



## HEIDRICK & STRUGGLES

Form 10-K and  
Financial Review

## About Heidrick & Struggles International, Inc.

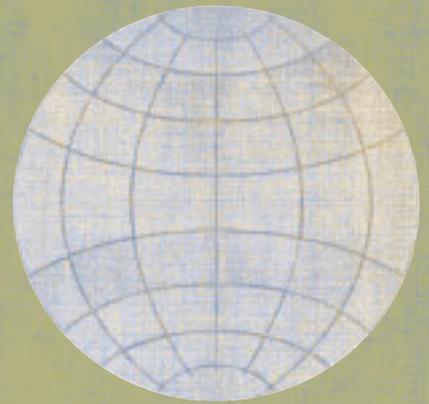
Heidrick & Struggles International, Inc. is the world's premier provider of senior-level executive search and leadership consulting services, including talent management, board building, executive on-boarding and M&A effectiveness. For more than 50 years, we have focused on quality service and built strong leadership teams through our relationships with clients and individuals worldwide. Today, Heidrick & Struggles leadership experts operate from principal business centers in North America, Latin America, Europe and Asia Pacific. For more information, please visit [www.heidrick.com](http://www.heidrick.com).

## Safe Harbor Statement

This document contains forward-looking statements. The forward-looking statements are based on current expectations, estimates, forecasts and projections about the industry in which we operate and management's beliefs and assumptions. Forward-looking statements may be identified by the use of words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," "estimates," and similar expressions. Forward-looking statements are not guarantees of future performance and involve certain known and unknown risks, uncertainties and assumptions that are difficult to predict. Actual outcomes and results may differ materially from what is expressed, forecasted or implied in the forward-looking statements. Factors that may affect the outcome of the forward-looking statements include, among other things, our ability to attract and retain qualified executive search consultants; the condition of the economies in the United States, Europe, or elsewhere; social or political instability in markets where we operate; price competition; an inability to achieve the planned cost savings from our cost-reduction initiatives; an inability to sublease or assign unused office space; our ability to realize our tax loss carryforwards; the mix of profit and loss by country; an impairment of our goodwill and other intangible assets; and delays in the development and/or implementation of new technology and systems. Our reports filed with the U.S. Securities and Exchange Commission also include information on factors that may affect the outcome of forward-looking statements. We undertake no obligation to update publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

# Global Consultancy

With 57 locations and approximately 1,300 employees around the world, we have the resources and contacts necessary to conduct a global, multinational, national, or local market search. This structure allows us to be as responsive as a boutique firm yet serve our clients with the support of a global partnership.



## Asia Pacific

Beijing  
Hong Kong  
Melbourne  
Mumbai  
New Delhi  
Seoul  
Shanghai  
Singapore  
Sydney  
Taipei  
Tokyo

## Europe

Amsterdam  
Barcelona  
Berlin  
Brussels  
Copenhagen  
Düsseldorf  
Frankfurt  
Hamburg  
Helsinki \*  
Istanbul \*  
Johannesburg \*  
Lisbon  
London  
Madrid  
Milan  
Munich  
Paris  
Rome  
Stockholm  
Vienna  
Warsaw  
Zürich

## Latin America

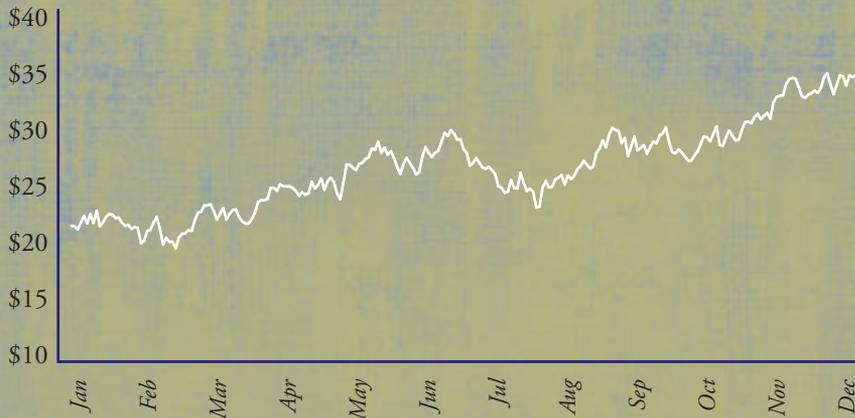
Bogotá \*  
Buenos Aires  
Caracas \*  
Lima \*  
Mexico City  
Santiago  
São Paulo

## North America

Atlanta  
Boston  
Chicago  
Cleveland  
Dallas  
Denver  
Houston  
Miami  
Los Angeles  
Menlo Park  
New York (Park Avenue)  
New York (Wall Street)  
Philadelphia  
San Francisco  
Stamford  
Toronto  
Tysons Corner

\* *Affiliate relationship*

### 2004 Stock Price Performance

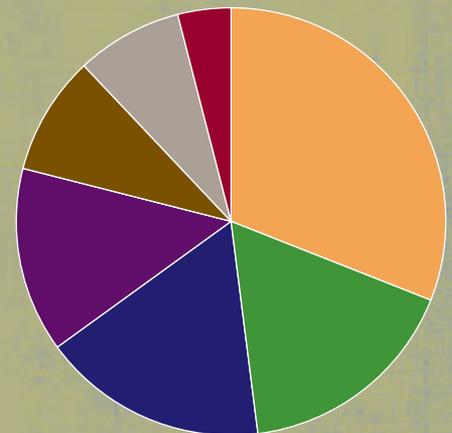


Revenue and operating margin growth world-wide contributed to this year's positive stock price performance.

