



CONFERENCE CALL

PREPARED REMARKS FROM:

Theodore S. Hanson, Chief Executive Officer, ASGN Incorporated

Shiv Iyer, President, ASGN Incorporated

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February 4, 2026

FOURTH QUARTER AND FULL YEAR 2025 FINANCIAL RESULTS CONFERENCE CALL FEBRUARY 4, 2026 PREPARED REMARKS

DISCLAIMER

Certain statements made in these prepared remarks are “forward-looking statements” within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and involve a high degree of risk and uncertainty. Forward-looking statements include statements regarding our anticipated financial and operating performance. All statements in the prepared remarks, other than those setting forth strictly historical information, are forward-looking statements. Forward-looking statements are not guarantees of future performance and actual results might differ materially. In particular, we make no assurances that the proposed revenue, expense, and profit estimates outlined above will be achieved. Additional examples of forward-looking statements include, without limitation, statements regarding our ability to attract, train, and retain qualified internal employees, the availability of qualified billable professionals, management of our growth, continued performance and improvement of our enterprise-wide information systems, our ability to successfully adapt to, integrate, and leverage new and developing technologies, including generative artificial intelligence, our ability to manage our litigation matters, the successful integration of acquisitions, statements related to the Company’s brand transition to Everforth, and other risks detailed from time-to-time in our reports filed with the SEC, including our Annual Report on Form 10-K for the year ended December 31, 2024 as filed with the SEC on February 24, 2025. We specifically disclaim any intention or duty to update any forward-looking statements contained in the prepared remarks.

KIMBERLY ESTERKIN

Vice President Investor Relations:

Good afternoon. Thank you for joining us today for ASGN's fourth quarter and full year 2025 conference call. With me are Ted Hanson, Chief Executive Officer, Shiv Iyer, President, and Marie Perry, Chief Financial Officer.

Before we get started, I would like to remind everyone that our commentary contains forward-looking statements. Although we believe these statements are reasonable, they are subject to risks and uncertainties, and as such, our actual results could differ materially from those statements. Certain of these risks and uncertainties are described in today’s press release and in our SEC filings. We do not assume any obligation to update statements made on this call.

For your convenience, our prepared remarks and supplemental materials can be found in the Investor Relations section of our website at investors.asgn.com.

Please also note that on this call, we will be referencing certain non-GAAP measures, such as Adjusted EBITDA, Adjusted Net Income, and Free Cash Flow. These non-GAAP measures are intended to supplement the comparable GAAP measures. Reconciliations between GAAP and non-GAAP measures are included in today's press release.

I will now turn the call over to Ted Hanson, Chief Executive Officer.

THEODORE S. HANSON

Chief Executive Officer:

Thank you, Kim, and thank you for joining ASGN's fourth quarter and full year 2025 earnings call.

Reinforcing our Growth Strategy, Solidifying our Transformation, Unifying our Company

As we begin 2026, I want to thank everyone who joined us for our Investor Day this past November, and if you have not had a chance to view the presentation, a replay of the webcast is available on our website.

Our Investor Day provided a valuable platform to showcase our Next Wave Growth Strategy and the significant progress we've made in our transition toward higher-value, higher-margin technology and digital engineering solutions. At this event, we also had the opportunity to introduce several of our solutions leaders whose presentations brought to life our advanced capabilities in AI, cybersecurity, and enterprise platforms. AI is now a dominant driver of demand, with nearly 80 percent of enterprises planning to increase their AI spending in 2026. These investments are driving growth in solution capabilities vital to the successful deployment of AI enterprise wide. Shiv Iyer, our President, will speak more on that shortly.

Turning to our fourth quarter 2025 results, which we previewed with you in our recent Quinnox announcement. ASGN delivered solid results for the quarter. Revenues of \$980.1 million were at the top end of our guidance range, with IT consulting revenues comprising 63 percent of the total, up from 59 percent in the prior year. Adjusted EBITDA margin was 11.0 percent, exceeding our expectations.

Commercial consulting bookings hit a record of \$444.4 million, translating to a book-to-bill of 1.3 times for the quarter and 1.2 times on a trailing twelve-month basis. Volume of new consulting work continues to grow as our customers increasingly recognize the importance of preparing data, building infrastructure, and deploying enterprise platforms to harness the full potential of AI.

