



Q2 2011 Results

Adecco Group

Zurich, August 10, 2011

Disclaimer

Forward-looking statements

Information in this release may involve guidance, expectations, beliefs, plans, intentions or strategies regarding the future. These forward-looking statements involve risks and uncertainties. All forward-looking statements included in this release are based on information available to Adecco S.A. as of the date of this release, and we assume no duty to update any such forward-looking statements. The forward-looking statements in this release are not guarantees of future performance and actual results could differ materially from our current expectations. Numerous factors could cause or contribute to such differences. Factors that could affect the Company's forward-looking statements include, among other things: global GDP trends and the demand for temporary work; changes in regulation of temporary work; intense competition in the markets in which the Company operates; integration of acquired companies; changes in the Company's ability to attract and retain qualified internal and external personnel or clients; the potential impact of disruptions related to IT; any adverse developments in existing commercial relationships, disputes or legal and tax proceedings.

Today's agenda

Operational review

Financial review

Strategy & Outlook

Operational review

Patrick De Maeseneire, Group CEO

Highlights

Q2 2011 and Outlook

▶ Continued strong revenue growth of 13%¹ driven by the Industrial staffing business

▶ Gross margin at 16.9%, lower seasonally and impacted by the business mix

▶ SG&A well controlled, up 1% sequentially in constant currency

▶ EBITA at EUR 199 million and the margin at 3.9%, up 30 bps yoy

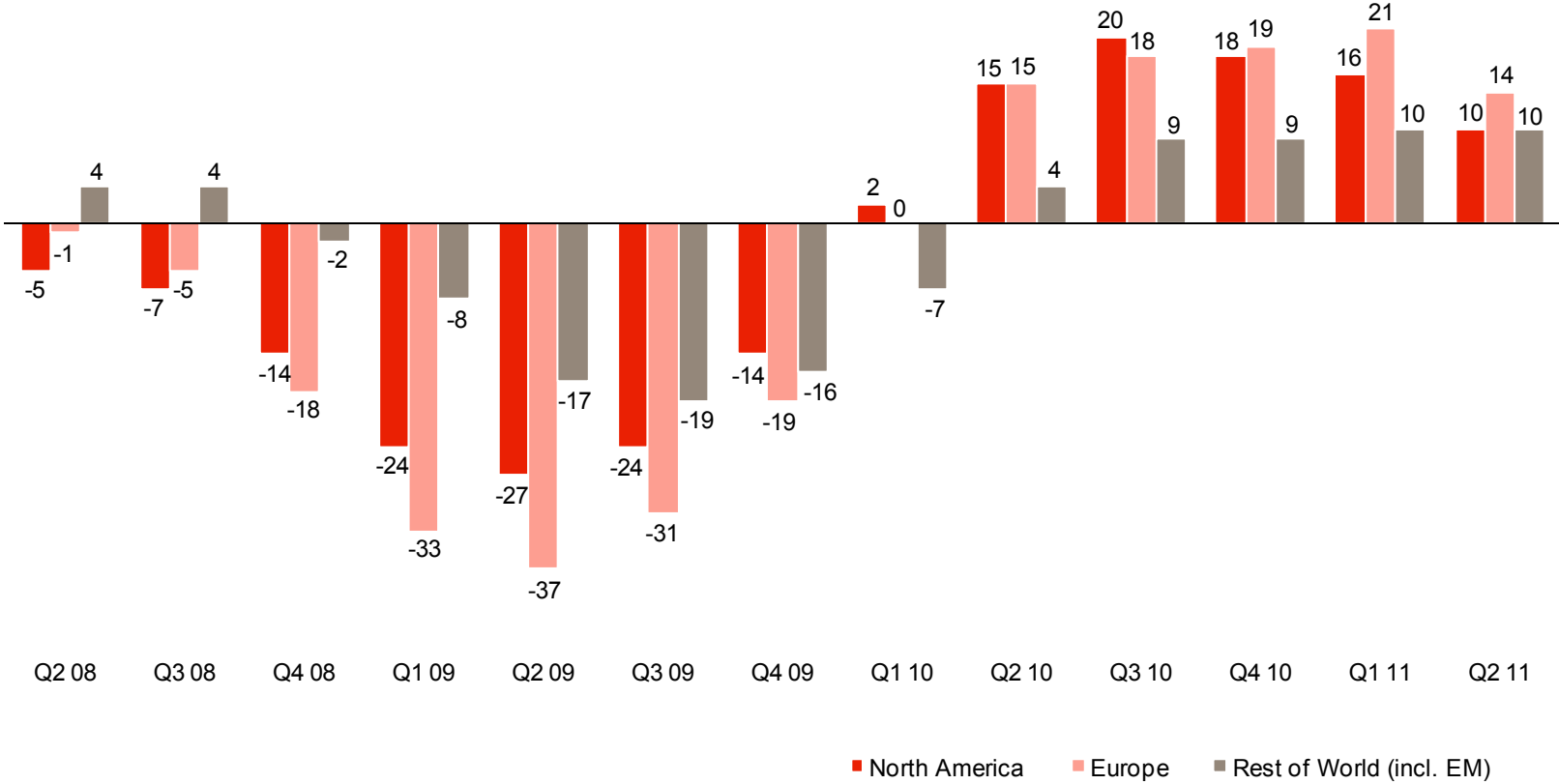
▶ Integration costs of EUR 3 million and EUR 6 million negative impact from Nordics

▶ Revenues in June +11%, adjusted for trading days; July a touch lower

1) Revenue growth in constant currency

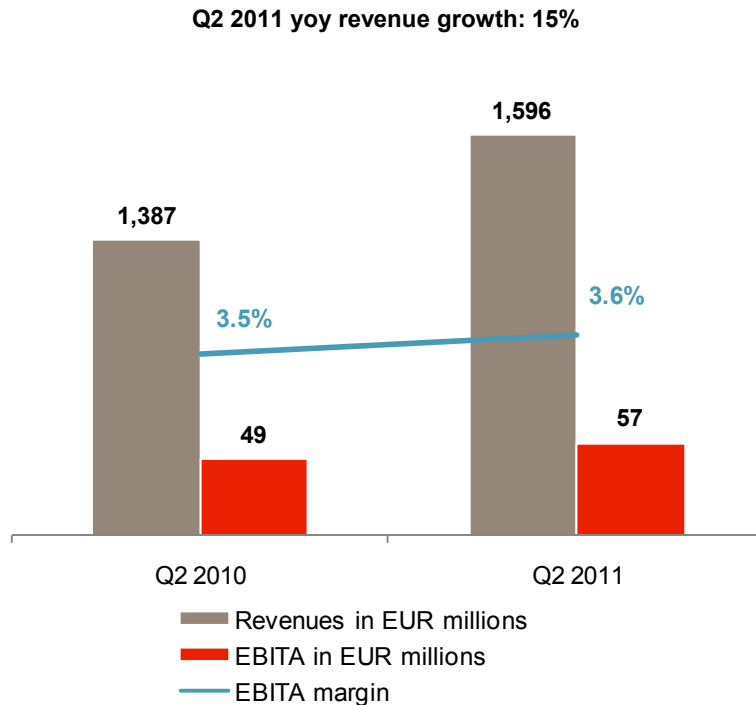
Revenue development by region

Organic year-on-year change in percent



France

31% of group revenues in Q2 2011



Revenue growth of 15% (23% in Q1 11), mainly driven by automotive and manufacturing

