



Q3 2009 Results

Adecco Group

Zurich, November 5, 2009

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

Outlook

Operational review

Patrick De Maeseneire, Group CEO

Q3 2009 results summary

	Reported		Adjusted*		Variance (09 vs. 08) in percent	
	EUR m	% of rev.	EUR m	% of rev.	Reported	Adjusted* (constant currency)
Revenues	3,718		3,718		-27	-28
Gross profit	658	17.7%	647	17.4%	-28	-31
SG&A	523	14.1%	522	14.0%	-21	-22
EBITA**	135	3.6%	125	3.4%	-47	-52
Operating income***	127	3.4%			-48	
Net income attributable to Adecco shareholders	90	2.4%			-46	

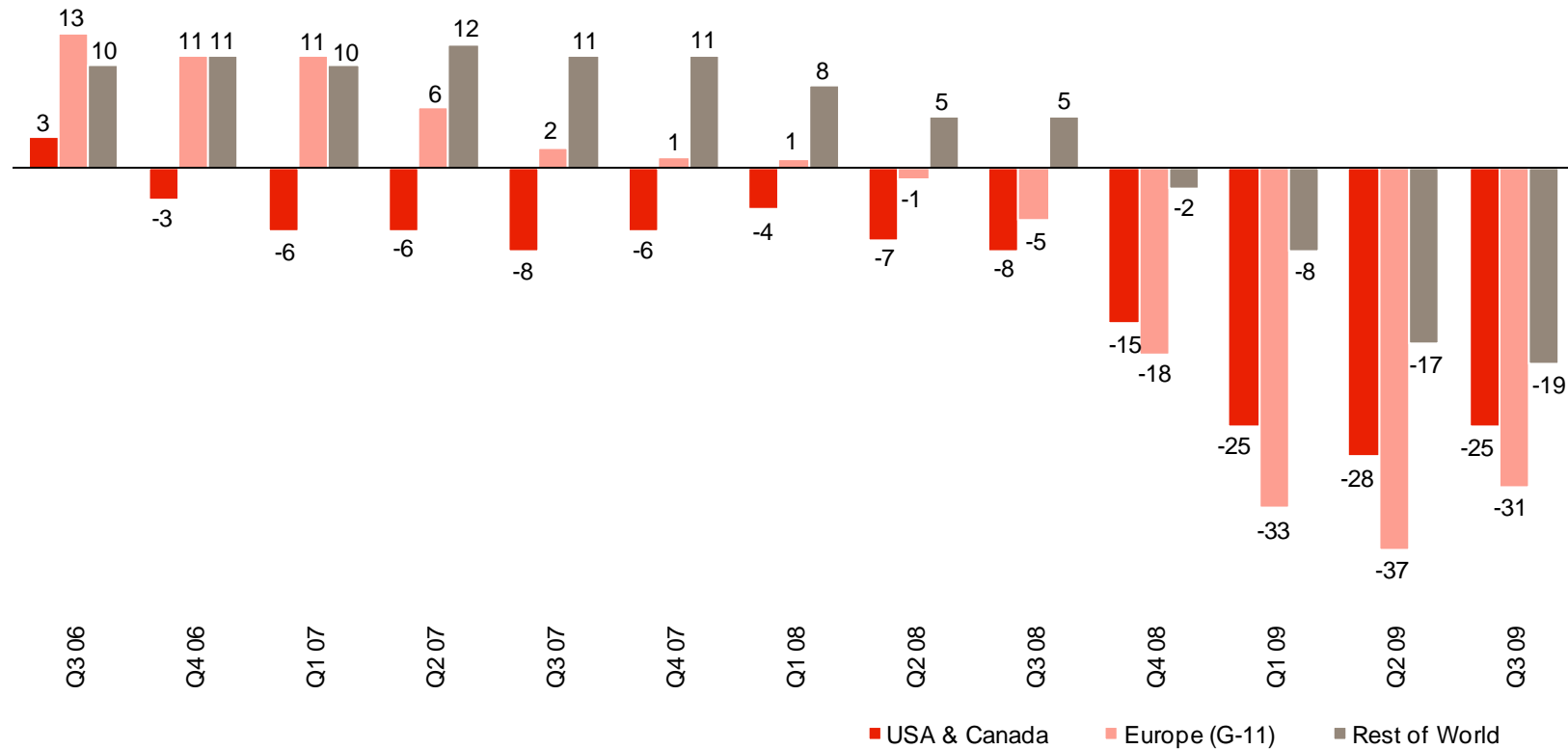
* Adjusted is a non US GAAP measure and excludes the positive impact on gross profit of EUR 11 million in Q3 2009 due to favourable developments which resulted in the reassessment of existing accruals in France and the negative impact on SG&A of EUR 1 million in Q3 2009 associated with restructuring costs for headcount reductions and branch optimisation

