UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2025

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission file number: 001-35636

ASGN Incorporated

(Exact name of registrant as specified in its charter)

Delaware	**95-4023433**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
4400 Cox Road, Suite 110, Glen Allen, Virginia	**23060**
(Address of Principal Executive Offices)	(Zip Code)

(888) 482-8068
(Registrant's telephone number, including area code)
Securities registered pursuant to Section 12(b) of the Act:

Title of each class	**Trading Symbol**	**Name of exchange on which registered**
Common Stock	ASGN	NYSE

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). ☒Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
☐ Yes ☒ No

At July 25, 2025, the total number of outstanding shares of the Common Stock of ASGN Incorporated (the "Company") ($0.01 par value) was 43.8 million.

ASGN INCORPORATED AND SUBSIDIARIES

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PART I — FINANCIAL INFORMATION

Item 1 — Condensed Consolidated Financial Statements (Unaudited)

ASGN INCORPORATED AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS (*Unaudited*)
(*in millions, except share data*)

	June 30, 2025	December 31, 2024
ASSETS		
Current assets:		
Cash and cash equivalents	$ 138.9	$ 205.2
Accounts receivable, net	691.3	650.8
Other current assets	86.1	61.7
Total current assets	916.3	917.7
Property and equipment, net	83.3	82.6
Identifiable intangible assets, net	487.5	439.8
Goodwill	2,141.0	1,893.1
Other non-current assets	86.9	95.8
Total assets	$ 3,715.0	$ 3,429.0
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accrued payroll	$ 245.8	$ 218.0
Other current liabilities	188.8	149.1
Total current liabilities	434.6	367.1
Long-term debt	1,211.7	1,033.5
Deferred income tax liabilities	191.9	187.5
Other long-term liabilities	50.0	64.2
Total liabilities	1,888.2	1,652.3
Commitments and contingencies (Note 6)		
Stockholders' equity:		
Preferred stock, $0.01 par value; 1.0 million shares authorized; no shares issued	—	—
Common stock, $0.01 par value; 75.0 million shares authorized; 43.8 million shares outstanding at June 30, 2025 and December 31, 2024.	0.4	0.4
Paid-in capital	727.1	684.2
Retained earnings	1,100.9	1,097.1
Accumulated other comprehensive loss	(1.6)	(5.0)
Total stockholders' equity	1,826.8	1,776.7
Total liabilities and stockholders' equity	$ 3,715.0	$ 3,429.0

See notes to condensed consolidated financial statements.

ASGN INCORPORATED AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (*Unaudited*)
(*in millions, except per share data*)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Revenues	$ 1,020.6	$ 1,034.7	$ 1,988.9	$ 2,083.7
Costs of services	727.3	733.6	1,420.2	1,486.4
Gross profit	293.3	301.1	568.7	597.3
Selling, general, and administrative expenses	216.8	205.6	431.3	415.8
Amortization of intangible assets	16.9	15.1	31.2	30.2
Operating income	59.6	80.4	106.2	151.3
Interest expense, net	(18.2)	(15.8)	(33.6)	(33.4)
Income before income taxes	41.4	64.6	72.6	117.9
Provision for income taxes	12.1	17.4	22.4	32.6
Net income	$ 29.3	$ 47.2	$ 50.2	$ 85.3
Earnings per share:				
Basic	$ 0.67	$ 1.03	$ 1.15	$ 1.85
Diluted	$ 0.67	$ 1.02	$ 1.14	$ 1.83
Shares and share equivalents used to calculate earnings per share:				
Basic	43.8	45.7	43.8	46.1
Diluted	44.0	46.1	44.0	46.5
Reconciliation of net income to comprehensive income:				
Net income	$ 29.3	$ 47.2	$ 50.2	$ 85.3
Foreign currency translation adjustment	2.6	2.1	3.4	2.3
Comprehensive income	$ 31.9	$ 49.3	$ 53.6	$ 87.6

See notes to condensed consolidated financial statements.

ASGN INCORPORATED AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (*Unaudited*)
(*in millions*)

	Common Stock		Paid-in Capital	Retained Earnings	Other	Total
	Shares	Par Value				
Three Months Ended June 30, 2025						
Balance at March 31, 2025	43.9	$ 0.4	$ 719.0	$ 1,078.1	$ (4.2)	$ 1,793.3
Stock-based compensation expense	—	—	11.9	—	—	11.9
Tax withholding on restricted stock vesting	—	—	(1.2)	—	—	(1.2)
Stock repurchase and retirement of shares	(0.1)	—	(2.6)	(6.5)	—	(9.1)
Other	—	—	—	—	2.6	2.6
Net income	—	—	—	29.3	—	29.3
Balance at June 30, 2025	43.8	$ 0.4	$ 727.1	$ 1,100.9	$ (1.6)	$ 1,826.8
Three Months Ended June 30, 2024						
Balance at March 31, 2024	46.2	$ 0.5	$ 695.7	$ 1,165.4	$ (0.2)	$ 1,861.4
Stock-based compensation expense	—	—	11.0	—	—	11.0
Tax withholding on restricted stock vesting	—	—	(1.5)	—	—	(1.5)
Stock repurchase and retirement of shares	(1.1)	—	(18.0)	(90.1)	—	(108.1)
Other	—	—	—	—	(2.1)	(2.1)
Net income	—	—	—	47.2	—	47.2
Balance at June 30, 2024	45.1	$ 0.5	$ 687.2	$ 1,122.5	$ (2.3)	$ 1,807.9