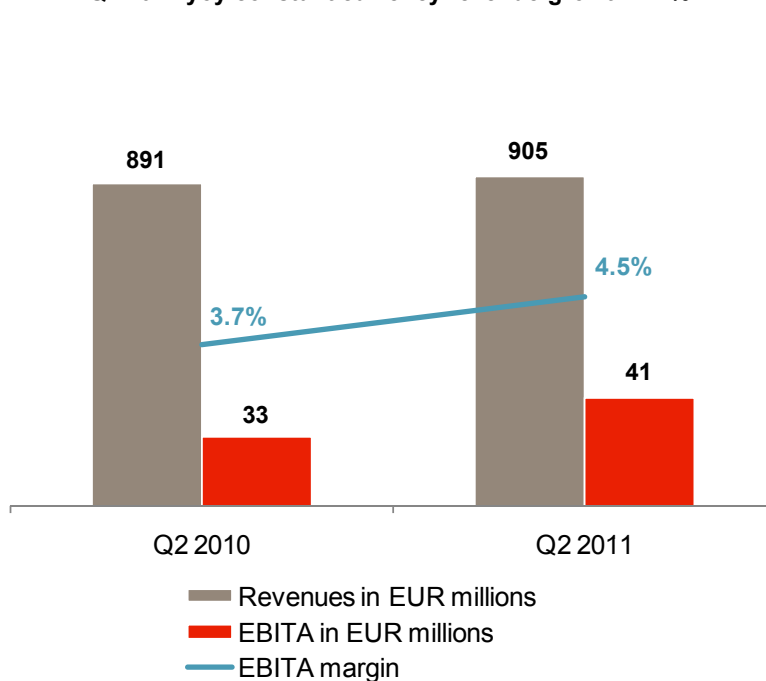
The negative impact of the payroll tax subsidy cut was 50 bps on the gross margin this quarter

Revenues in June grew 13%, adjusted for trading days

North America

18% of group revenues in Q2 2011

Q2 2011 yoy constant currency revenue growth: 12%



Revenues up 12% in constant currency (17% organically in Q1 11) driven by automotive, manufacturing and technology sectors

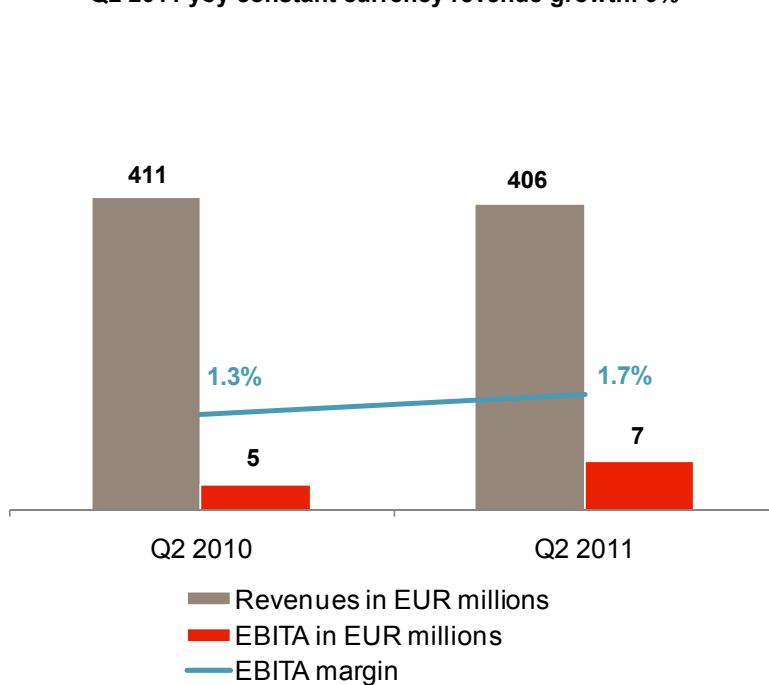
Continued strong General staffing growth of 18% in constant currency, while Professional staffing was still held back by the IT segment

Revenues in June were up 9%, adjusted for trading days

UK & Ireland

8% of group revenues in Q2 2011

Q2 2011 yoy constant currency revenue growth: 0%



Revenues flat in constant currency (+3% organically in Q1 11); the public sector continued to weigh on results

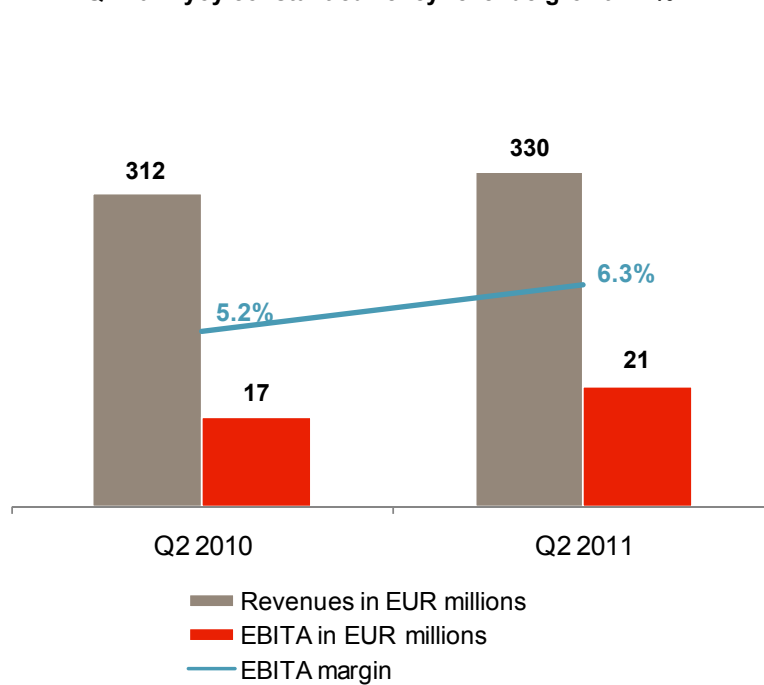
Permanent placement revenues +20% in constant currency

EBITA margin of 1.7% and integration costs of EUR 1 million in Q2 11 (EUR 4 million in Q2 10)

Japan

6% of group revenues in Q2 2011

Q2 2011 yoy constant currency revenue growth: 4%



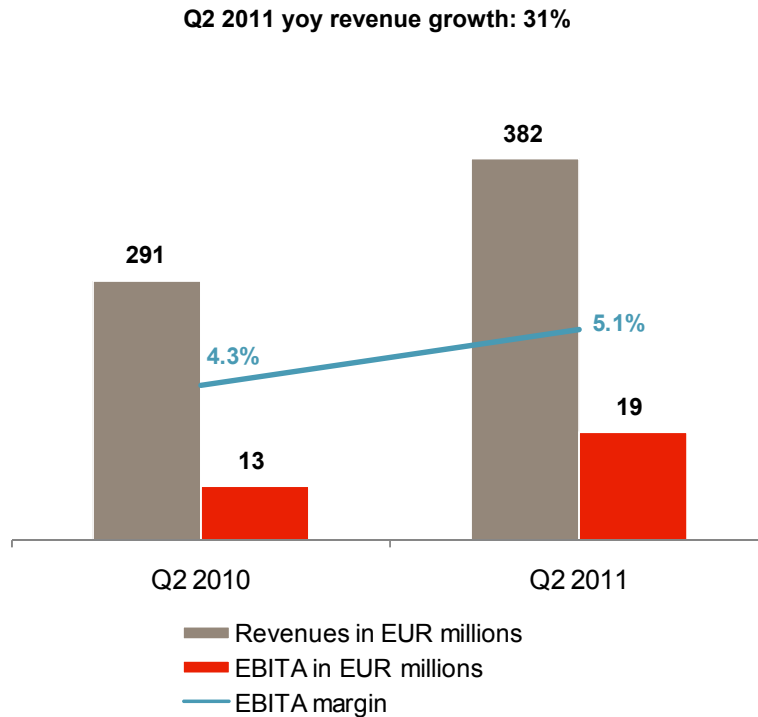
Revenues up 4% in constant currency
(1% in Q1 11)