** EBITA is a non US GAAP measure and refers to operating income before amortisation and impairment of goodwill and intangible assets

*** Operating income excludes amortisation of intangible assets of EUR 8 million for Q3 2009 and EUR 10 million for Q3 2008

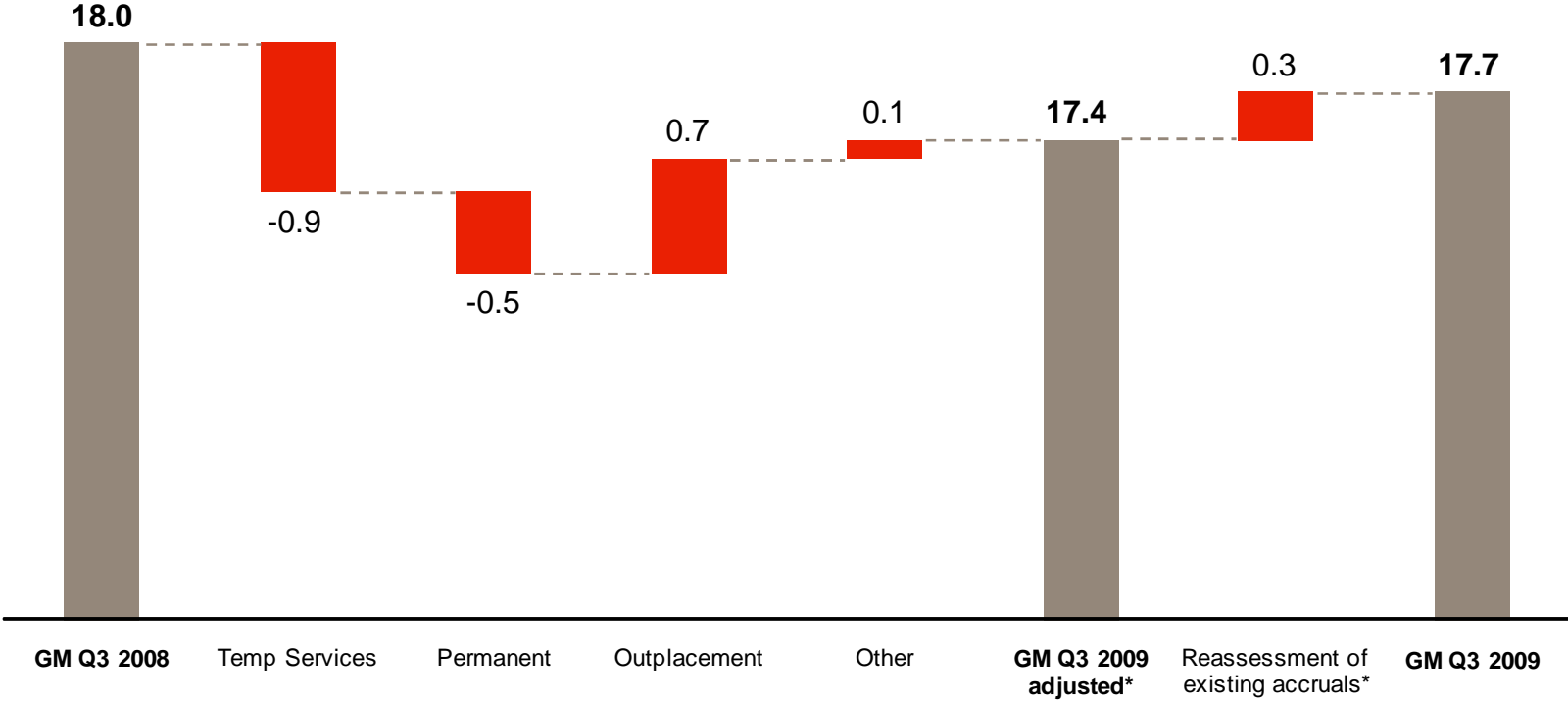
Revenue development by region

Organic year-on-year change in percent



Gross margin drivers

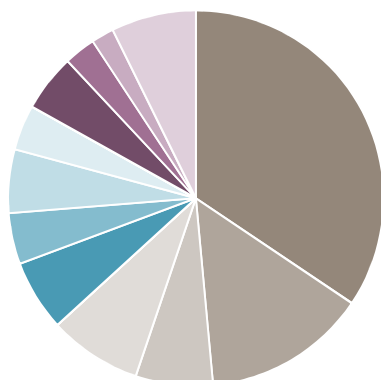
In percent of revenues



* Adjusted is a non US GAAP measure and excludes the positive impact on gross profit of EUR 11 million in Q3 2009 due to favourable developments which resulted in the reassessment of existing accruals in France