	Common Stock		Paid-in Capital	Retained Earnings	Other	Total
	Shares	Par Value				
Six Months Ended June 30, 2025						
Balance at December 31, 2024	43.8	$ 0.4	$ 684.2	$ 1,097.1	$ (5.0)	$ 1,776.7
Stock-based compensation expense	—	—	25.7	—	—	25.7
Issuances under equity plans	0.2	—	8.7	—	—	8.7
Tax withholding on restricted stock vesting	—	—	(7.0)	—	—	(7.0)
Stock repurchase and retirement of shares	(0.7)	—	(13.2)	(46.4)	—	(59.6)
Acquisition (Note 3)	0.5	—	28.7	—	—	28.7
Other	—	—	—	—	3.4	3.4
Net income	—	—	—	50.2	—	50.2
Balance at June 30, 2025	43.8	$ 0.4	$ 727.1	$ 1,100.9	$ (1.6)	$ 1,826.8
Six Months Ended June 30, 2024						
Balance at December 31, 2023	46.7	$ 0.5	$ 696.0	$ 1,195.6	$ —	$ 1,892.1
Stock-based compensation expense	—	—	22.7	—	—	22.7
Issuances under equity plans	0.4	—	9.5	—	—	9.5
Tax withholding on restricted stock vesting	—	—	(10.0)	—	—	(10.0)
Stock repurchase and retirement of shares	(2.0)	—	(31.0)	(158.4)	—	(189.4)
Other	—	—	—	—	(2.3)	(2.3)
Net income	—	—	—	85.3	—	85.3
Balance at June 30, 2024	45.1	$ 0.5	$ 687.2	$ 1,122.5	$ (2.3)	$ 1,807.9

See notes to condensed consolidated financial statements.

ASGN INCORPORATED AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (*Unaudited*)
(*in millions*)

	Six Months Ended June 30,	
	2025	2024
Cash Flows from Operating Activities		
Net income	$ 50.2	$ 85.3
Adjustments to reconcile net income to net cash provided by operating activities:		
Amortization and depreciation	54.3	49.0
Stock-based compensation	25.7	22.7
Other	7.3	5.6
Changes in operating assets and liabilities:		
Accounts receivable	(18.0)	18.0
Prepaid expenses and income taxes	(4.6)	(6.2)
Accounts payable	4.6	(9.8)
Accrued payroll	23.7	(2.7)
Income taxes payable	11.7	11.2
Other	(13.2)	(9.1)
Net cash provided by operating activities	141.7	164.0
Cash Flows from Investing Activities		
Cash paid for property and equipment	(19.3)	(16.1)
Cash paid for acquisitions, net of cash acquired	(306.1)	—
Other	—	0.1
Net cash used in investing activities	(325.4)	(16.0)
Cash Flows from Financing Activities		
Proceeds from long-term debt	265.0	—
Principal payments of long-term debt	(87.5)	(2.5)
Proceeds from employee stock purchase plan	8.7	9.5
Repurchase of common stock	(59.9)	(187.7)
Payment of employment taxes related to release of restricted stock awards	(7.0)	(10.0)
Other	(3.0)	—
Net cash provided by (used) in financing activities	116.3	(190.7)
Effect of exchange rate changes on cash and cash equivalents	1.1	(1.0)
Net Decrease in Cash and Cash Equivalents	(66.3)	(43.7)
Cash and Cash Equivalents at Beginning of Year	205.2	175.9
Cash and Cash Equivalents at End of Period	$ 138.9	$ 132.2
Supplemental Disclosure of Cash Flow Information		
Cash paid for —		
Income taxes	$ 5.0	$ 13.1
Interest	$ 33.5	$ 31.8
Operating leases	$ 12.4	$ 12.2
Noncash transactions —		
Operating lease right of use assets obtained in exchange for operating lease liabilities	$ 12.4	$ 7.2

See notes to condensed consolidated financial statements.

1. General

Basis of Presentation — The accompanying unaudited financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") and the rules of the Securities and Exchange Commission. Certain information and note disclosures normally included in annual financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to those rules and regulations. The December 31, 2024 balance sheet was derived from audited financial statements. The financial statements include adjustments consisting of normal recurring items, which, in the opinion of management, are necessary for a fair presentation of the financial position of ASGN Incorporated and its subsidiaries ("ASGN" or the "Company") and its results of operations for the interim dates and periods set forth herein. The results for any of the interim periods are not necessarily indicative of the results to be expected for the full year or any other period. This Quarterly Report on Form 10-Q should be read in conjunction with the Company's Annual Report on Form 10-K for the year ended December 31, 2024 ("2024 10-K").

2. Balance Sheet Details

The table below presents selected balance sheet account balances (in millions):

	June 30, 2025	December 31, 2024
Other current assets:		
Prepaid expenses and income taxes	$ 50.5	$ 44.6
Other	35.6	17.1
	$ 86.1	$ 61.7
Other non-current assets:		
Operating lease right-of-use assets	$ 64.5	$ 61.9
Other	22.4	33.9
	$ 86.9	$ 95.8
Other current liabilities:		
Accounts payable	$ 33.5	$ 27.2
Operating lease liabilities	20.4	19.5
Contract liabilities	37.9	17.6
Other	97.0	84.8
	$ 188.8	$ 149.1
Other long-term liabilities:		
Operating lease liabilities	$ 48.2	$ 46.9
Other	1.8	17.3
	$ 50.0	$ 64.2

During the three months ended June 30, 2025, the Company terminated its deferred compensation plan ("DCP"). The final distribution of all participant account assets will occur in June 2026. As of June 30, 2025, the plan assets and liabilities were $18.2 million and were included in other current assets and other current liabilities on the condensed consolidated balance sheet. As of December 31, 2024, the plan assets and liabilities were $17.8 million, of which $1.7 million was included in other current assets and other current liabilities, and the remaining $16.1 million was included in other non-current assets and other long-term liabilities on the condensed consolidated balance sheet.