Strong improvement in the EBITA
margin to 6.3%, up 110 bps yoy

Outsourcing contracts continued to
contribute positively

Germany & Austria

7% of group revenues in Q2 2011



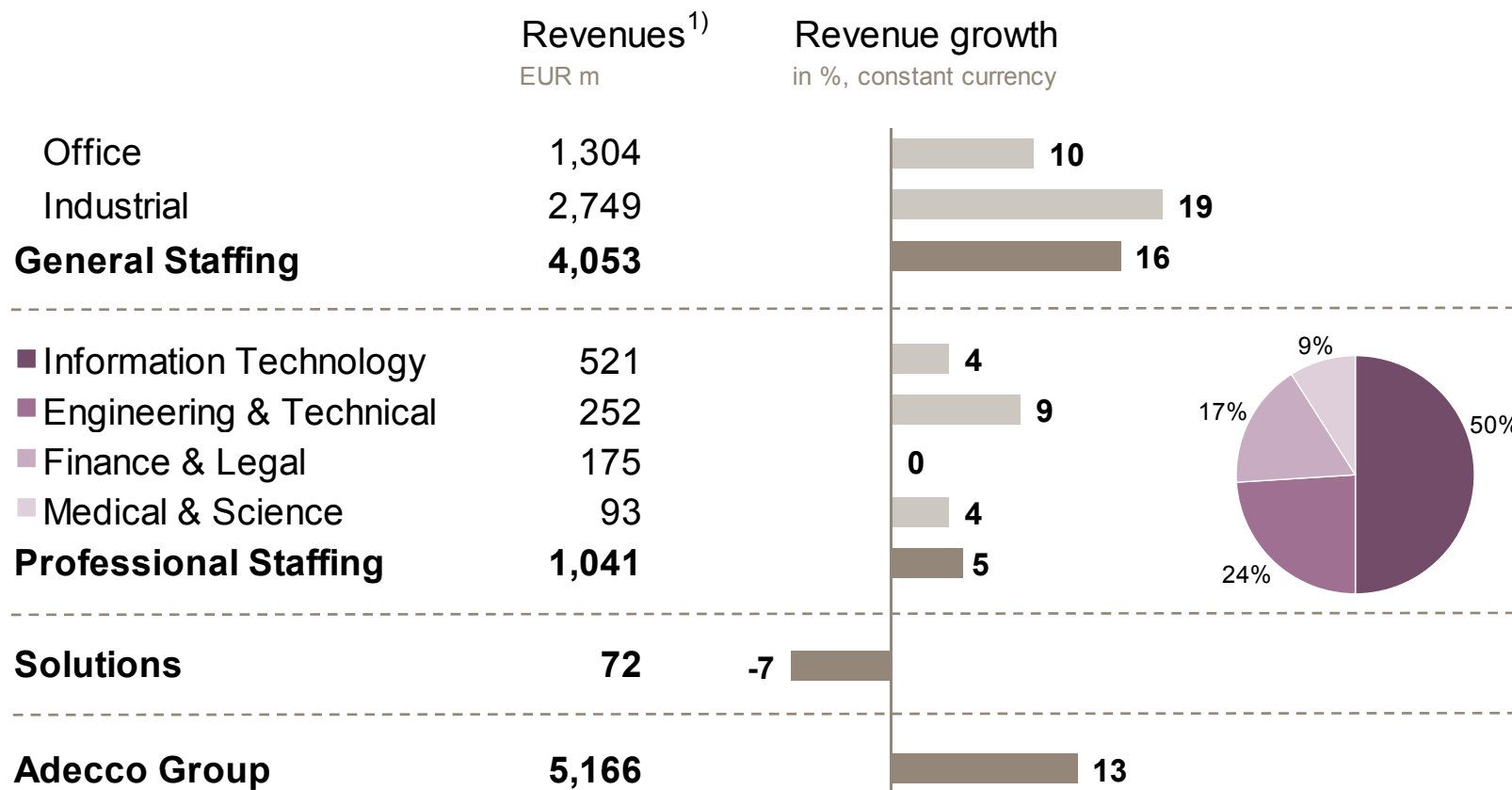
Revenues up 31% (+38% organically in Q1 11), driven by automotive, retail, manufacturing and electronics sectors

Strongest growth still in the Industrial staffing business. Growth in Office and Professional staffing also double-digit

Revenues in June up 26%, adjusted for trading days

Revenue development by business lines

Q2 2011 vs. Q2 2010



1) Breakdown of staffing revenues into Office, Industrial, Information Technology, Engineering & Technical, Finance & Legal and Medical & Science is based on dedicated branches. Solutions include revenues from Human Capital Solutions, Managed Service Programmes (MSP), Recruitment Process Outsourcing (RPO) and Vendor Management Systems (VMS). The 2010 information has been restated to conform to the current year presentation.

Financial review

Dominik de Daniel, Group CFO

Q2 2011 Results in detail – P&L

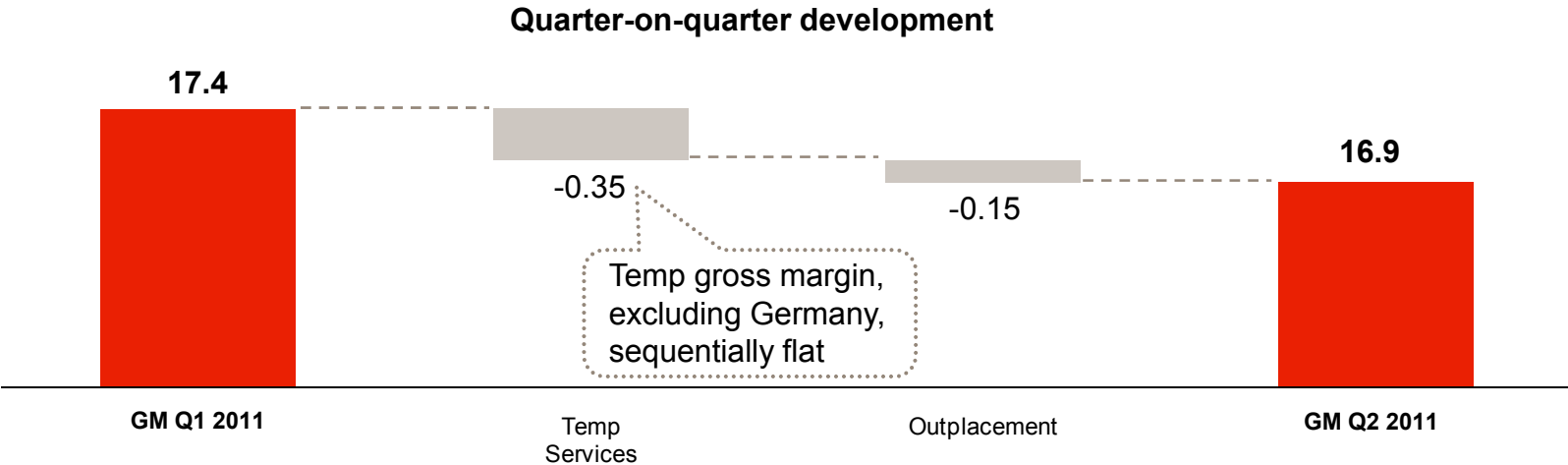
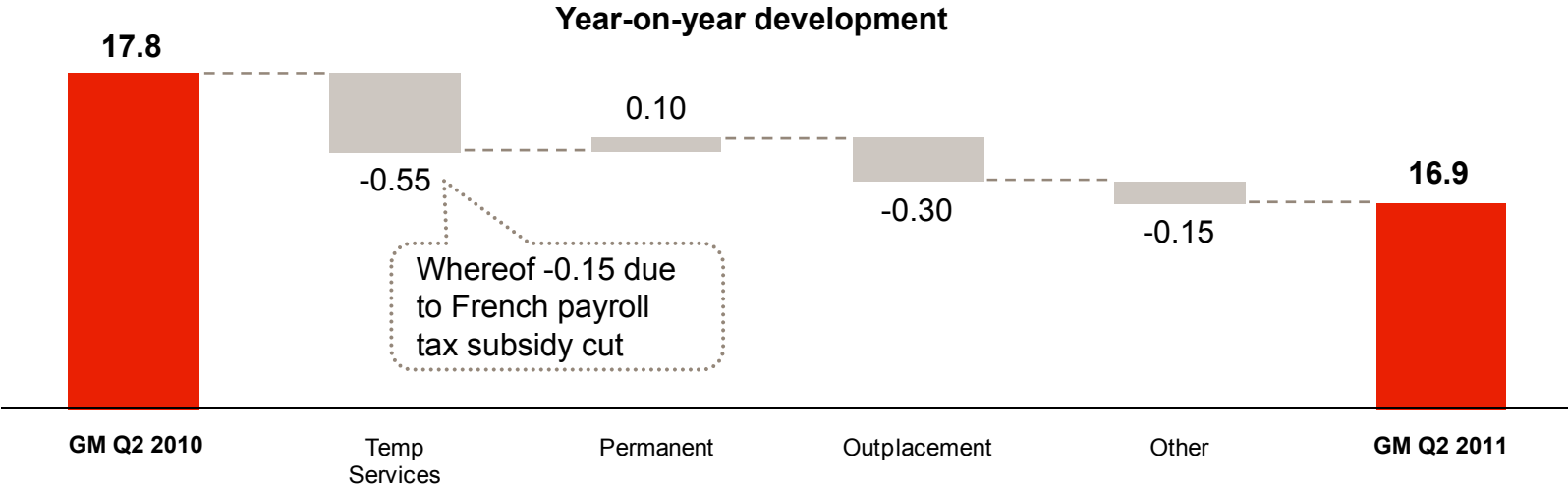
In EUR millions