Revenues and EBITA by geography

Q3 2009 vs. Q3 2008 in constant currency



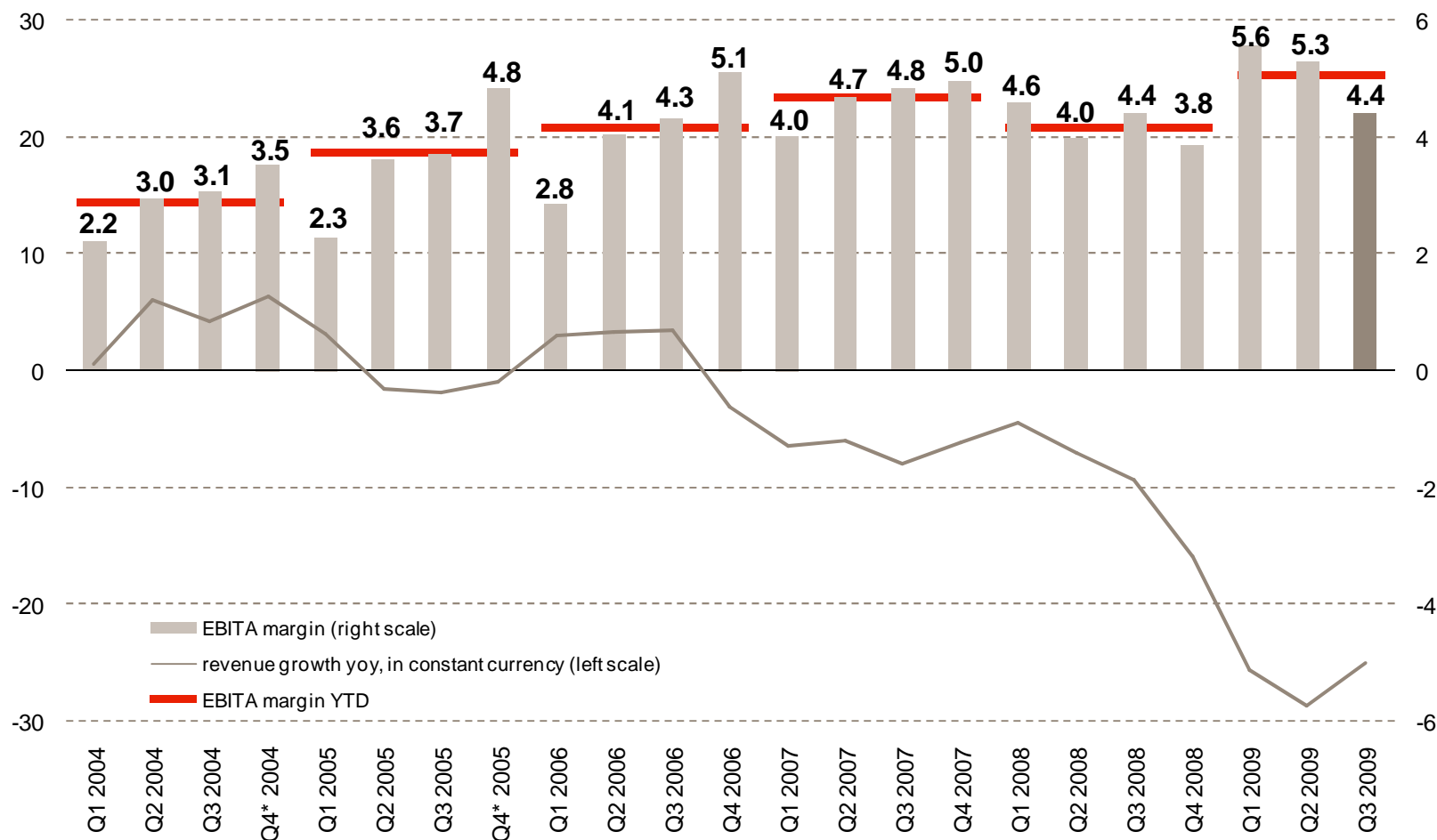
	Revenues		EBITA		
	EUR m	growth yoy constant currency	EUR m	growth yoy constant currency	EBITA margin
34% ■ France**	1,280	-27%	47	-33%	3.6%
14% ■ USA & Canada	525	-25%	24	-25%	4.4%
7% ■ Germany	247	-39%	20	-62%	8.1%
8% ■ Japan	298	-28%	20	-36%	6.7%
6% ■ UK & Ireland	228	-28%	0	-89%	0.2%
4% ■ Italy	163	-43%	5	-64%	3.4%
6% ■ Benelux*	204	-18%	5	-63%	2.8%
4% ■ Nordics	145	-35%	5	-62%	3.6%
5% ■ Iberia	183	-33%	6	-66%	3.1%
3% ■ Switzerland & Austria	101	-39%	5	-59%	5.7%
2% ■ Australia & New Zealand	72	-27%	2	-53%	2.4%
7% ■ Emerging Markets*	272	-4%	10	-20%	3.5%
Corporate			(14)		
Adecco Group**	3,718	-28%	135	-48%	3.6%

* Q3 2009 revenue development organically in Benelux -24% and in the Emerging Markets -3%

** Excl. restructuring costs (EUR -3 million for France and EUR 4 million for various countries) and the positive impact on gross profit of EUR 11 million due to favourable developments which resulted in the reassessment of existing accruals in France, adjusted Group EBITA was EUR 125 million (3.4% adjusted EBITA margin) and adjusted EBITA in France was EUR 33 million (2.5% adjusted EBITA margin)