3. Acquisition

On March 4, 2025, the Company acquired TopBloc, LLC ("TopBloc"), a leading, tech-enabled Workday consultancy, for $340.0 million, consisting of 90 percent cash and 10 percent equity. TopBloc is part of the Commercial Segment and its results of operations are included in the consolidated results of the Company from the date of its acquisition. The purchase accounting for this acquisition remains incomplete with respect to the provisional fair value of assets acquired and liabilities assumed, as management continues to gather and evaluate information about circumstances that existed as of the acquisition date. Measurement period adjustments will be recognized prospectively within 12 months from the date of acquisition. The preliminary fair value of the identifiable intangible assets and goodwill related to this acquisition is as follows (in millions):

	Estimated Useful Life in Years	
Customer relationships	7	$ 42.1
Internally-developed software	3	4.4
Trademarks	Indefinite	32.4
		$ 78.9
Goodwill		$ 246.3

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Approximately $216.0 million of the goodwill for the TopBloc acquisition is deductible for income taxes.

4. Goodwill and Identifiable Intangible Assets

Goodwill by reportable segment is as follows (in millions):

	Commercial	Federal Government	Total
Balance as of December 31, 2023	$ 1,075.8	$ 818.3	$ 1,894.1
Translation adjustment	(1.0)	—	(1.0)
Balance as of December 31, 2024	1,074.8	818.3	1,893.1
Acquisition of TopBloc	246.3	—	246.3
Translation adjustment	1.6	—	1.6
Balance at June 30, 2025	$ 1,322.7	$ 818.3	$ 2,141.0

Acquired identifiable intangible assets consisted of the following (in millions):

		June 30, 2025			December 31, 2024		
	Estimated Useful Life in Years	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Subject to amortization:							
Customer and contractual relationships	6 - 13	$ 447.4	$ 273.8	$ 173.6	$ 405.3	$ 245.0	$ 160.3
Non-compete agreements	3 - 7	21.4	16.6	4.8	21.4	14.7	6.7
Internally-developed software	3	4.4	0.5	3.9	—	—	—
		473.2	290.9	182.3	426.7	259.7	167.0
Not subject to amortization:							
Trademarks		305.2	—	305.2	272.8	—	272.8
		$ 778.4	$ 290.9	$ 487.5	$ 699.5	$ 259.7	$ 439.8

Estimated future amortization expense is as follows (in millions):

Remainder of 2025	$	33.3
2026		54.1
2027		41.2
2028		23.1
2029		17.0
Thereafter		13.6
	$	182.3

5. Long-Term Debt

Long-term debt consisted of the following (in millions):

	June 30, 2025	December 31, 2024
Senior Secured Credit Facility:		
$500 million revolving credit facility, due 2028	$ 180.0	$ —
Term loan B, due 2030	491.3	493.8
Unsecured Senior Notes, due 2028	550.0	550.0
	1,221.3	1,043.8
Unamortized deferred loan costs	(4.6)	(5.3)
Term loan B, principal payments due in the next 12 months	(5.0)	(5.0)
Long-term debt	$ 1,211.7	$ 1,033.5

The Company is required to make quarterly minimum principal payments totaling $5.0 million annually on the term loan until its maturity date; this amount is included in other current liabilities on the accompanying condensed consolidated balance sheets. Taking into consideration the $5.0 million annual required principal payments, the balance due at maturity will be $466.3 million.

Senior Secured Credit Facility — In March 2024, the Company amended its senior secured credit facility (the "facility"). Related to the debt amendment there were $0.9 million of costs. The Company accounted for the debt amendment as a modification and accordingly, these costs were expensed as incurred. There was an insignificant amount of previously capitalized costs that were written off. Borrowings under the $491.3 million term loan B ("term loan") bear interest, at the Company's election, at (i) the secured overnight financing rate ("SOFR") plus 1.75 percent, or (ii) the bank's base rate plus 0.75 percent. Borrowings under the $500.0 million revolving credit facility (the "revolver") bear interest, at the Company's election, at (i) SOFR plus a 10 basis points adjustment plus 2.00 to 3.00 percent, or (ii) the bank's base rate plus 1.00 to 2.00 percent, depending on leverage levels. A commitment fee of 0.30 to 0.45 percent is payable on the undrawn portion of the revolver. The facility is subject to various restrictive covenants including, when amounts are drawn under the revolver, a maximum ratio of senior secured debt to trailing-twelve-months of lender-defined consolidated EBITDA of 3.75 to 1, which was 1.53 to 1 at June 30, 2025. The facility is secured by substantially all of the Company's assets and at June 30, 2025, the Company was in compliance with its debt covenants.

Unsecured Senior Notes — The Company has $550.0 million of unsecured senior notes, due in 2028, which bear interest at 4.625 percent payable semiannually in arrears on May 15 and November 15. These notes are unsecured obligations and are subordinate to the senior secured credit facility. These notes also contain certain customary limitations, including the Company's ability to incur additional indebtedness, engage in mergers and acquisitions, transfer or sell assets, and make certain distributions.

6. Commitments and Contingencies

The Company is involved in various legal proceedings, claims and litigation arising in the ordinary course of business, and collective class and Private Attorneys General Act ("PAGA") actions alleging violations of wage and hour laws. The Company does not believe that the disposition of matters that are pending or asserted will have a material effect on its condensed consolidated financial statements.

7. Income Taxes

For interim reporting periods, the Company's provision for income taxes is calculated using its annualized estimated effective tax rate for the year. This rate is based on its estimated full-year income and the related income tax expense for each jurisdiction in which the Company operates. The effective tax rate can be affected by changes in the geographical mix, permanent differences, and the estimate of full year pre-tax accounting income. This rate is adjusted for the effects of discrete items occurring in the period.