	Q2 2011	Q2 2010	Variance %		H1 2011	H1 2010	Variance %	
			EUR	Constant Currency			EUR	Constant Currency
Revenues	5,166	4,646	11%	13%	10,081	8,608	17%	17%
Direct costs of services	(4,290)	(3,821)			(8,351)	(7,071)		
Gross profit	876	825	6%	8%	1,730	1,537	13%	12%
<i>Gross margin</i>	16.9%	17.8%			17.2%	17.9%		
Selling, general and administrative expenses	(677)	(657)	3%	5%	(1,359)	(1,256)	8%	7%
<i>As a percentage of revenues</i>	13.1%	14.1%			13.5%	14.6%		
EBITA¹⁾	199	168	18%	22%	371	281	32%	34%
<i>EBITA¹⁾ margin</i>	3.9%	3.6%			3.7%	3.3%		
Amortisation of intangible assets	(13)	(14)			(27)	(27)		
Operating income	186	154	21%	24%	344	254	35%	37%
<i>Operating income margin</i>	3.6%	3.3%			3.4%	3.0%		
Interest expense	(17)	(16)			(32)	(31)		
Other income / (expenses), net	(10)	2			(11)	1		
Income before income taxes	159	140	13%		301	224	34%	
Provision for income taxes	(18)	(43)			(59)	(70)		
Net income	141	97	45%		242	154	56%	
Net income attributable to noncontrolling interests					(1)			
Net income attributable to Adecco shareholders	141	97	45%		241	154	57%	
<i>Net income margin attributable to Adecco shareholders</i>	2.7%	2.1%			2.4%	1.8%		

1) EBITA is a non US GAAP measure and refers to operating income before amortisation of intangible assets.

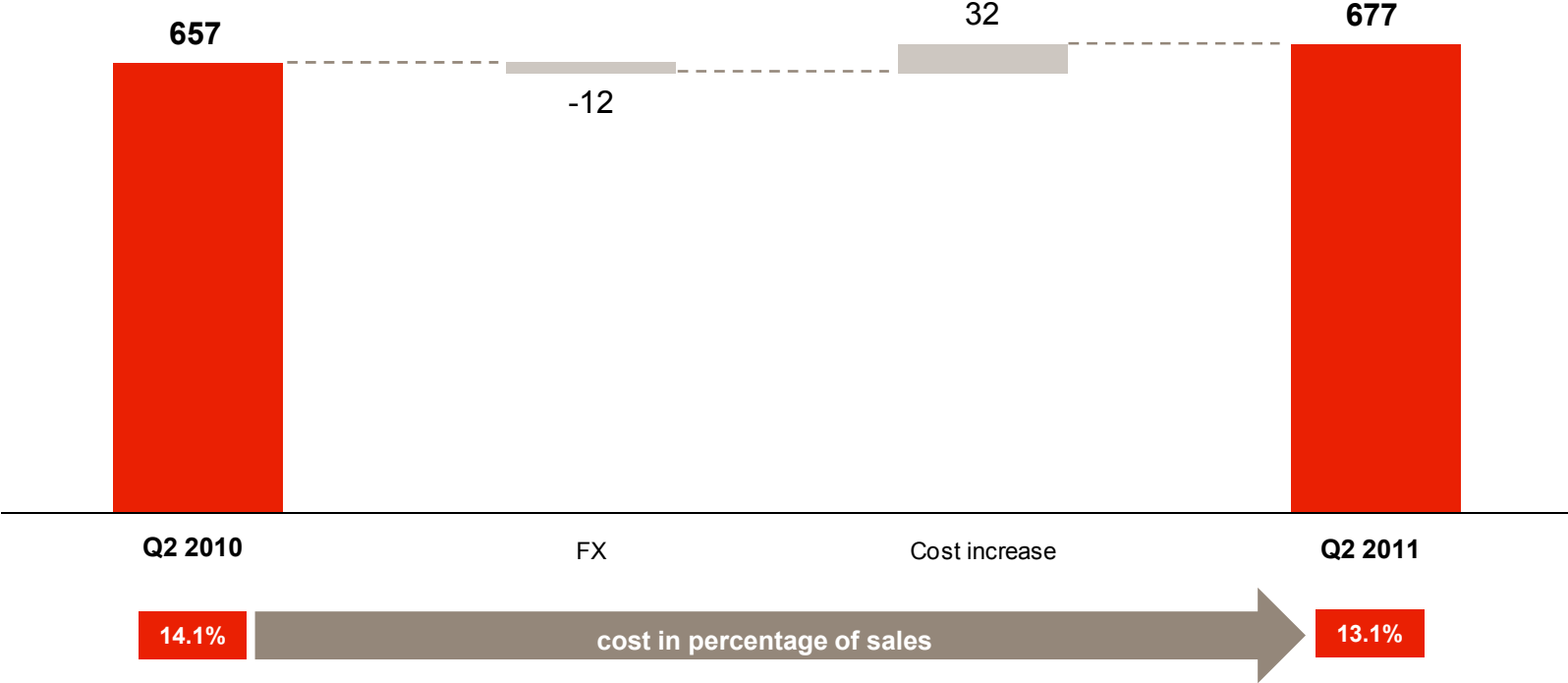
Q2 2011 gross margin drivers

In percent of revenues



Q2 2011 SG&A movements

In EUR millions



Balance sheet

In EUR millions

	Jun 30 2011	Dec 31 2010
Assets		
Cash and cash equivalents	383	549
Short-term Investments	3	5
Trade accounts receivable, net	3,842	3,541
Other current assets	379	351
Property, equipment, and leasehold improvements, net	288	291
Other assets	299	291
Goodwill and intangible assets, net	3,720	3,851
Total assets	8,914	8,879
Liabilities and shareholders' equity		
Accounts payable and accrued expenses	3,481	3,472
Short- and long-term debt	1,571	1,305
Other liabilities	503	535
Total Adecco shareholders' equity	3,356	3,565
Noncontrolling interests	3	2
Total liabilities and shareholders' equity	8,914	8,879
Net Debt*	1,185	751

* Net debt is a non US GAAP measure and comprises short-term and long-term debt less cash and cash equivalents and short-term investments.

