



# Robert Half International (RHI)

Updated October 24<sup>th</sup>, 2025, by Ian Bezek

## Key Metrics

<b>Current Price:</b>	\$29	<b>5 Year Annual Expected Total Return:</b>	15.1%	<b>Market Cap:</b>	\$2.9 B
<b>Fair Value Price:</b>	\$29	<b>5 Year Growth Estimate:</b>	10.0%	<b>Ex-Dividend Date:</b>	11/25/25 <sup>1</sup>
<b>% Fair Value:</b>	100%	<b>5 Year Valuation Multiple Estimate:</b>	0.0%	<b>Dividend Payment Date:</b>	12/12/25 <sup>1</sup>
<b>Dividend Yield:</b>	8.1%	<b>5 Year Price Target</b>	\$47	<b>Years Of Dividend Growth:</b>	21
<b>Dividend Risk Score:</b>	F	<b>Sector:</b>	Industrials	<b>Rating:</b>	Hold

## Overview & Current Events

Robert Half International (RHI) provides staffing and risk consulting services for companies around the world. The business' three segments are Temporary and Consultant Staffing, Permanent Placement Staffing, and Risk Consulting and Internal Audit Services, with consultant staffing constituting the majority of revenues. Temporary and Consultant Staffing includes contributions from different sub-segments including Accountemps, which offers accounting help for companies, Office Team, which provides office workers for companies, Robert Half Technology, which helps companies find IT professionals, and Robert Half Management Resources, which helps businesses find senior-level professionals. The staffing industry saw a significant uptick in activity starting in 2020. This was thanks to remote work, which has created more opportunities for employees to switch jobs. But that momentum has long since disappeared. Robert Half's earnings plunged in both 2023 and 2024. And conditions have further worsened in 2025 year-to-date.

On October 22<sup>nd</sup>, 2025, Robert Half International reported its Q3 results. The company reported earnings-per-share of \$0.43, which represented a sharp decline from the \$0.64 during the same period of 2024, though that was right in-line with expectations. Revenues of \$1.35 billion declined 7.5% year-over-year. This quarter showed ongoing weakness in the employment market. Management guided to a sequential rise in revenues in Q4, which would be the first quarter of improvement since 2022. However, the guidance was still fairly uninspiring even taking that into account. As the job market continues to show signs of softness, expectations for a cyclical turn are now being pushed out to 2026. We've reduced our 2025 EPS outlook to \$1.45. We do not believe the company's earnings power will be permanently impaired, but this industry downturn has certainly been one of the more difficult that Robert Half has faced.

## Growth on a Per-Share Basis

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2030
<b>EPS</b>	\$2.69	\$2.67	\$2.60	\$3.57	\$3.90	\$2.70	\$5.36	\$6.03	\$3.88	\$2.44	<b>\$1.45</b>	<b>\$2.34</b>
<b>DPS</b>	\$0.80	\$0.88	\$0.96	\$1.12	\$1.24	\$1.36	\$1.52	\$1.72	\$1.92	\$2.12	<b>\$2.36</b>	<b>\$2.36</b>
<b>Shares</b>	135	131	128	124	119	115	113	108	105	102	<b>102</b>	<b>99</b>

Between 2015 and 2022, Robert Half enjoyed tremendous earnings growth. That earnings growth particularly accelerated in 2021 as workers started to bargain for higher wages and moved between employers more frequently. However, as the firm's recent earnings reports have showed, the labor market has decelerated. The company has maintained recruiting capacity to be prepared for when demand returns, but this has caused substantial negative operating leverage leading to an outsized decline in near-term earnings. We are now forecasting 10% long-term earnings per share growth going forward as there should eventually be a robust recovery from 2025's depressed level of activity. Over the past 5 years, dividend payments have grown at 11.7% annually. Robert Half gave investors another generous dividend increase earlier this year, boosting its payout from 53 cents to 59 cents per quarter. However, we are not projecting any additional dividend increases for the time being as the dividend payout ratio is well above 100 percent.