On July 4, 2025, the One Big Beautiful Bill Act ("OBBBA"), which includes a broad range of tax reform provisions, was signed into law in the United States. The Company does not expect the OBBBA to materially affect its estimated effective tax rate.

8. Earnings per Share

The following is a reconciliation of the number of shares and share equivalents used to calculate basic and diluted earnings per share (in millions, except per share data).

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Net income	$ 29.3	$ 47.2	$ 50.2	$ 85.3
Weighted-average number of common shares outstanding - basic	43.8	45.7	43.8	46.1
Dilutive effect of common share equivalents	0.2	0.4	0.2	0.4
Weighted-average number of common shares and share equivalents outstanding - diluted	44.0	46.1	44.0	46.5
Basic earnings per share	$ 0.67	$ 1.03	$ 1.15	$ 1.85
Diluted earnings per share	$ 0.67	$ 1.02	$ 1.14	$ 1.83

9. Segment Reporting

ASGN provides information technology ("IT") services and professional solutions across the commercial and government sectors. ASGN operates through two segments, Commercial and Federal Government. The Commercial Segment, which is the largest segment, provides consulting, creative digital marketing, and permanent placement services primarily to Fortune 1000 and large mid-market companies. The Federal Government Segment provides advanced IT solutions in data and AI, cybersecurity, and enterprise transformation to the defense, intelligence, and national security agencies, along with other organizations including state and local and civilian agencies. Virtually all of the Company's revenues are generated in the United States.

The Company's chief executive officer ("CEO") is the chief operating decision maker and he reviews segment revenues, gross profit and operating income for each segment. He also considers forecast-to-actual variances on a monthly basis for these financial measures when making decisions about allocating resources to the segments and uses these segment financial measures in the annual budget process. Segment information is as follows (in millions):

	Three Months Ended June 30, 2025			Six Months Ended June 30, 2025		
	Commercial	Federal Government	Total	Commercial	Federal Government	Total
Revenues						
Consulting	$ 325.7	$ 312.5	$ 638.2	615.8	608.6	1,224.4
Assignment	382.4	—	382.4	764.5	—	764.5
	708.1	312.5	1,020.6	1,380.3	608.6	1,988.9
Costs of services	474.7	252.6	727.3	929.2	491.0	1,420.2
Gross profit	233.4	59.9	293.3	451.1	117.6	568.7
Segment depreciation and other amortization	9.0	1.5	10.5	18.0	3.0	21.0
Other segment expenses	149.3	28.6	177.9	295.3	58.3	353.6
Segment SG&A expenses	158.3	30.1	188.4	313.3	61.3	374.6
Amortization of intangible assets	10.5	6.4	16.9	18.3	12.9	31.2
Segment operating income	64.6	23.4	88.0	119.5	43.4	162.9
Corporate SG&A expenses			28.4			56.7
Operating income			59.6			106.2
Interest expense, net			18.2			33.6
Income before taxes			41.4			72.6
Provision for income taxes			12.1			22.4
Net income			$ 29.3			$ 50.2

	Three Months Ended June 30, 2024			Six Months Ended June 30, 2024		
	Commercial	Federal Government	Total	Commercial	Federal Government	Total
Revenues						
Consulting	$ 281.5	$ 309.0	$ 590.5	$ 558.5	$ 626.5	$ 1,185.0
Assignment	444.2	—	444.2	898.7	—	898.7
	725.7	309.0	1,034.7	1,457.2	626.5	2,083.7
Costs of services	488.4	245.2	733.6	986.1	500.3	1,486.4
Gross profit	237.3	63.8	301.1	471.1	126.2	597.3
Segment depreciation and other amortization	7.3	1.2	8.5	14.5	2.5	17.0
Other segment expenses	147.6	30.5	178.1	297.7	61.2	358.9
Segment SG&A expenses	154.9	31.7	186.6	312.2	63.7	375.9
Amortization of intangible assets	7.7	7.4	15.1	15.4	14.8	30.2
Segment operating income	74.7	24.7	99.4	143.5	47.7	191.2
Corporate SG&A expenses			19.0			39.9
Operating income			80.4			151.3
Interest expense, net			15.8			33.4
Income before taxes			64.6			117.9
Provision for income taxes			17.4			32.6
Net income			$ 47.2			$ 85.3

Costs of services include an immaterial amount of depreciation expense.
Other segment expenses include compensation-related expenses, rent, marketing, and other general and administrative expenses.
Corporate SG&A expenses include compensation-related expenses, stock-based compensation, depreciation, acquisition, integration and strategic planning expenses, and public company expenses.

Substantially all of the revenues from the Commercial Segment are generated from time and materials ("T&M") contracts. Federal Government Segment revenues by contract type are as follows (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Firm-fixed-price	$ 86.0	$ 92.0	176.0	181.2
T&M	128.1	136.2	254.2	267.4
Cost reimbursable	98.4	80.8	178.4	177.9
	$ 312.5	309.0	608.6	626.5

Federal Government Segment revenues by customer type are as follows (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Department of Defense and Intelligence Agencies	$ 136.2	$ 141.6	$ 265.1	$ 291.7
National Security	87.3	67.2	161.4	137.6
Federal Civilian	57.8	69.1	119.8	135.6
Other	31.2	31.1	62.3	61.6
	$ 312.5	$ 309.0	$ 608.6	$ 626.5

Federal Government Segment revenues by customer type for the three and six months ended June 30, 2024, have been recast to conform to the current period presentation.

10. Fair Value Measurements

Recurring Fair Value Measurements — The carrying amounts of cash and cash equivalents, accounts receivable, accounts payable, and accrued payroll approximate their fair value based on their short-term nature.

