mix effects.

To offset the revenue headwinds, ManpowerGroup took additional restructuring actions and reduced SG&A expenses year-over-year. Despite earnings pressure, the company maintained capital return discipline, repurchasing $25 million of common stock during the quarter. CEO Jonas Prising noted increased client caution tied to shifting trade policies but reaffirmed the company's focus on cost control and responsiveness to evolving demand. Looking ahead, ManpowerGroup guided Q2 EPS between $0.65 and $0.75, reflecting modest currency tailwinds and ongoing operational discipline in a still-uncertain labor market landscape. ManpowerGroup cut its semi-annual dividend to $0.72 per share**,** down from $1.54, reflecting a strategic rebalancing considering reduced earnings and a more conservative payout policy.

Growth on a Per-Share Basis

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2030
EPS	$5.40	$6.27	$6.95	$8.56	$7.72	$0.41	$6.91	$7.08	$1.76	$3.01	***$2.96***	***$3.77***
DPS	$1.60	$1.72	$1.86	$2.02	$2.18	$2.26	$2.52	$2.72	$2.94	$3.08	***$1.44***	***$2.02***
Shares[3]	73.0	67.0	66.1	60.8	58.7	55.6	53.6	52.2	49.8	47.8	***51.5***	***42.5***

ManpowerGroup's growth was negative over the last decade, with an EPS growth at a CAGR of -6.3 % since 2015. In addition, the company has consistently reduced its outstanding share count through share buybacks and has increased shareholder returns, including a DPS CAGR of 7.5% for the past decade. Moreover, ManpowerGroup's digitization,

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[1] Estimated ex-dividend date

[2] Estimated dividend payment date

[3] In millions.

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innovation, acceleration plans, and sustained investments in technology enhance the company's ability to pursue higher margin opportunities and generate long-term, sustainable value. We have matched analysts' EPS estimates at $1.44 while keeping the forecasted growth of 5.0% over the next five years, leading to our forecasted EPS of $3.77 by 2030. Similarly, the DPS estimate stands at $1.44 for 2025, and we have applied a forecasted growth of 7.0% for the next five years, largely in-line with MAN's long-term trend leading to our $2.02 DPS estimate by 2030.

Valuation Analysis

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Now	2030
Avg. P/E	15.8	12.2	15.9	11.0	11.5	181.4	15.4	12.1	42.1	23.6	***13.2***	***13.0***
Avg. Yld.	1.9%	2.2%	1.7%	2.1%	2.5%	3.0%	2.4%	3.2%	4.0%	4.3%	***3.7%***	***4.1%***

Manpower has been currently trading at a forward P/E of 13.2. Excluding 2020 and 2023's results, well below the long-term average P/E of 34.1. We believe that the company's strategic positioning is solid and will continue to thrive in the near future. We have estimated the stock will trade at a P/E ratio of 13.0 by 2030, resulting in a price target of $49.

Safety, Quality, Competitive Advantage, & Recession Resiliency

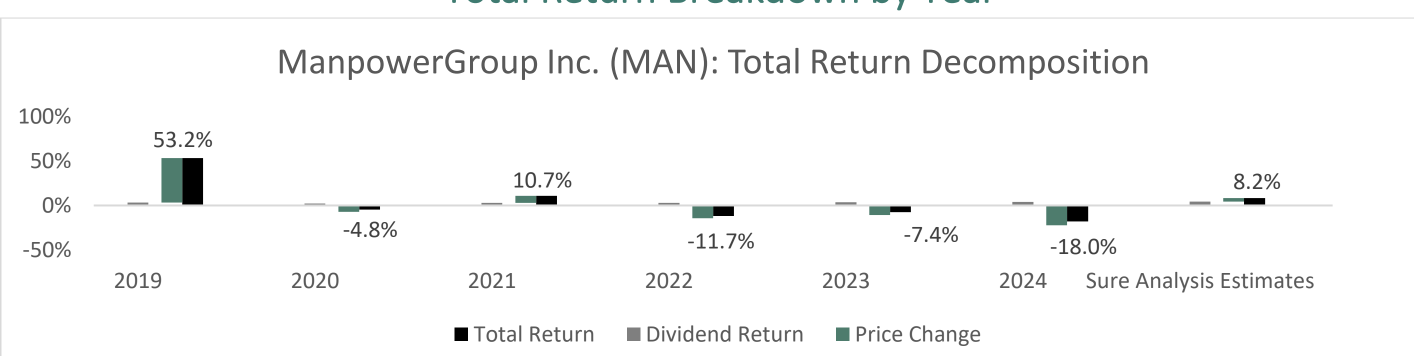
Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2030
Payout	30%	27%	27%	24%	28%	551%	36%	38%	167%	102%	***49%***	***54%***