USA & Canada revenue and EBITA margin

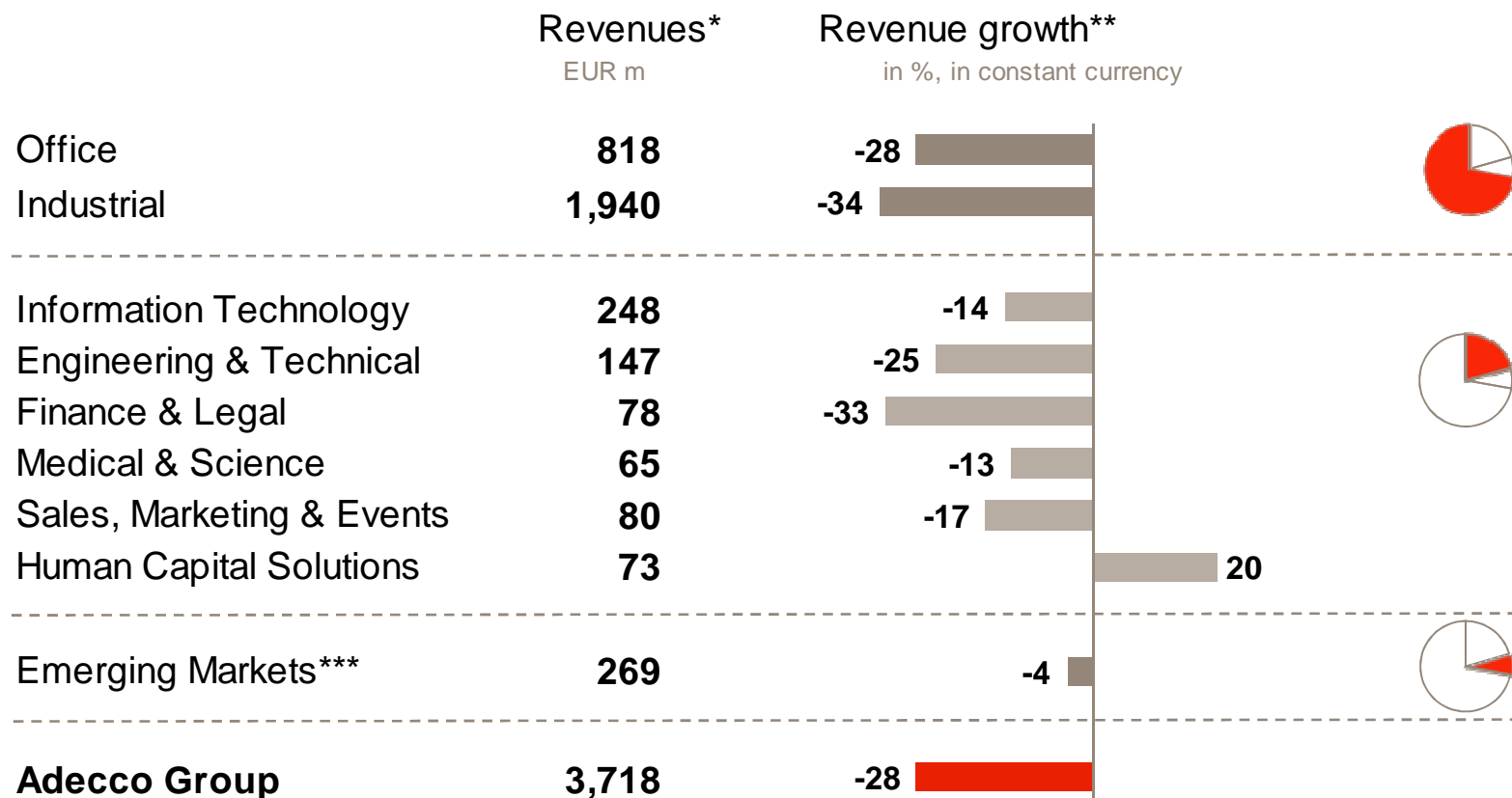
Development Q1 2004 – Q3 2009 in percent