In our Federal Segment, new contract awards totaled \$144.2 million, or a book-to-bill of 0.9 times on a trailing twelve-month basis. Federal contract backlog was approximately \$3 billion at quarter end, or a coverage ratio of 2.5 times the segment's trailing twelve-month revenues. In addition to traditional holiday-related seasonality, the lengthy government shutdown delayed new award activity in the fourth quarter. Nonetheless, we are seeing solid pent-up demand in Q1, and increased defense, intelligence, and national security budgets position our federal business strongly for the future.

As we discussed at our Investor Day, our clients are increasingly seeking us out as one of their strategic technology partners. To meet this demand, we've been proactively transforming our business - advancing our solutions capabilities, developing proprietary assets and accelerators, and partnering with leading technology companies - to better serve our clients' IT needs.

Continuing this transformation momentum, in the first half of 2026, we will be adopting a new customer and investor-facing brand, Everforth, unifying our commercial and federal brands under a single, dynamic identity. Our transition to Everforth – a name rooted in forward progress – is designed to unlock our scale as an enterprise and increase cross-selling by bringing the breadth of our solutions to our enterprise clients, all while supporting continued revenue growth and margin expansion. While organic revenue growth remains a primary focus, we will also pursue strategic acquisitions that enhance our solutions capabilities and technology partnerships. I am pleased to report, just two weeks ago, we announced our intent to acquire Quinnox, an agile, results-driven digital solutions provider.

As an acquirer of choice, we employ a proven, repeatable acquisition strategy, our M&A Playbook, which is guided by well-defined strategic filters and rigorous financial criteria. The acquisition of Quinnox followed this disciplined approach. From a strategic standpoint, joining forces with Quinnox represents a key step forward in our long-term strategy to enhance our digital engineering and global delivery capabilities. Like ASGN, Quinnox is exceptionally client centric, maintaining customer relationships for well over a decade. We are excited to leverage their established client connections to broaden our market presence and, as we did with GlideFast and TopBloc, pull Quinnox's capabilities across our gold nugget commercial client base.

From a financial perspective, Quinnox is an accretive transaction that strengthens our market position without compromising the strength of our balance sheet or our financial flexibility. Our disciplined approach to capital allocation enables us to make strategic acquisitions like Quinnox, while still investing organically and buying back our shares. In the fourth quarter, we generated \$93.7

million in Free Cash Flow and bought back \$64.2 million in shares. We continue to repurchase shares in the first quarter, and, with a newly approved \$1 billion share repurchase program, we are well positioned to provide sustainable shareholder returns.

To build upon our discussion, let me now turn the call over to our President, Shiv Iyer, to speak about Quinnox's digital engineering capabilities and global delivery strength.

SHIV IYER

President:

Digital Engineering Differentiation on a Global Scale

It has certainly been a busy and productive start to the new year, and I share Ted's enthusiasm about the acquisition of Quinnox. Over the past few months, I've had the opportunity to meet with Quinnox's executive team. It is very clear from our meetings that there is a strong cultural fit between our organizations. Cultural alignment is at the heart of a successful acquisition and integral to the comprehensive process that shapes the M&A Playbook Ted discussed.

During our Investor Day, we spoke about our journey towards becoming a top-tier technology and digital engineering company, and I am proud to report that we are well on our way to expanding our digital engineering capabilities. Fourth quarter bookings for our Application Engineering and Services practice nearly doubled quarter over quarter. By integrating Quinnox's deep expertise in application management and modernization, analytics, and enterprise platforms, into our existing practice, we will immediately expand our market share. In addition, Quinnox's alliance partnerships with companies such as AWS, Databricks, Salesforce, SAP, and Calypso complement our own partner network and will enable us to co-create agile, future-ready solutions that accelerate value for our customers.

The ability to deliver complex digital engineering capabilities is key for us to be competitive. Quinnox significantly enhances our delivery capability and broadens our delivery footprint with its highly mature global capability centers in India. These centers will form the foundation of our offshore delivery platform and complement our best-in-class nearshore operations in Mexico.

As a leader in offshore delivery, Quinnox deploys cutting-edge technologies, including AI, across its delivery model. Quinnox's proprietary assets, combined with an AI-first workforce, help promote automation, compliance, and speed to value for every single client.