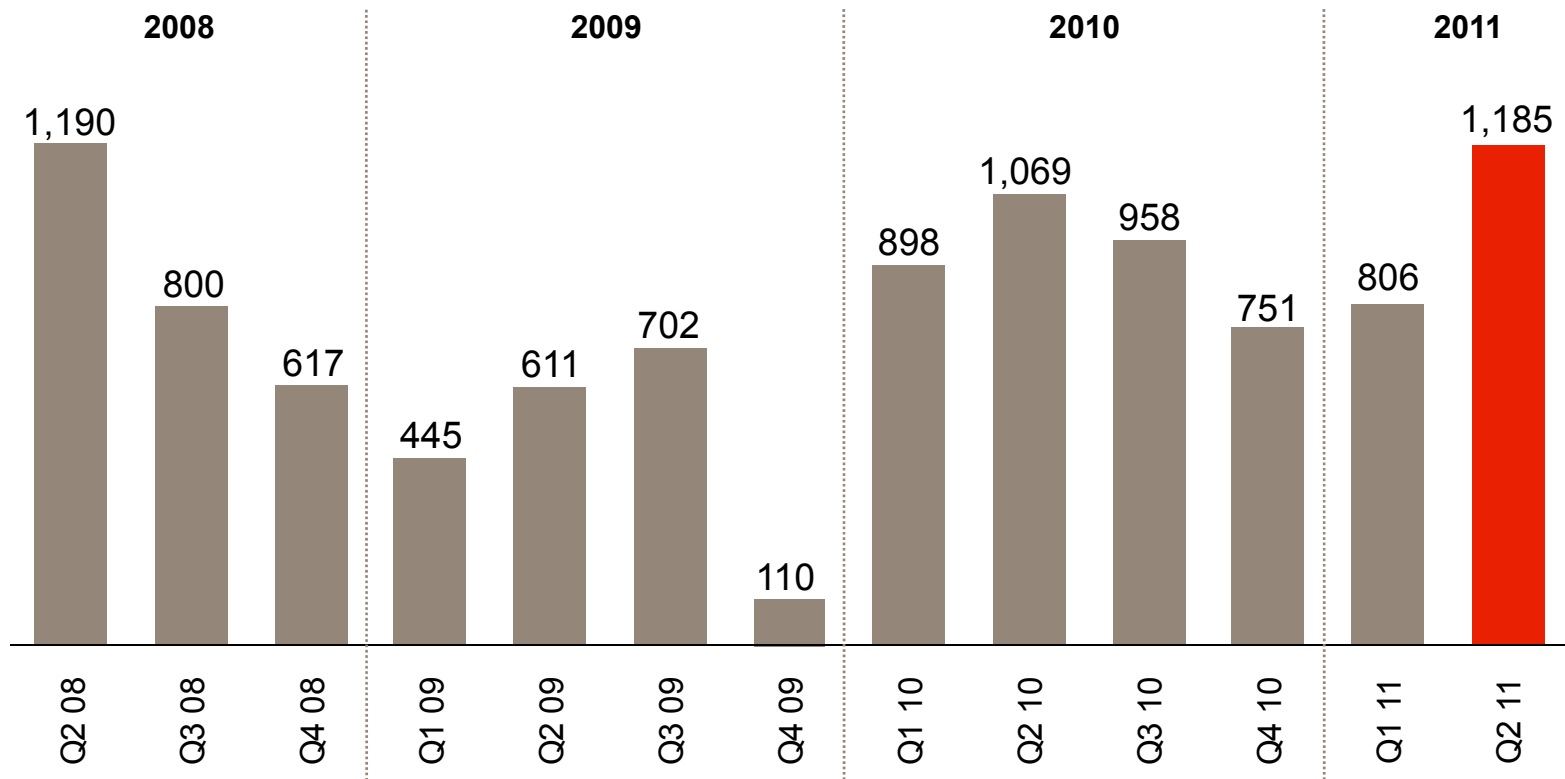
Cash-flow statement

In EUR millions

	Q2		H1	
	2011	2010	2011	2010
Net income	141	97	242	154
Adjustments to reconcile net income to cash flows from operating activities:				
– Depreciation and amortisation	36	35	73	68
– Other charges	6	20	3	23
Changes in operating assets and liabilities, net of acquisitions:				
– Trade accounts receivable	(247)	(364)	(400)	(466)
– Accounts payable and accrued expenses	23	132	85	210
– Other assets and liabilities	(11)	44	(33)	41
Cash flows from operating activities	(52)	(36)	(30)	30
Cash flows from/(used in) investing activities	(54)	(29)	(97)	(874)
Cash flows from/(used in) financing activities	(43)	(163)	(21)	(222)
Effect of exchange rate changes on cash	(9)	19	(18)	41
Net decrease in cash and cash equivalents	(158)	(209)	(166)	(1,025)

Net debt* development since Q2 2008

In EUR millions



* Net debt is a non US GAAP measure and comprises short-term and long-term debt less cash and cash equivalents and short-term investments.

Financial Guidance

Full year 2011

Capex	Approximately EUR 100 million
Interest expense	Approximately EUR 70 million
Corporate costs	Approximately EUR 85 million
Amortisation	Approximately EUR 55 million

Strategy & Outlook

Patrick De Maeseneire, Group CEO

Acquisition of Drake Beam Morin, Inc.

Taking the worldwide lead in career transition and talent development

▶ We become #1 globally in the career transition and talent development sector

▶ Expansion of LHH's global footprint beyond its main markets, the US and France

▶ Effective counter-balance to the temporary and permanent staffing business

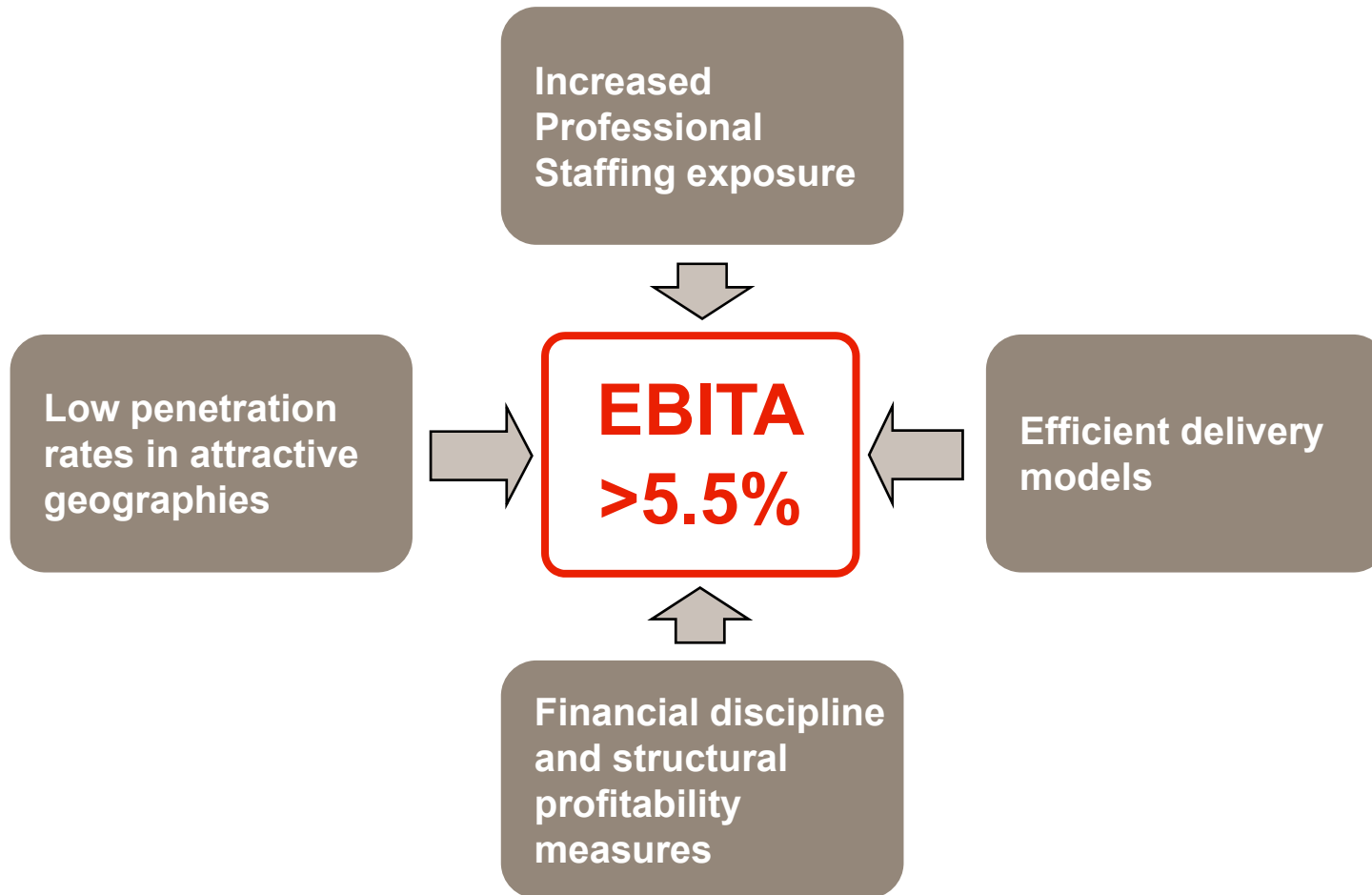
▶ Immediately EPS accretive in year one and EVA*-enhancing after the first year