Nonrecurring Fair Value Measurements — Certain assets, such as goodwill and trademarks, are not measured at fair value on an ongoing basis but are subject to fair value adjustments in certain circumstances, such as, when there is evidence of impairment. There were no fair value adjustments for non-financial assets or liabilities during the six months ended June 30, 2025.

The carrying amount of long-term debt recorded in the Company's accompanying condensed consolidated balance sheet at June 30, 2025 was $1.2 billion (see *Note 5. Long-Term Debt*) and its fair value was slightly less than the carrying value. The fair value for the term loan and senior notes was determined using quoted prices in active markets for identical liabilities (Level 1 inputs) and the carrying value of the revolving credit facility approximates its fair value.

Item 2 — Management's Discussion and Analysis of Financial Condition and Results of Operations

The information in this discussion contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Such statements are based upon current expectations, as well as management's beliefs and assumptions, and involve a high degree of risk and uncertainty. Any statements contained herein that are not statements of historical fact may be deemed to be forward-looking statements. Statements that include the words "believes," "anticipates," "plans," "expects," "intends," and similar expressions that convey uncertainty of future events or outcomes are forward-looking statements. Our actual results could differ materially from those discussed or suggested in the forward-looking statements herein. Factors that could cause or contribute to such differences include those described in Item 1A. Risk Factors of our Annual Report on Form 10-K for the year ended December 31, 2024 ("2024 10-K"). In addition, as a result of these and other factors, our past financial performance should not be relied on as an indication of future performance. All forward-looking statements in this document are based on information available to us as of the filing date of this Quarterly Report on Form 10-Q and we assume no obligation to update any forward-looking statements or the reasons why our actual results may differ.

OVERVIEW

ASGN provides information technology ("IT") services and solutions across the commercial and government sectors. ASGN operates through two segments, Commercial and Federal Government. The Commercial Segment, which is the largest segment, provides consulting, creative digital marketing, and permanent placement services primarily to Fortune 1000 and large mid-market companies. The Federal Government Segment provides advanced IT solutions in data and AI, cybersecurity, and enterprise transformation to the defense, intelligence, and national security agencies, along with other organizations including state and local and civilian agencies. Virtually all of the Company's revenues are generated in the United States.

RESULTS OF OPERATIONS FOR THE THREE MONTHS ENDED JUNE 30, 2025 COMPARED WITH THE THREE MONTHS ENDED JUNE 30, 2024

Revenues

Revenues for the quarter were $1.0 billion, down 1.4 percent year-over-year. The table below shows our revenues by segment for the three months ended June 30, 2025 and 2024 (in millions).

				% of Total		
	2025	2024	Change	2025	2024	Change
Commercial						
Consulting	$ 325.7	$ 281.5	15.7%	31.9%	27.2%	4.7%
Assignment	382.4	444.2	(13.9%)	37.5%	42.9%	(5.4%)
	708.1	725.7	(2.4%)	69.4%	70.1%	(0.7%)
Federal Government	312.5	309.0	1.1%	30.6%	29.9%	0.7%
Consolidated	$ 1,020.6	$ 1,034.7	(1.4%)	100.0%	100.0%	

From an industry perspective, the Company operates in six broad industry verticals. Commercial Segment revenues (69.4 percent of total revenues) were down 2.4 percent year-over-year and are categorized in five verticals: (i) Consumer and Industrial, (ii) Financial Services, (iii) Technology, Media, and Telecom ("TMT"), (iv) Healthcare, and (v) Business Services. The Consumer and Industrial vertical was up double digits, Healthcare was flat, and the remaining three verticals declined. Federal Government Segment revenues (30.6 percent of total revenues), the sixth industry vertical, were up 1.1 percent year-over-year.

Total IT consulting revenues were $638.2 million (62.5 percent of total revenues), up 8.1 percent year-over-year. Commercial Segment consulting revenues were $325.7 million, up 15.7 percent year-over-year. Federal Government Segment revenues, which are all consulting revenues, were $312.5 million, up 1.1 percent year-over-year as stated above. Assignment revenues, which totaled $382.4 million (37.5 percent of total revenues), were down 13.9 percent year-over-year, reflecting continued softness in the portions of the Commercial Segment business that are more sensitive to changes in macroeconomic cycles.

Gross Profit and Gross Margin

The table below shows gross profit and gross margin by segment for the three months ended June 30, 2025 and 2024 (in millions).

	Gross Profit			Gross Margin		
	2025	2024	Change	2025	2024	Change
Commercial	$ 233.4	$ 237.3	(1.6%)	33.0%	32.7%	0.3%
Federal Government	59.9	63.8	(6.1%)	19.2%	20.6%	(1.4%)
Consolidated	$ 293.3	$ 301.1	(2.6%)	28.7%	29.1%	(0.4%)

Gross profit is comprised of revenues less costs of services, which consist primarily of compensation for our contract professionals, other direct costs, and reimbursable out-of-pocket expenses.

Consolidated gross profit declined 2.6 percent year-over-year on a revenue decline of 1.4 percent. Gross margin for the second quarter of 2025 was 28.7 percent, a compression of 40 basis points compared with the second quarter of 2024. Gross margin for the Commercial Segment was up 30 basis points, reflecting a higher mix of consulting revenues as well as margin expansion in these revenues. Gross margin for the Federal Government Segment was down 140 basis points, primarily due to a higher volume of revenues from low-margin software licenses and the loss of certain higher margin contracts as a result of initiatives associated with the U.S. Department of Government Efficiency.