As Ted emphasized, we are an acquirer of choice, and I'd like to believe that part of that strong reputation comes from our unique market positioning. We have the scale of a large IT services player, but also the velocity and agility of a start-up. An agile, results driven digital technology company like Quinnox aligns seamlessly with our business objectives and supports our long-term growth strategy.

Healthcare, Consumer and Industrial Accounts Bolster Commercial Growth While Defense and Intelligence Work Continues to Progress

With that as a background, let's turn to our industry performance for the fourth quarter. In our Commercial Segment, year-over-year growth was driven by a combination of improvements in Healthcare accounts, which improved by mid-teens, and Consumer and Industrial accounts, which improved by low teens. Growth in the Healthcare industry was seen across our Provider, Pharmaceutical, and Biotech clients. In the Consumer and Industrial space, Industrials saw the largest improvement, followed by Materials and Utilities accounts. We also achieved low single digits revenue growth in the TMT vertical as compared to the prior year.

Looking sequentially, on a Billable Day-adjusted basis, we saw growth in four of our five Commercial Segment industries. Healthcare accounts posted mid-single-digit improvements with growth in Payers, Providers, and Pharmaceutical accounts. TMT also improved mid-single digits, with Telecom, e-Commerce, and Software and Services all increasing. In addition, as we anticipated on last quarter's call, the Financial Services industry returned to sequential growth on a Billable Day-adjusted basis, picking up low single-digit improvements from the third quarter of 2025. Within this industry, we achieved sequential improvements in Wealth Management, Regional Banks, Diversified Financials, and Insurance accounts.

In our Federal Segment, we track our revenues across four types of customers, which are Defense and Intelligence, National Security, Civilian, and other clients. Defense, Intelligence, and National Security accounts continue to comprise approximately 70 percent of our total government revenues. Government sponsored entities, such as USPS, state and local customers, and commercial entities, comprise our other clients category. The other clients category saw mid-teens growth year-over-year due to expansion of our data, AI, and modernization efforts for USPS, as well as increases in cybersecurity work for commercial clients. Defense and Intelligence revenues improved low single-digits year-over-year due in part to additional funding for Project Maven, a flagship geospatial AI contract for the Department of War. For those who have not had a chance to view our Investor Day presentation, I'd highly recommend watching the video on Project Maven, an incredible case study in mission-ready AI.

AI Build Out Drives Commercial and Federal Bookings

Moving from industries to solutions. As Ted highlighted at the beginning of today's call, we continue to secure projects that strengthen technology infrastructure and enable governance readiness for enterprise-wide AI usage. Let me provide a few examples from the fourth quarter.

For a top five U.S. bank, our financial service industry experts were engaged to improve the bank's testing, automation, and governance ecosystem. Working hand-in-hand with our client, we deployed a bank-wide modernization program across online banking, mobile platforms, and partner integrations, vastly improving our client's enterprise-wide functionality and governance.

Also, within financial services, our team helped a major U.S. online banking and credit card company maintain its system performance as it underwent a merger with another major financial institution. As part of this DevOps project, our engineering and applications team coordinated infrastructure changes, monitored system health, and managed the building, testing, and deploying of software, to ensure a smooth transition as the two banks join forces.

On the theme of data migration, during the fourth quarter, our Telecom industry experts partnered with Snowflake, for whom we are an Elite AI, Data, and Cloud Services Partner, to enable a major U.S. connectivity and communications company to centralize marketing data from a variety of external vendor systems in Snowflake. Now, in the first quarter of 2026, we are laying a governed foundation for Snowflake Cortex, Snowflake's native AI/ML capability, that will enable our client to securely run built-in features, such as large language models, AI-powered apps, and Gen AI insights.

AI's explosive growth, powered by soaring energy demands, is driving unprecedented expansion in data center capacity worldwide. Our cloud and infrastructure team is actively collaborating with clients on rapidly scaling their AI data center fleets. For example, we are currently partnering with a major hyperscaler to operationalize multiple data centers on what is already one of the largest AI data center campuses in the world. For this project, we are responsible for managing the hyperscaler's critical environments and leading the complex logistics required to deploy and integrate the data center's advanced systems.

Ultimately, scaling AI from concept to production requires addressing long-standing challenges of fragmented tools, governance complexity, and resource constraints. In response to these inherent challenges, in November, we launched our AI Factory, a unified framework designed by our joint commercial and government AI teams to empower organizations to integrate AI seamlessly into their core business strategies. Understanding the challenges around safe and secure AI deployments, our teams have been particularly focused on our solutions related to AI governance. Our federal cybersecurity experts have been busy demoing our AI Factory's Watchtower – a monitoring tool with built-in Trust-Ops – to both our federal and commercial clients.