▶ Transaction expected to close in the third quarter 2011

* Based on Adecco's internal hurdle rate of 10%.

We strive to reach an EBITA margin above 5.5%

In the mid-term

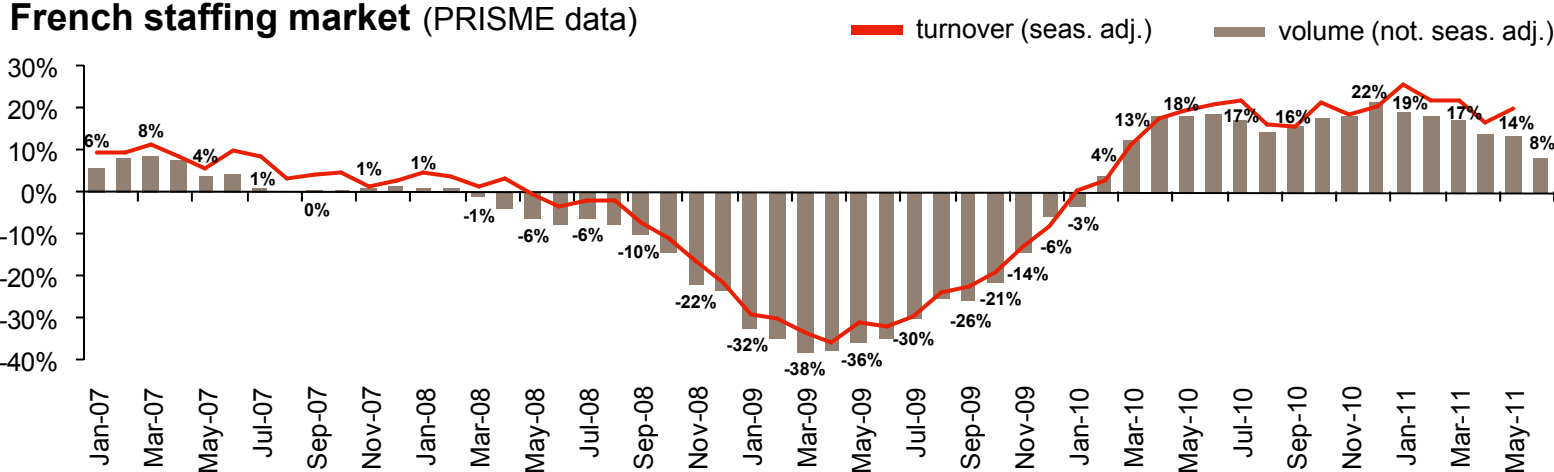
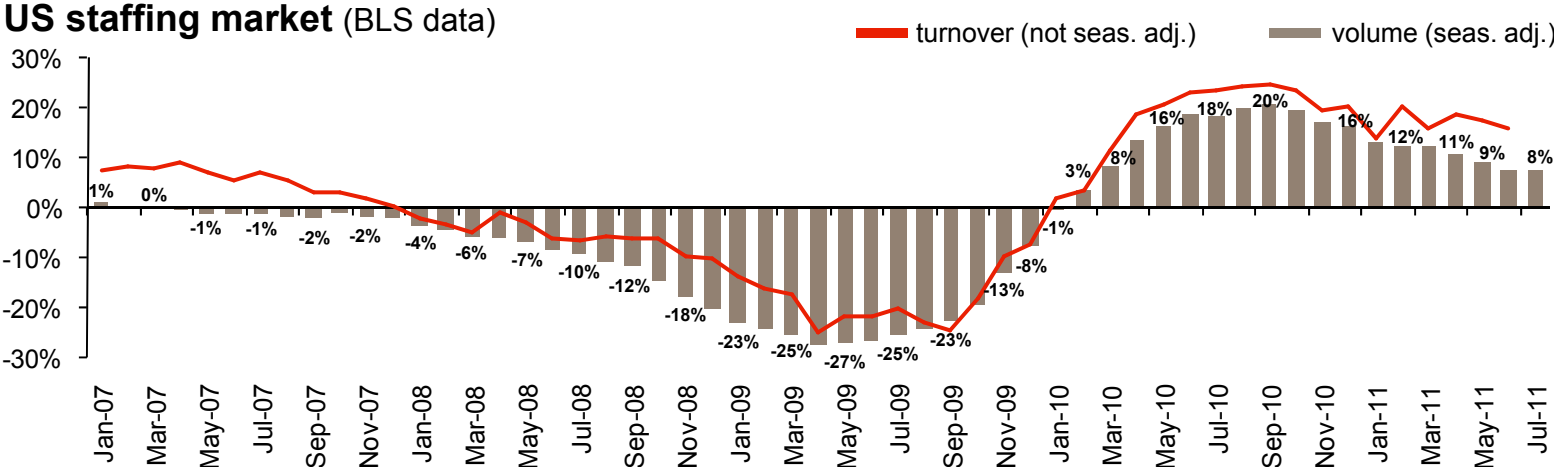