<sup>1</sup> Estimated date.

Disclosure: This analyst has a long position in RHI stock.



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## Valuation Analysis

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Now	2030
Avg. P/E	20.6	15.4	18.7	17.8	15.2	19.9	17.2	16.0	19.8	22.1	<b>20.0</b>	<b>20.0</b>
Avg. Yld.	1.4%	2.1%	2.0%	1.8%	2.1%	2.5%	1.7%	1.9%	2.5%	2.8%	<b>8.1%</b>	<b>5.1%</b>

Over the past decade, Robert Half International has averaged a P/E ratio of 18.3. The company's current 20x ratio is slightly above average, though that is likely more a factor of the current plunge in earnings rather than a change in investor perceptions. Today, RHI stock offers an 8.1% dividend yield, which is far above its historical average.

## Safety, Quality, Competitive Advantage, & Recession Resiliency

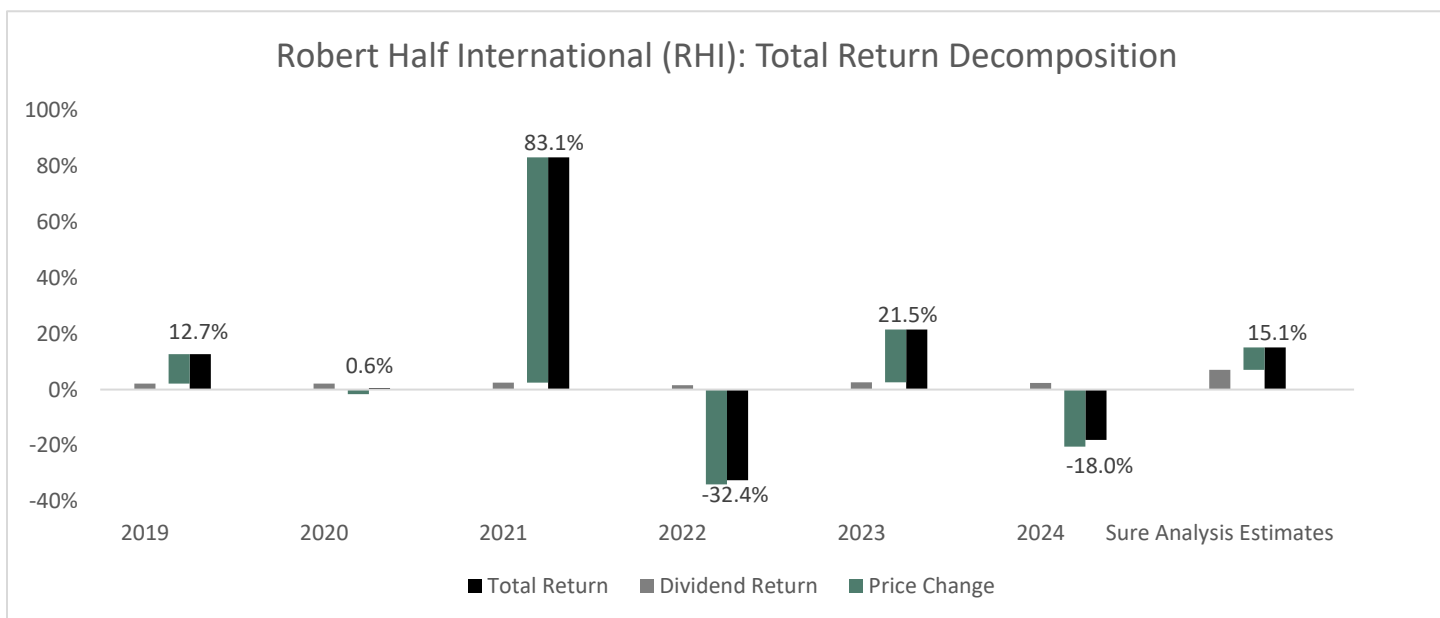
Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2030
Payout	30%	33%	37%	31%	32%	50%	28%	29%	49%	87%	<b>163%</b>	<b>101%</b>