Selling, General, and Administrative Expenses

Selling, general, and administrative ("SG&A") expenses consist primarily of compensation expense for our field operations and corporate staff, information systems, rent, public company expenses, and other general and administrative expenses. SG&A expenses were $216.8 million, compared with $205.6 million in the second quarter of 2024. SG&A expenses in the second quarter of 2025 included $8.3 million in acquisition, integration, and strategic planning expenses, inclusive of $5.2 million in charges related to strategic workforce optimization initiatives. The second quarter of 2024 included $1.2 million of acquisition, integration, and strategic planning expenses.

Amortization of Intangible Assets

Amortization of intangible assets was $16.9 million, compared with $15.1 million in the second quarter of 2024. The increase relates to the effects of the TopBloc acquisition, partially offset by older intangibles that have reached the end of their useful lives.

Interest Expense, Net

Interest expense, net, which consists primarily of cash-based interest expense, amortization, adjustments to deferred loan costs, and interest income, was $18.2 million, up from $15.8 million in the second quarter of 2024. The increase was due to higher outstanding borrowings. The weighted-average outstanding borrowings and cash-based interest rate in the second quarter of 2025 and 2024 were $1.28 billion and 5.6 percent, and $1.04 billion and 6.0 percent, respectively.

Provision for Income Taxes

The provision for income taxes was $12.1 million, down from $17.4 million in the second quarter of 2024 due to lower income before income taxes. The effective tax rate was 29.2 percent, up from 26.9 percent in the second quarter of 2024. The increase in the effective tax rate relates to shortfalls on stock-based compensation.

Net Income

Net income was $29.3 million, down from $47.2 million in the second quarter of 2024.

RESULTS OF OPERATIONS FOR THE SIX MONTHS ENDED JUNE 30, 2025 COMPARED WITH THE SIX MONTHS ENDED JUNE 30, 2024

Revenues

Revenues for the first six months of the year were $2.0 billion, down 4.5 percent year-over-year. The table below shows our revenues by segment for the six months ended June 30, 2025 and 2024 (in millions).

				% of Total		
	2025	2024	Change	2025	2024	Change
Commercial						
Consulting	615.8	558.5	10.3%	31.0%	26.8%	4.2%
Assignment	764.5	898.7	(14.9%)	38.4%	43.1%	(4.7%)
	1,380.3	1,457.2	(5.3%)	69.4%	69.9%	(0.5%)
Federal Government	608.6	626.5	(2.9%)	30.6%	30.1%	0.5%
Consolidated	$ 1,988.9	$ 2,083.7	(4.5%)	100.0%	100.0%	

Commercial Segment revenues (69.4 percent of total revenues) were down 5.3 percent year-over-year. The Consumer and Industrial vertical was up low double digits, while the remaining four industry verticals declined year-over-year. Federal Government Segment revenues (30.6 percent of total revenues), the sixth industry vertical, were down 2.9 percent year-over-year.

Total IT consulting services revenues were $1.2 billion (61.6 percent of total revenues), up 3.3 percent year-over-year. Commercial Segment consulting revenues were $615.8 million, up 10.3 percent year-over-year. Federal Government Segment revenues, which are all consulting revenues, were $608.6 million, down 2.9 percent year-over-year as stated above. Assignment revenues, which totaled $764.5 million (38.4 percent of total revenues), were down 14.9 percent year-over-year, reflecting continued softness in the portions of the Commercial Segment business that are more sensitive to changes in macroeconomic cycles.

Gross Profit and Gross Margin

The table below shows gross profit and gross margin by segment for the six months ended June 30, 2025 and 2024 (in millions).

	Gross Profit			Gross Margin		
	2025	2024	Change	2025	2024	Change
Commercial	$ 451.1	$ 471.1	(4.2%)	32.7%	32.3%	0.4%
Federal Government	117.6	126.2	(6.8%)	19.3%	20.1%	(0.8%)
Consolidated	$ 568.7	$ 597.3	(4.8%)	28.6%	28.7%	(0.1%)

Consolidated gross profit declined 4.8 percent year-over-year on a revenue decline of 4.5 percent. Gross margin was 28.6 percent, a compression of 10 basis points from the first six months of 2024. Gross margin for the Commercial Segment was up 40 basis points, reflecting a higher mix of consulting revenues as well as margin expansion in these revenues. Gross margin for the Federal Government Segment was down 80 basis points, primarily due to a higher volume of revenues from low-margin software licenses, the loss of certain higher margin contracts as a result of initiatives associated with the U.S. Department of Government Efficiency, and higher rates of fringe benefits.

Selling, General, and Administrative Expenses

SG&A expenses were $431.3 million, up from $415.8 million in the first six months of 2024. SG&A expenses in the first six months of 2025 included $11.6 million acquisition, integration, and strategic planning expenses, inclusive of $5.2 million in charges related to strategic workforce optimization initiatives. Additionally, in 2025 there was a $4.4 million write-off charge related to previously capitalized costs for software enhancements that will no longer be placed into service. SG&A expenses in the first six months of 2024 included $2.4 million in acquisition, integration, and strategic planning expenses.

Amortization of Intangible Assets

Amortization of intangible assets was $31.2 million, compared with $30.2 million in the first six months of 2024. The increase relates to the effects of the TopBloc acquisition, partially offset by older intangibles that have reached the end of their useful lives.

Interest Expense, Net

Interest expense, net was $33.6 million, up from $33.4 million in the first six months of 2024. Excluding $1.5 million of costs from the prior year period that related to the March 2024 amendment to the senior secured credit facility, the weighted-average outstanding borrowings and cash-based interest rate in the first six months of 2025 and 2024 were $1.20 billion and 5.6 percent, and $1.04 billion and 6.1 percent, respectively.