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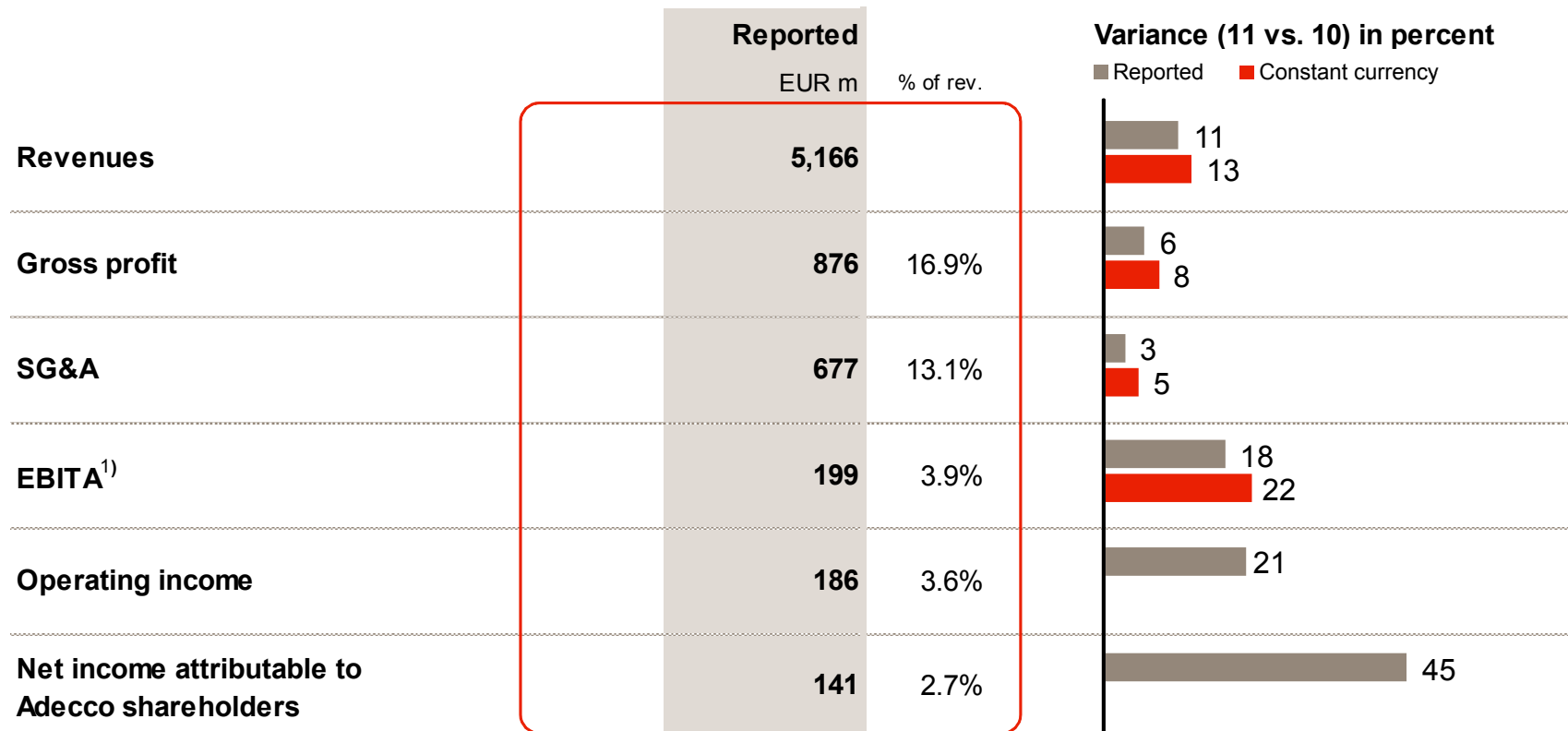
Appendix

Development of US and French staffing market

Year-on-year growth



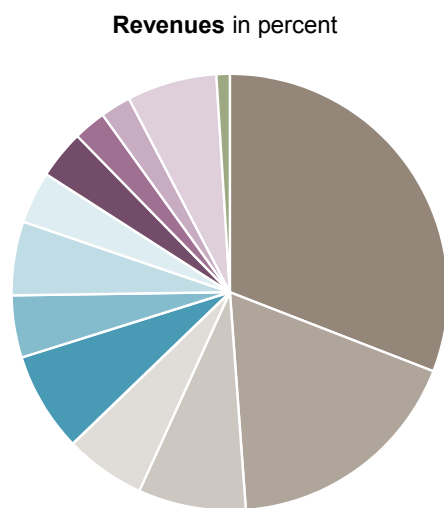
Q2 2011 results summary



1) EBITA is a non US GAAP measure and refers to operating income before amortisation of intangible assets.

Revenues and EBITA by segment

Q2 2011 vs. Q2 2010

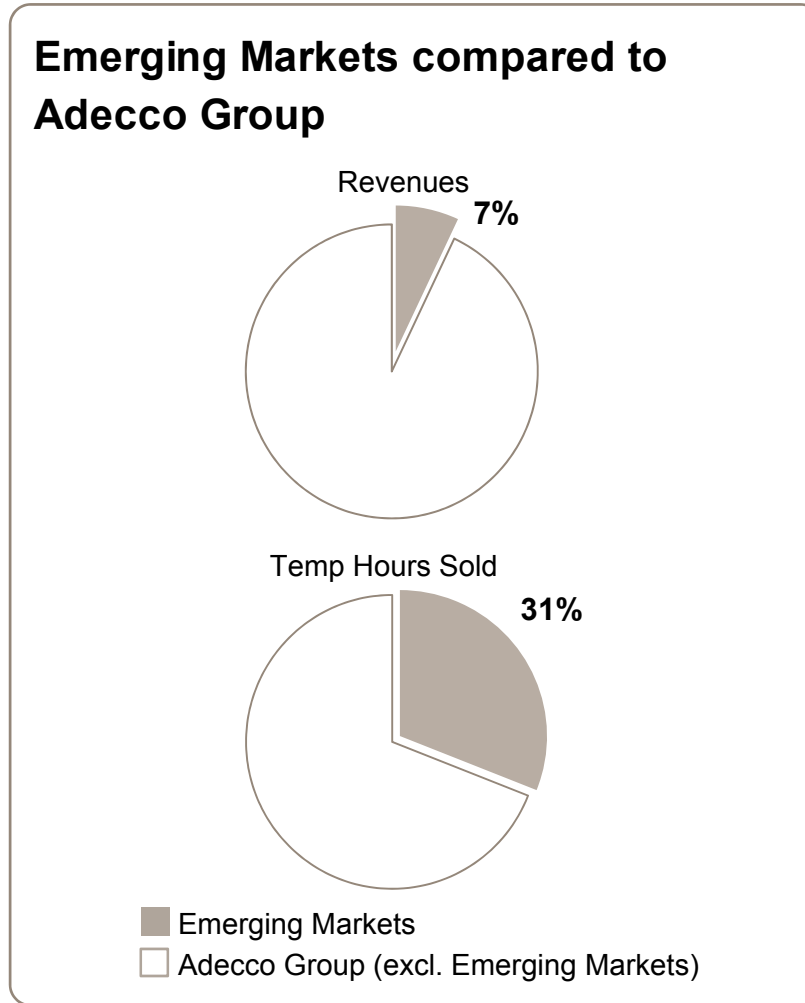
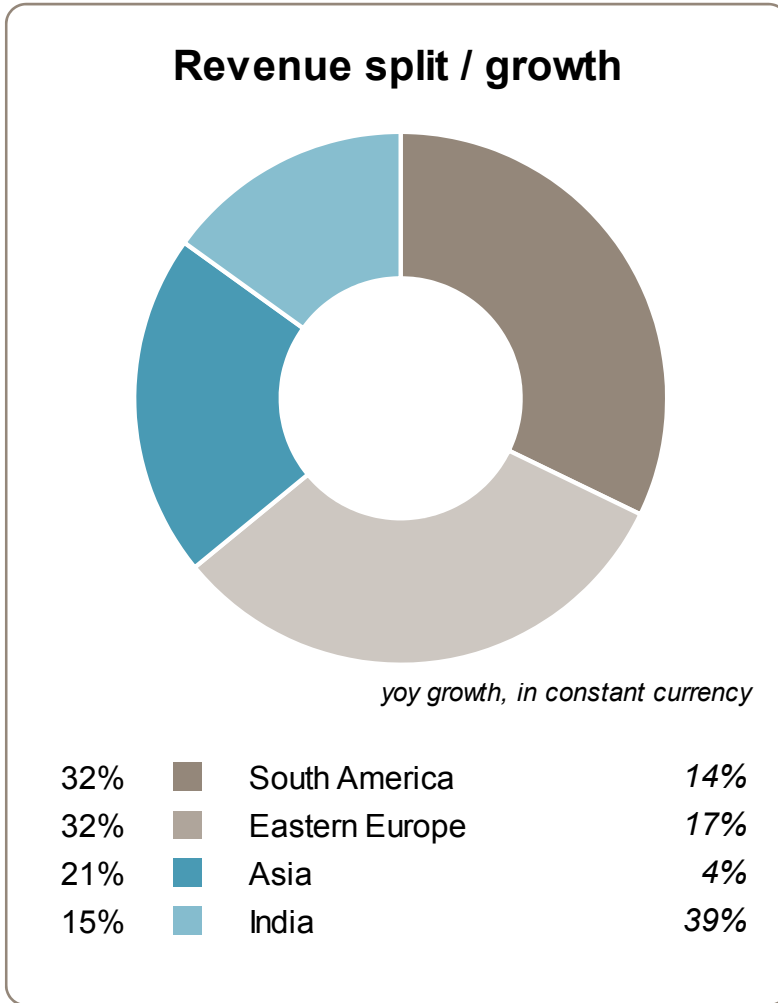