Robert Half International has averaged a payout ratio of 41% since 2015 though the ratio reached 87% in 2024 and is likely to greatly exceed the 100% threshold this year. Robert Half can support the dividend for the time being, particularly since it has a very strong balance sheet with more current assets than total liabilities. While the company saw a brief drop in earnings from the onset of the COVID-19 pandemic, business came roaring back in 2021 and 2022. The effects of the pandemic and remote work movement have had various crosscurrents on Robert Half's operations. Tariffs are presenting another challenge to operations as companies are reluctant to hire employees given present uncertainties.

## Final Thoughts & Recommendation

Robert Half offers an opportunity to invest in a business that has historically seen solid long-term growth and which may benefit from the continued adoption of remote/hybrid work models. Since our last update, Robert Half's stock has reached a new 52-week low. We had thought shares were significantly overvalued throughout 2024, but the share price is now right around fair value. We see the potential for 15.1% total annualized returns going forward, powered by both solid earnings growth potential and the starting 8.1% dividend yield. However, we are at a hold rating for now as the dividend could be at significant risk of a cut if the earnings slump persists into 2026.

## Total Return Breakdown by Year



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## Income Statement Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenue	5,095	5,250	5,267	5,800	6,074	5,109	6,461	7,238	6,393	5,796
Gross Profit	2,114	2,161	2,164	2,411	2,525	2,013	2,696	3,094	25,75	2,247
Gross Margin	41.5%	41.2%	41.1%	41.6%	41.6%	39.4%	41.7%	42.7%	40.3%	38.8%
SG&A Exp.	1,534	1,606	1,647	1,811	1,958	1,666	1,951	2,117	2,108	2,005
D&A Exp.	53	64	65	66	66	64	54	47	99	89
Operating Profit	580	553	516	599	565	345	743	975	465	241
Op. Margin	11.4%	10.5%	9.8%	10.3%	9.3%	6.8%	11.5%	13.5%	7.3%	4.2%
Net Profit	358	343	291	434	454	306	599	658	411	252
Net Margin	7.0%	6.5%	5.5%	7.5%	7.5%	6.0%	9.3%	9.1%	6.4%	4.3%
Free Cash Flow	363	359	412	530	460	563	567	47	591	354
Income Tax	223	211	227	157	171	116	205	239	165	106

## Balance Sheet Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Assets	1,671	1,778	1,867	1,903	2,311	2,557	2,952	2,964	3,011	2,854
Cash & Equivalents	225	260	295	277	270	574	619	659	732	538
Acc. Receivable	705	703	732	794	833	714	985	1,018	861	772
Goodwill & Int.	213	213	216	213	212	229	226	---	240	238
Total Liabilities	667	691	762	840	1,168	1,352	1,571	1,396	1,422	1,476
Accounts Payable	148	136	127	168	124	131	184		157	167
Long-Term Debt	1	1	1	1	---	---	---	---	---	---
Total Equity	1,004	1,087	1,105	1,063	1,144	1,205	1,381	1,569	1,588	1,378
LTD/E Ratio	---	---	---	---	---	---	---	---	---	---

## Profitability & Per Share Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Return on Assets	21.6%	19.9%	15.9%	23.0%	21.6%	12.6%	21.7%	22.2%	13.8%	8.6%
Return on Equity	36.1%	32.9%	26.5%	40.1%	41.2%	26.1%	46.3%	44.6%	26.1%	17.0%
ROIC	36.0%	32.8%	26.5%	40.0%	41.2%	26.1%	46.3%	44.6%	26.1%	17.0%
Shares Out.	135	131	128	124	119	115	113	108	106	103
Revenue/Share	38.33	40.77	42.17	47.70	52.18	45.09	57.84	66.30	60.26	56.26
FCF/Share	2.73	2.79	3.30	4.36	3.95	4.97	5.07	0.43	5.57	3.44

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

### Disclaimer

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