*Adjusted for impact of 14th week in revenues

Revenue development by business lines

Q3 2009 vs. Q3 2008 in constant currency



* Breakdown of revenues is based on dedicated branches

** In Q3 2009, revenues changed organically in IT by -21%, in Finance & Legal by -36% and in Emerging Markets -3%

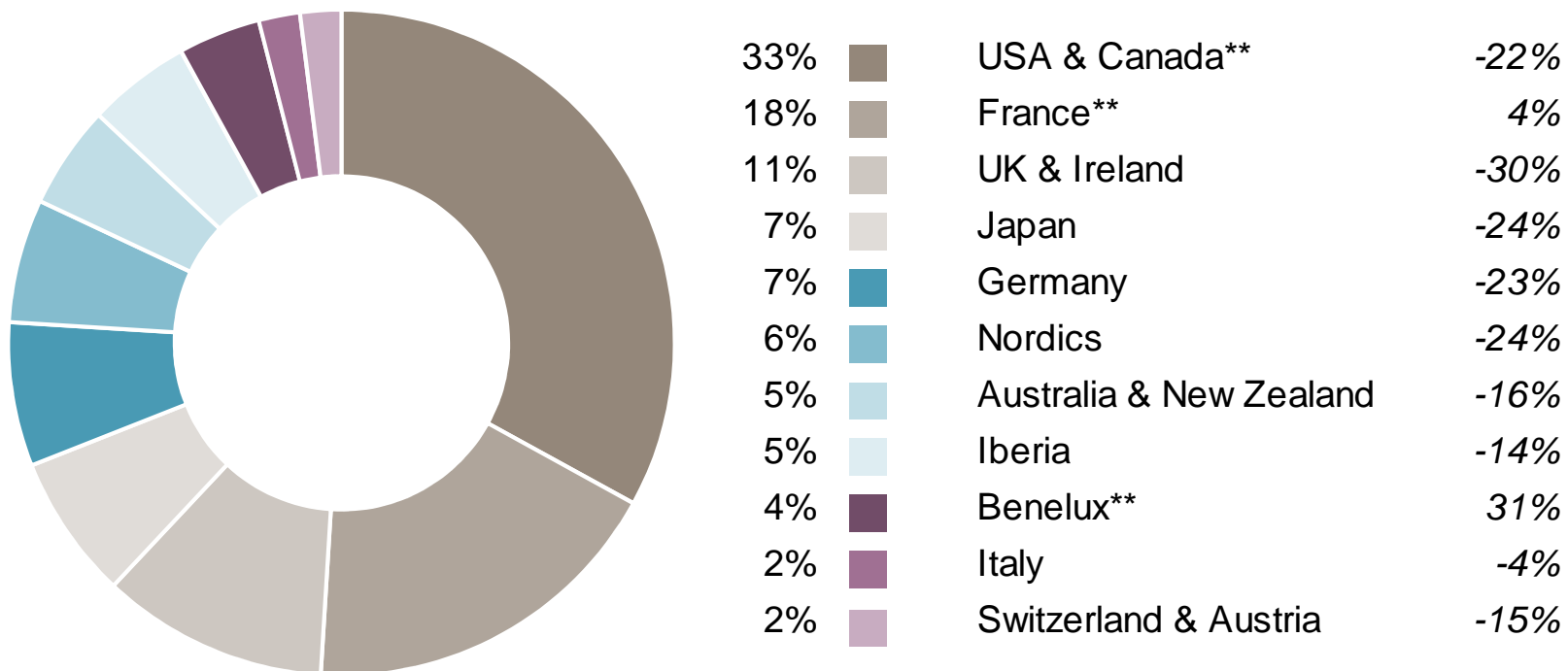
*** Emerging Markets excluding professional business lines