Provision for Income Taxes

The provision for income taxes was $22.4 million, down from $32.6 million in the first six months of 2024 due to lower income before income taxes. The effective tax rate was 30.9 percent, up from 27.7 percent in the first six months of 2024. The increase in the effective tax rate relates to shortfalls on stock-based compensation.

Net Income

Net income was $50.2 million, down from $85.3 million in the first six months of 2024.

Commercial Segment - Consulting Metrics

Commercial consulting bookings are the value of new contracts entered into during a specified period, including adjustments for the effects of changes in contract scope and contract terminations ("Bookings"). The underlying contracts are terminable by the client on short notice with little or no termination penalties. Measuring Bookings involves the use of estimates and judgments and there are no independent standards or requirements governing the calculation of bookings. Information regarding Bookings is not comparable to, nor should it be substituted for, an analysis of reported revenues. The book-to-bill ratio for our commercial consulting revenues is the ratio of Bookings to commercial consulting revenues for a specified period.

	Three Months Ended June 30,		Trailing-Twelve-Months Ended June 30,	
(Dollars in millions)	2025	2024	2025	2024
Bookings	$ 417.5	$ 327.4	$ 1,385.1	$ 1,253.3
Book-to-Bill Ratio	1.3 to 1	1.2 to 1	1.2 to 1	1.2 to 1

Federal Government Segment Metrics

Contract backlog for our Federal Government Segment represents the estimated amount of future revenues to be recognized under awarded contracts, including task orders and options, at a point in time ("Contract Backlog"). These estimates are subject to change and may be affected by the execution of new contracts, the extension or early termination of existing contracts, the non-renewal or completion of current contracts, and adjustments to estimates for previously included contracts. There is no assurance our contract backlog will result in future revenues. The timing of the execution of new contracts and other changes are affected by the funding cycles of the government and can vary from quarter to quarter. New contract awards are the estimated amount of future revenues to be recognized under contracts awarded during a specified period, including adjustments to estimates for contracts awarded in previous periods (“New Contract Awards”). Information regarding New Contract Awards is not comparable to, nor should it be substituted for, an analysis of reported revenues. Due to variability, New Contract Awards are presented on a trailing-twelve-months (“TTM”) basis. The book-to-bill ratio for our Federal Government Segment is the ratio of New Contract Awards to revenues for a specified period. Contract backlog coverage ratio is calculated as total Contract Backlog divided by TTM revenues.

	TTM Ended June 30,	
(Dollars in millions)	2025	2024
New Contract Awards	$ 1,363.6	$ 949.1
Book-to-Bill Ratio	1.1 to 1	0.7 to 1

(Dollars in millions)	June 30, 2025	December 31, 2024	June 30, 2024
Funded Contract Backlog	$ 408.5	$ 529.0	$ 510.6
Negotiated Unfunded Contract Backlog	2,516.2	2,589.6	2,263.8
Contract Backlog	$ 2,924.7	$ 3,118.6	$ 2,774.4
Contract Backlog Coverage Ratio	2.4 to 1	2.5 to 1	2.2 to 1

Liquidity and Capital Resources

Our working capital, which is current assets less current liabilities, at June 30, 2025 was $481.7 million, and our cash and cash equivalents were $138.9 million. Our cash flows from operating activities have been our primary source of liquidity and have been sufficient to meet our working capital and capital expenditure needs. At June 30, 2025, we had approximately $320.0 million available under the $500.0 million revolving credit facility. We believe that our cash and cash equivalents on hand, expected operating cash flows, and availability under our revolving credit facility will be sufficient to fulfill our obligations, working capital requirements, and capital expenditures for the next 12 months and beyond.

Net cash provided by operating activities was $141.7 million for the first six months of 2025, compared with $164.0 million in the same period of 2024. This year-over-year change primarily related to lower net income in the first six months of 2025.

Net cash used in investing activities for the first six months of 2025 was $325.4 million, comprised of $306.1 million used to acquire TopBloc and $19.3 million used for capital expenditures. Net cash used in investing activities for the first six months of 2024 was $16.0 million and related to capital expenditures.

Net cash provided by financing activities was $116.3 million for the first six months of 2025 and included net borrowings under the senior secured credit facility totaling $177.5 million, offset by $59.9 million used to repurchase the Company's common stock. Net cash used in financing activities in the first six months of the prior year was $190.7 million and included $187.7 million used to repurchase the Company's common stock.

For details on the Company’s senior secured credit facility, comprised of a revolving credit facility and term loan B, and unsecured senior notes, see *Note 5. Long-Term Debt* in Part I, Item 1 in this Quarterly Report on Form 10-Q ("10-Q").

Commitments and Contingencies — There have been no material changes to our contractual cash obligations from those described in our 2024 10-K.

Recent Accounting Pronouncements

There have been no recent accounting pronouncements that significantly impact the Company.

Critical Accounting Policies

There were no material changes to our critical accounting policies and estimates during the second quarter of 2025 compared with those disclosed in *Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations* of our 2024 10-K.

Item 3 — Quantitative and Qualitative Disclosures about Market Risks

With respect to our quantitative and qualitative disclosures about interest rates risks, there have been no material changes to the information included in our 2024 10-K. Our exposure to interest rate risk is associated with our debt instruments. See *Note 5. Long-Term Debt* in Part I, Item 1 in this 10-Q for a further description of our debt instruments. A hypothetical 100 basis-point change in interest rates on variable-rate debt would have resulted in an interest expense fluctuation of approximately $6.7 million based on $671.3 million of debt outstanding for any 12-month period. We have not entered into any market risk sensitive instruments for trading purposes.