	Revenues		EBITA ¹⁾	
	EUR m	yoy constant currency growth	EUR m	margin
31% ■ France	1,596	15%	57	3.6%
18% ■ North America	905	12%	41	4.5%
8% ■ UK & Ireland	406	0%	7	1.7%
6% ■ Japan	330	4%	21	6.3%
7% ■ Germany & Austria	382	31%	19	5.1%
5% ■ Benelux	239	12%	9	4.0%
5% ■ Italy	283	35%	21	7.4%
4% ■ Nordics	200	7%	3	1.8%
4% ■ Iberia	186	6%	6	3.1%
2% ■ Australia & New Zealand	125	11%	4	2.9%
2% ■ Switzerland	117	14%	11	9.4%
7% ■ Emerging Markets	345	16%	10	2.8%
1% ■ LHH	52	-15%	10	19.2%
Corporate			(20)	
Adecco Group	5,166	13%	199	3.9%

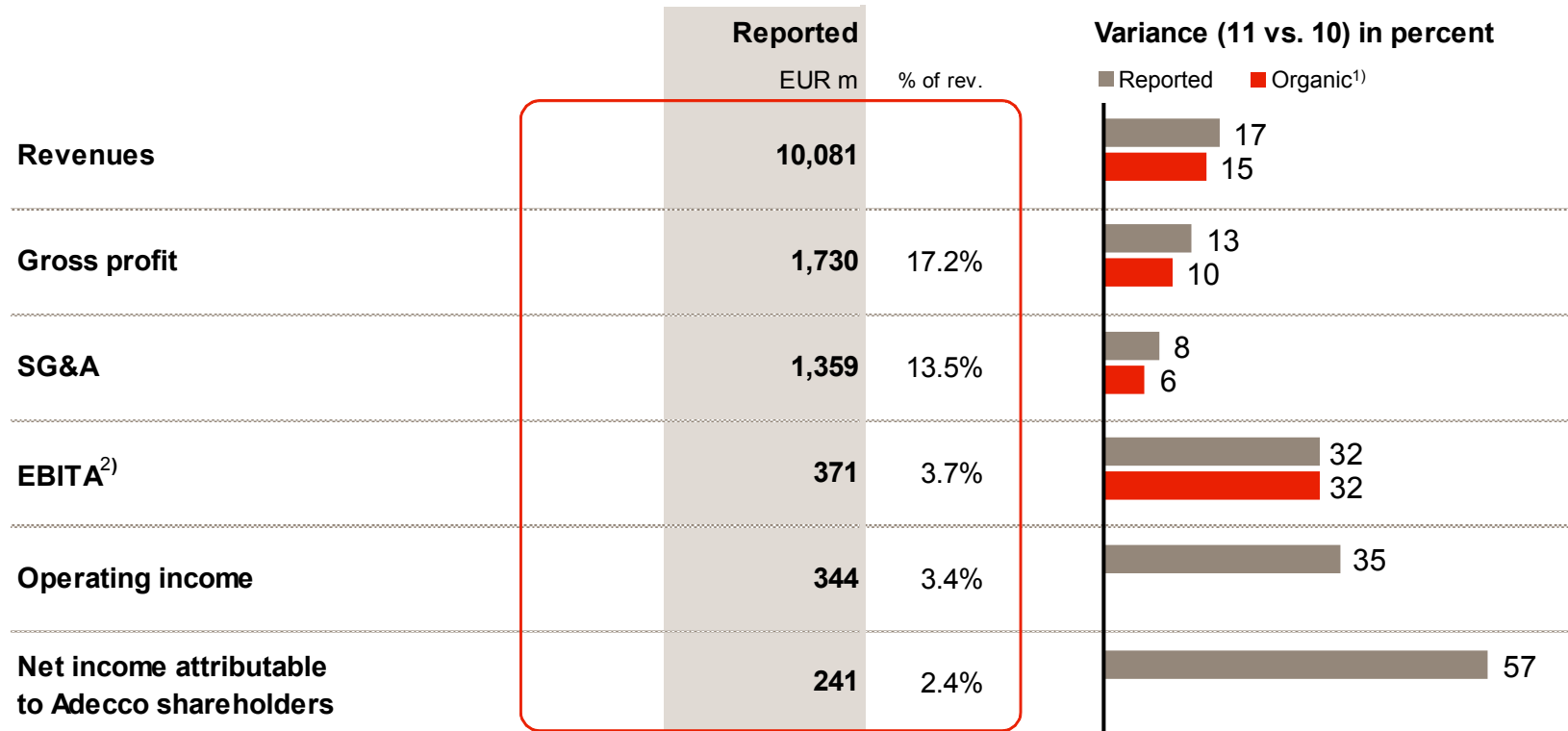
1) EBITA is a non US GAAP measure and refers to operating income before amortisation of intangible assets.

Developments in the Emerging Markets

Q2 2011 revenues by geography



H1 2011 results summary

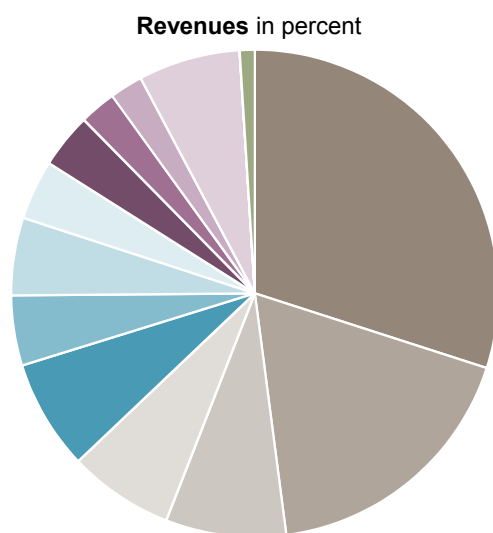


1) Organic growth is a non US GAAP measure and excludes the impact of currency and acquisitions.

2) EBITA is a non US GAAP measure and refers to operating income before amortisation of intangible assets.

Revenues and EBITA by segment

H1 2011 vs. H1 2010



	Revenues		EBITA ²⁾	
	EUR m	organic ¹⁾ yoy growth	EUR m	margin
30% ■ France	3,004	19%	94	3.1%
18% ■ North America	1,826	14%	75	4.1%
8% ■ UK & Ireland	817	2%	15	1.8%
7% ■ Japan	682	3%	40	5.9%
7% ■ Germany & Austria	738	34%	48	6.5%
5% ■ Benelux	469	14%	20	4.3%
5% ■ Italy	520	36%	34	6.4%
4% ■ Nordics	400	14%	6	1.5%
4% ■ Iberia	367	8%	11	3.0%
2% ■ Australia & New Zealand	245	13%	7	2.8%
2% ■ Switzerland	221	20%	20	9.2%
7% ■ Emerging Markets	683	17%	19	2.8%
1% ■ LHH	109	-19%	21	19.5%
Corporate			(39)	
Adecco Group	10,081	15%	371	3.7%

1) Organic growth is a non US GAAP measure and excludes the impact of currency and acquisitions.

2) EBITA is a non US GAAP measure and refers to operating income before amortisation of intangible assets.

Revenues – General vs. Professional Staffing and Solutions

Based on dedicated branches in Q2 2011