Q3 2009 professional business lines*

Revenues by geography



yoy growth, in constant currency

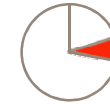


* Based on dedicated branches

** Organically: USA & Canada -21%, France -8% and Benelux -37%

Developments in the Emerging Markets

Q3 2009 revenues by geography



Q3 2009 revenue split / growth

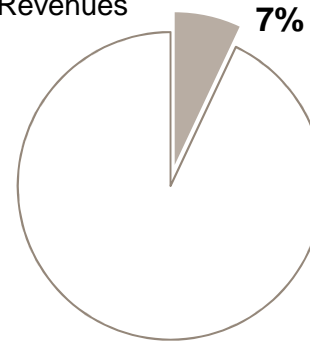


yoy growth, in constant currency

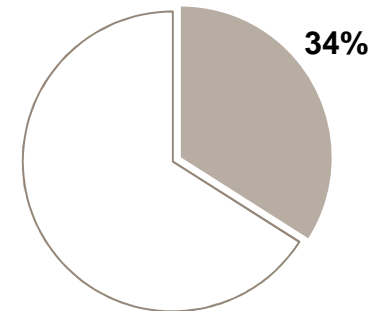
44%	Latin & Central America	-2%
27%	Eastern Europe & Balkans	-2%
11%	North East Asia	-3%
10%	South East Asia	-14%
8%	India & South Africa	-4%

Emerging Markets compared to Adecco Group Q3 2009

Revenues



Temp Hours Sold



Q3 2009 vs. Q3 2008

	Emerging Markets	Adecco Group*
Organic growth		
• Revenues	-3%	-28%
• EBITA	-20%	-52%
Margin development		
• EBITA margin	3.5%	3.4%
	-70 bps	-160 bps

* Adjusted (definition compare with footnotes slide 5)

Financial review

Dominik de Daniel, Group CFO

Q3 2009 Results in detail – P&L

In EUR millions

	Q3 2009	Q3 2008	Variance		Q3 2009	Variance %
	reported	reported	EUR	Constant Currency	adjusted*	adjusted* constant currency
Revenues	3,718	5,101	-27%	-28%	3,718	-28%
Direct costs of services	(3,060)	(4,184)			(3,071)	
Gross profit	658	917	-28%	-29%	647	-31%
<i>Gross margin</i>	17.7%	18.0%			17.4%	
Selling, general and administrative expenses	(523)	(663)	-21%	-22%	(522)	-22%
<i>As a percentage of revenues</i>	14.1%	13.0%			14.0%	
EBITA**	135	254	-47%	-48%	125	-52%
<i>EBITA margin</i>	3.6%	5.0%			3.4%	
Amortisation of intangible assets	(8)	(10)				
Operating income	127	244	-48%	-49%		
<i>Operating income margin</i>	3.4%	4.8%				
Interest expense	(17)	(15)				
Other income/(expenses), net	(1)	2				
Income before income taxes	109	231	-52%			
Provision for income taxes	(19)	(63)				
Net income	90	168	-46%			
Net income attributable to noncontrolling interests						
Net income attributable to Adecco shareholders	90	168	-46%			
<i>Net income margin attributable to Adecco shareholders</i>	2.4%	3.3%				

* Adjusted is a non US GAAP measure and excludes the positive impact on gross profit of EUR 11 million in Q3 2009 due to favourable developments which resulted in the reassessment of existing accruals in France and the negative impact on SG&A of EUR 1 million in Q3 2009 associated with restructuring costs for headcount reductions and branch optimisation

** EBITA is a non US GAAP measure and refers to operating income before amortisation and impairment of goodwill and intangible assets