Heidrick & Struggles operates through a matrix structure, which integrates our industry and functional practices with our global accounts to provide clients in every geography with focused quality service on each assignment.

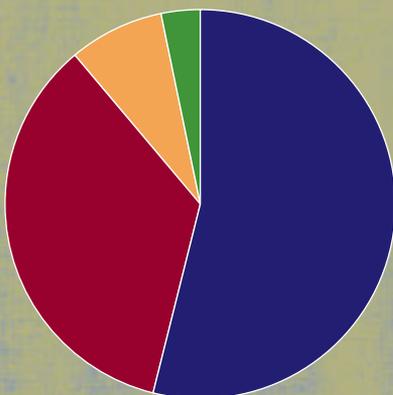
### Broad Industry Category Mix\*

\*Based on 2004 net revenue



### Diverse Geographic Mix\*

\*Based on 2004 net revenue



Each geographic region contributed to the net revenue growth during 2004. Compared to the prior year, North America grew 17%, Latin America grew 13%, Europe grew 14% and Asia Pacific grew 47%.

## Board of Directors

In the past year, we added three new independent directors to the Board: António Borges, Jill Kanin-Lovers and Paul Unruh. Our Board is now fully formed, diverse, committed and more than capable of leading us into our second half-century.

### Richard I. Beattie \*

*Chairman, Simpson Thacher & Bartlett LLP.*

Member of that firm since 1968. A director of Harley-Davidson, Inc.

### António Borges \*

*Managing Director and Vice Chairman, Goldman Sachs International since 2000.*

Previously Dean of INSEAD from 1993 to 2000. A director of Jerónimo Martins, SGPS, S.A., CNP Assurances, Caixa Seguros, Scor and Sonaecom. Chairman, Statutory Fiscal Board, Banco Santander de Negócios Portugal, S.A.

### John A. Fazio \*

*Retired. Former Senior General Practice Partner, PricewaterhouseCoopers.*

A director and Audit Committee member, ImClone Systems, Inc. and Dendrite International, Inc.

### Thomas J. Friel

*Chairman and Chief Executive Officer since 2003.*

Previously Chairman of the Technology Practice, Chairman of the Leadership Services Group, Vice Chairman from 2001 to 2003 and President of Heidrick & Struggles Ventures from 1999 to 2001. Joined Heidrick & Struggles in 1979.

### Jill Kanin-Lovers \*

*Former Senior Vice President, Human Resources, Avon Products, Inc. from 1998 to 2004.*

Previously held executive-level positions in human resources at IBM and American Express. A director of Alpharma Inc. and Dot Foods, Inc.

### Robert E. Knowling Jr. \*

*Chief Executive Officer, New York City Leadership Academy since 2003.*

Previously Chairman and Chief Executive Officer of Internet Access Technologies, Inc. from 2001 to 2003. Chairman, The Immune Response Corporation. A director of Hewlett-Packard Company and Ariba, Inc.

### Gerard R. Roche

*Senior Chairman since 1999.*

Previously acting Chief Executive Officer. A director of Heidrick & Struggles, Inc. from 1970 until 1999. Joined Heidrick & Struggles in 1964.

### Paul Unruh \*

*Retired. Former Vice Chairman, Bechtel Group, Inc., from 2001 to 2003.*

Previously President, Bechtel Enterprises. A director and Audit Committee member of Homestore, Inc. and VERITAS Software Corporation.

### Douglas C. Yearley \*

*Retired. Chairman Emeritus, Phelps Dodge Corporation, since 2000.*

Previously Chairman of Phelps Dodge from 1989 until 2000. A director of Lockheed Martin Corporation, United States Steel Corporation and Marathon Oil Corporation.

\* *Independent director*

## Committees

### Audit Committee

John A. Fazio (Chair)  
Jill Kanin-Lovers  
Robert E. Knowling Jr.  
Paul Unruh

### Nominating and Board Governance Committee

Richard I. Beattie (Chair)  
António Borges  
Douglas C. Yearley

### Compensation Committee

Jill Kanin-Lovers (Chair)  
Richard I. Beattie  
Robert E. Knowling Jr.  
Douglas C. Yearley

# HEIDRICK & STRUGGLES

## Shareholder Information

### Corporate Headquarters

Heidrick & Struggles International, Inc.  
233 South Wacker Drive, Suite 4200  
Chicago, Illinois 60606-6303

312.496.1200  
[www.heidrick.com](http://www.heidrick.com)

### Annual Meeting

The annual meeting of shareholders will be held at 9:00 a.m. EST on 17 May 2005 at InterContinental The Barclay New York, 111 East 48th Street, New York, New York 10017.

### Transfer Agent and Registrar

Mellon Investor Services LLC  
Overpeck Centre  
85 Challenger Road  
Ridgefield Park, New Jersey 07660

866.892.5631

Shareholders can obtain account information through Investor ServiceDirect at [www.melloninvestor.com](http://www.melloninvestor.com).

### Investor Contact

Shareholders, analysts and investors should contact the Investor Relations Department at our corporate headquarters address or through our website at [www.heidrick.com](http://www.heidrick.com).

### S.E.C. Filings and Investor Information

Filings with the Securities and Exchange Commission and other investor information are available through our website or upon written request to the Investor Relations Department.

### Exchange Listing

Heidrick & Struggles International, Inc.'s common stock is listed on the Nasdaq Stock Market under the symbol HSII.