In addition to building our own assets and accelerators, we are partnering with enterprise platforms to co-deliver high-impact solutions to our commercial and federal clients. Starting with our Federal Segment, in the fourth quarter, we were awarded additional funding by the Department of Homeland Security and the agency's Continuous Diagnostic and Mitigation Program Office to deploy Elastic's AI capabilities at scale. Our federal team boasts more Elastic-certified engineers than any organization other than Elastic itself and was recently named the Elastic Top Services Partner of the Year.

In addition to Elastic, we continue to be a leading ServiceNow provider in the federal space, leveraging ServiceNow's agentic capabilities in new initiatives across the Departments of Homeland Security, War, and Energy. We also recently established a strategic partnership with Wiz, a rapidly growing cloud security company in the process of being acquired by Google. In the fourth quarter, we won our first engagement with Wiz for the Centers for Medicare & Medicaid Services, establishing our footprint in the high-value federal healthcare market.

On the commercial side of our business, we continue to make great progress in advancing our positioning with Workday. During the fourth quarter, we were selected as one of the first partners approved to deploy Paradox, Workday's candidate experience agent. Paradox uses conversational AI to simplify interactions and deliver better experiences.

Conversational AI use cases are growing rapidly. As part of our Salesforce 360 partnership, for example, we are integrating Agentforce into Slack to enable clients to search their Salesforce CRM with ease. As we expand our value proposition as Everforth, Salesforce, ServiceNow, and Workday will all be central to our cross-platform AI strategy.

These are just a few of the many advanced solutions capabilities we deployed in the fourth quarter. We are excited about the future and look forward to continuing to advance our Next Wave Growth Strategy.

With that, I'll turn the call over to our CFO, Marie Perry, to discuss ASGN's fourth quarter 2025 performance and first quarter 2026 guidance.

MARIE L. PERRY
Chief Financial Officer:

Q4 2025 Financial Performance and Q1 2026 Financial Estimates

For the fourth quarter, revenues totaled \$980.1 million, at the top end of our guidance range and relatively consistent with the prior-year period.

Revenues from our Commercial Segment were \$698.6 million, an increase of 0.9 percent compared to the prior year and up 2.2 percent sequentially on a Billable Day adjusted basis. Assignment revenues totaled \$359.2 million, a decline of 12 percent year-over-year, reflecting continued softness in portions of our Commercial Segment that are more sensitive to changes in the macroeconomic cycles.

Revenues from commercial consulting, the largest of our high-margin revenue streams, totaled \$339.4 million, an increase of 19.2 percent year-over-year. Excluding TopBloc, which we acquired in March of 2025, consulting revenues improved mid-single digits year-over-year.

Revenues from our Federal Government Segment were \$281.5 million, a decrease of 3.7 percent year-over-year.

Turning to margins. Gross margin for the fourth quarter of 2025 was 28.9 percent, consistent with the prior year.

Gross margin for our Commercial Segment was 32.6 percent, which is in line with the prior year.

Gross margin from our Federal Government Segment was 19.9 percent, a decline of 60 basis points year-over-year, due primarily to the loss of higher margin contracts related to DOGE. The impact of DOGE will anniversary in March of 2026.

SG&A for the quarter was \$210.5 million compared to \$197.9 million in the fourth quarter of 2024. SG&A expenses included \$10.7 million in acquisition, integration, and strategic planning expenses. These items were not included in our previously announced guidance estimates.

Also relative to guidance, our estimates assumed an effective tax rate of 28 percent. In the fourth quarter, our effective tax rate was 36.4 percent, above our 28 percent forecast, driven primarily by discrete one-time items not included in our guidance.

For the fourth quarter, net income was \$25.2 million and Adjusted EBITDA was \$107.9 million. Adjusted EBITDA margin was 11.0 percent, above our guidance range, driven mainly by a greater mix of Commercial Segment revenues.

At quarter end, cash and cash equivalents were \$161.2 million, and we had approximately \$455 million available on our \$500 million senior secured revolver. Our net leverage ratio was 2.4 times at the end of the quarter.