Item 4 — Controls and Procedures

As of the end of the period covered by this report, our management carried out an evaluation, under the supervision and with the participation of our Principal Executive Officer and Principal Financial Officer, of the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15(e) of the Exchange Act). Based on this evaluation, our Principal Executive Officer and Principal Financial Officer have concluded that our disclosure controls and procedures are effective as of the end of the period covered by this report. The term "disclosure controls and procedures" means controls and other procedures of the Company that are designed to ensure that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms. "Disclosure controls and procedures" include, without limitation, controls and procedures designed to ensure that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the Company's management, including its Principal Executive Officer and Principal Financial Officer, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

There were no changes in our internal controls over financial reporting that occurred during the three months ended June 30, 2025 that have materially affected, or are reasonably likely to affect, our internal control over financial reporting.

PART II — OTHER INFORMATION

Item 1 — Legal Proceedings

We are involved in various legal proceedings, investigations, claims, and litigation arising in the ordinary course of business, and collective class and PAGA actions alleging violations of wage and hour laws. However, based on the facts currently available, we do not believe that the disposition of matters that are pending or asserted will have a material effect on our financial position, results of operations or cash flows.

Item 1A — Risk Factors

There have been no material changes to the risk factors previously described in our 2024 10-K.

Item 2 — Unregistered Sales of Securities and Use of Proceeds

On April 24, 2024, the Company announced that the Company's Board had approved a new stock repurchase program under which the Company may repurchase $750.0 million of its common stock over the following two years. Under terms of the program, purchases can be made in the open market or under a Rule 10b5-1 trading plan. The stock repurchase program does not obligate the Company to acquire any particular amount of the Company's stock and may be suspended at any time at the Company's discretion.

The Company's repurchases of its common stock during the three months ended June 30, 2025 are shown in the table below, and the approximate dollar value of shares that may be purchased under the program as of June 30, 2025, are shown in the table below.

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plan	Approximate Dollar Value of Shares That May Yet be Purchased Under the Plan (in millions)
April 1 - 30, 2025	153,907	$ 58.47	153,907	$ 469.6
May 1 - 31, 2025	—	$ —	—	$ —
June 1 - 30, 2025	—	$ —	—	$ —
Total	153,907	$ 58.47	153,907	$ 469.6

During the three months ended June 30, 2025 and in connection with our stock-based compensation plans, 20,648 shares of our common stock with an aggregate value of $1.2 million were tendered by employees for payment of applicable statutory tax withholding. These shares are excluded from the table above.

Item 3 — Defaults Upon Senior Securities

None.

Item 4 — Mine Safety Disclosures

None.

Item 5 — Other Information

(c) During the three months ended June 30, 2025, no director or officer of the Company adopted or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement,” as each term is defined in Item 408(a) of Regulation S-K.

Item 6 — Exhibits

INDEX TO EXHIBITS

Number	Description
3.1	Amended and Restated Certificate of Incorporation of On Assignment, Inc., effective June 23, 2014 (incorporated by reference from Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the SEC on June 25, 2014)
3.2	Certificate of Amendment of Amended and Restated Certificate of Incorporation of On Assignment, Inc. effective April 2, 2018 (incorporated by reference from Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the SEC on March 16, 2018)
3.3	Fifth Amended and Restated Bylaws of ASGN Incorporated, effective December 7, 2022 (incorporated by reference from Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the SEC on December 13, 2022)
4.1	Specimen Common Stock Certificate (incorporated by reference from an exhibit to the Company's Registration Statement on Form S-1 (File No. 33-50646) declared effective on September 21, 1992) (P)
4.2*	Supplemental Indenture No. 4 dated as of April 18, 2025, among ASGN Incorporated, the guarantors party thereto, and U.S. Bank Trust Company, National Association, as trustee
10.1	First Amendment to ASGN Incorporated Second Amended and Restated 2010 Incentive Award Plan (incorporated by reference from Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the SEC on June 17, 2025) †
10.2	First Amendment to ASGN Incorporated Second Amended and Restated 2010 Employee Stock Purchase Plan (incorporated by reference from Exhibit 10.2 to the Company's Current Report on Form 8-K filed with the SEC on June 17, 2025) †
31.1*	Certification of Theodore S. Hanson, Chief Executive Officer, pursuant to Rule 13a-14(a) or 15d-14(a)
31.2*	Certification of Marie L. Perry, Chief Financial Officer, pursuant to Rule 13a-14(a) or 15d-14(a)
32.1*	Certification of Theodore S. Hanson, Chief Executive Officer, pursuant to 18 U.S.C. Section 1350
32.2*	Certification of Marie L. Perry, Chief Financial Officer, pursuant to 18 U.S.C. Section 1350
101	The following material from this Quarterly Report on Form 10-Q of ASGN Incorporated, Part I, Item 1 of this Form 10-Q formatted in Inline XBRL (Extensible Business Reporting Language): (i) Condensed Consolidated Balance Sheets; (ii) Condensed Consolidated Statements of Operations and Comprehensive Income; (iii) Condensed Consolidated Statement of Stockholders' Equity; (iv) Condensed Consolidated Statements of Cash Flows; and (v) related notes to these financial statements.
104	Cover page interactive data file (formatted in Inline XBRL and contained in Exhibit 101)

* Filed herewith.

(P) This exhibit originally filed in paper format. Accordingly, a hyperlink has not been provided.

† These exhibits relate to management contracts or compensatory plans, contracts or arrangements in which directors and/or named executive officers of the Registrant may participate.

SIGNATURES

Pursuant to the requirements of the Exchange Act, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ASGN Incorporated

July 30, 2025	By:	/s/ Marie L. Perry
		Marie L. Perry
		Executive Vice President and Chief Financial Officer
		(Principal Financial Officer and Duly Authorized Officer)
July 30, 2025	By:	/s/ Rose L. Cunningham
		Rose L. Cunningham
		Vice President, Chief Accounting Officer and Controller