Manpower has provided consistent shareholder returns and paid dividends with a 10-year normalized payout ratio averaging 103%. We expect the company to maintain its healthy payout ratio in the future and have assumed a payout ratio of 38% going forward due to lower dividends. Additionally, the company made share repurchases of $270 million in 2022, $179.8 million in 2023 and $303.7 million in 2024. In Q1 ManpowerGroup repurchased $25 million of its common stock, reflecting continued commitment to shareholder returns amid a challenging market. Even though the staffing industry is highly competitive and cyclical in nature, Manpower has an established centralized database to match employers with best-suited candidates, and we expect the company to continue to face fierce competition from other global staffers like Randstad, Adecco, and Randstad, which will inhibit the company's ability to gain market share.

Final Thoughts & Recommendation

We expect the labor market to remain tight in the coming years. Before the COVID-19 pandemic, the U.S. labor market was tight as the headline unemployment rate fell to 3.7%. This level skyrocketed during the first half of 2020, but has returned to a below pre-pandemic rate of 4.2% in 2025. We expect it will stay near this level in the near-term. In addition, the trend of hybrid working models and the shift toward recruitment outsourcing by employers is expected to continue, which will benefit the company. However, due to the cautious and macro-outlook, as well as the recent dividend cut, we update our rating to sell premised upon the 8.2% annualized total returns for the medium-term, derived from the forecasted earnings-per-share growth of 5.0%, the 3.7% dividend yield, and a valuation headwind.

Total Return Breakdown by Year



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Income Statement Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenue	19,330	19,654	21,034	21,991	20,864	18,001	20,724	19,828	18,910	17,850
Gross Profit	3,296	3,334	3,485	3,579	3,375	2,825	3,408	3,572	3,358	3,087
Gross Margin	17.1%	17.0%	16.6%	16.3%	16.2%	15.7%	16.4%	18.0%	17.8%	17.3%
SG&A Exp.	2,607	2,588	2,695	2,782	2,666	2,570	2,822	2,941	3,047	2,781
D&A Exp.	78	85	84	86	77	76	73	85	89	87
Operating Profit	689	746	789	797	709	254	585	632	311	306
Op. Margin	3.6%	3.8%	3.8%	3.6%	3.4%	1.4%	2.8%	3.2%	1.6%	1.7%
Net Profit	419	444	545	557	466	24	382	374	89	145
Net Margin	2.2%	2.3%	2.6%	2.5%	2.2%	0.1%	1.8%	1.9%	0.5%	0.8%
Free Cash Flow	459	543	346	418	762	886	581	348	270	258
Income Tax	242	258	192	198	220	124	186	183	117	112

Balance Sheet Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Assets	7,518	7,574	8,884	8,520	9,224	9,328	9,829	9,130	8,830	8,201
Cash & Equivalents	731	599	689	592	1,026	1,567	848	639	581	509
Acc. Receivable	4,243	4,413	5,371	5,276	5,273	4,912	5,448	5,137	4,830	4,297
Goodwill & Int.	1,584	1,534	1,627	1,543	1,529	1,474	2,306	2,178	2,106	2,050
Total Liabilities	4,825	5,128	6,026	5,821	6,462	6,875	7,297	6,672	6,596	6,074
Accounts Payable	1,659	1,914	2,279	2,267	2,475	2,527	3,039	2,831	2,723	2,613
Long-Term Debt	855	825	948	1,075	1,073	1,124	1,118	987	1,003	953
Total Equity	2,625	2,362	2,775	2,625	2,743	2,441	2,522	2,447	2,223	2,125
LTD/E Ratio	0.33	0.35	0.34	0.41	0.39	0.46	0.44	0.40	0.45	0.45

Profitability & Per Share Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Return on Assets	5.7%	5.9%	6.6%	6.4%	5.2%	0.3%	4.0%	3.9%	1.0%	1.7%
Return on Equity	15.1%	17.8%	21.2%	20.6%	17.4%	0.9%	15.4%	15.0%	3.8%	6.7%
ROIC	12.0%	13.0%	15.4%	14.7%	12.2%	0.6%	10.6%	10.5%	2.7%	4.6%
Shares Out.	77.7	70.8	67.9	65.1	60.3	58.3	55.4	52.8	50.4	48.3
Revenue/Share	248.78	277.60	309.78	337.81	346.00	308.77	374.09	375.52	375.29	369.65
FCF/Share	5.91	7.67	5.10	6.43	12.63	15.19	10.48	6.59	5.36	5.34

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.