As Ted previously mentioned, we had very strong Free Cash Flow generation in the fourth quarter. Free Cash Flow was \$93.7 million, a conversion rate of approximately 87 percent of Adjusted EBITDA, well above our conversion target rate of 60 to 65

percent. We continue to deliver value to our shareholders, and, in the quarter, we deployed roughly \$64.2 million of our Free Cash Flow to repurchase 1.4 million shares, at an average share price of \$46.05.

On a full-year basis, Free Cash Flow was also strong and totaled \$288.1 million, or 68.2 percent of Adjusted EBITDA. We deployed \$170.1 million of Free Cash Flow to repurchase 3.1 million shares in 2025 at an average share price of \$55. We have approximately \$972 million remaining under our \$1 billion share repurchase authorization.

Reemphasizing Ted's prior commentary, our strong Free Cash Flow is a hallmark of our business model. It provides a strategic advantage that enables us to fund growth initiatives, opportunistically repurchase shares, and invest in strategic M&A, all while maintaining a healthy balance sheet. By following a disciplined and balanced approach to capital allocation, we can invest in high-return opportunities and prudently manage our leverage, driving sustainable, long-term value for our shareholders.

With that in mind, in mid-January we signed a definitive purchase agreement to acquire Quinnox for \$290 million in cash. The acquisition, which remains subject to HSR approval, is anticipated to close in March. Post close, we anticipate our net leverage ratio will be approximately 2.9 times after funding the acquisition with cash and borrowings on our revolver. We are committed to reducing our debt over time to bring our net leverage closer to our 2.5 times target. We will, however, continue to opportunistically balance capital deployment with organic investment and share repurchases.

Turning to guidance. Our financial estimates for the first quarter of 2026 are set forth in our earnings release and supplemental materials. These estimates are based on current market conditions and assume no further deterioration in the markets we serve. Guidance also assumes 62 Billable Days in the first quarter, which is the same number of Billable Days as the year-ago period and one more day than the fourth quarter of 2025. We typically see a low single digit decline in revenue in the fourth quarter to the first quarter despite the increase in the sequential Billable Days due to a seasonal reset that occurs annually.

Our quarterly estimates do not include any acquisition, integration, and strategic planning expenses. As we highlighted during our Investor Day, we are streamlining our technology systems and deploying strategic efforts to generate sizable structural cost savings for our business. These cost savings are progressing as planned and will ramp up further over the coming quarters.

Our first quarter guidance incorporates two additional considerations. With regards to Adjusted EBITDA margin, the first quarter typically sees an approximate 100 basis point decrease sequentially related to the annual payroll tax reset. In addition, our first quarter guidance does not include a contribution from Quinnox. Quinnox is expected to generate low to mid-teens revenue growth in 2026 over 2025 revenues of approximately \$100 million. We anticipate nine months of Quinnox's 2026 revenues will be incorporated into our full year financials. Quinnox also anticipates Adjusted EBITDA margins in the low-20 percent range for the year.

With that as background, for the first quarter of 2026, we are estimating revenues of \$960 million to \$980 million, net income of \$25.8 million to \$29.4 million, Adjusted EBITDA of \$93.5 million to \$98.5 million, and Adjusted EBITDA margin of 9.7 percent to 10.1 percent.

Thank you; I'll now turn the call back over to Ted.

THEODORE S. HANSON
Chief Executive Officer:

Ready to Lead as an Adaptive Enterprise

We enter the new year energized by the progress we've achieved and the robust foundation we've established. Our strategic initiatives are firmly in place, and our strong balance sheet and disciplined approach to capital allocation empowers us to pursue growth opportunities with confidence. The acquisition of Quinnox is a great example of our M&A Playbook in action and directly aligns with the strategy to enhance our digital engineering and global delivery capabilities as we highlighted at our recent Investor Day.

The upcoming launch of Everforth, our new, unified customer and investor-facing brand debuting in the first half of this year, also marks a transformative step in our Next Wave Growth Strategy and will enhance our operational efficiency and scale. Ultimately,

by integrating cutting-edge technology, world-class engineering, and deep expertise, we are very well positioned to adapt and thrive in today's rapidly evolving, AI-driven business landscape.

That concludes our prepared remarks. I want to thank all of our employees for your incredible efforts this past year. Your unwavering commitment to our clients is evident and will most certainly guide us to success in 2026. With that, let's open up the call to questions.