Q3 2009 reported and adjusted

In EUR millions

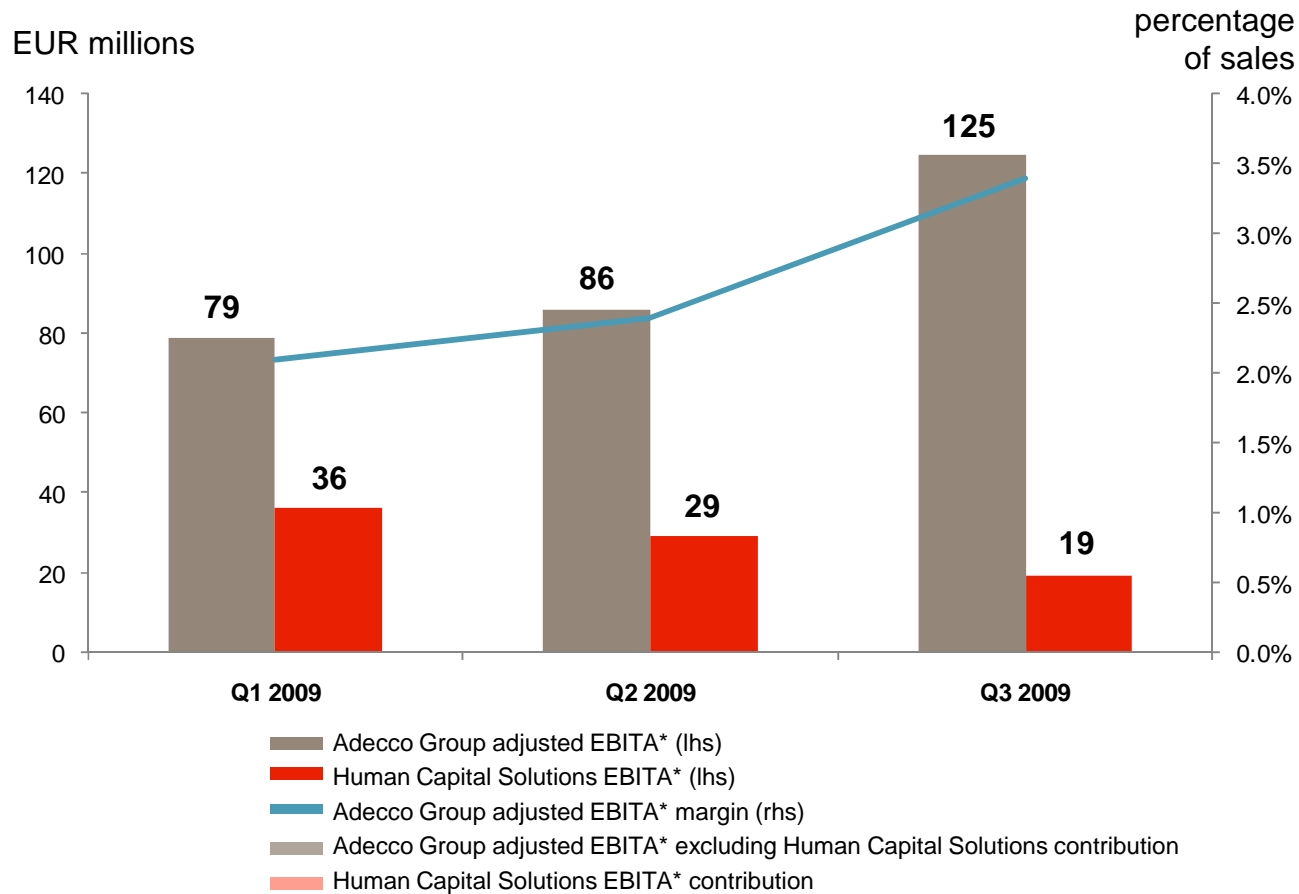
	Q3 2009 reported	restructuring expenses	reassessment of existing accruals	Q3 2009 adjusted*	adjusted* growth yoy constant currency
Gross profit	658		11	647	-31%
<i>Gross margin</i>	17.7%			17.4%	
SG&A	(523)	(1)		(522)	-22%
<i>% of revenues</i>	14.1%			14.0%	
		France	3		
		Other	(4)		
EBITA**	135	(1)	11	125	-52%
<i>% margin</i>	3.6%			3.4%	

* Adjusted is a non US GAAP measure and excludes the positive impact on gross profit of EUR 11 million in Q3 2009 due to favourable developments which resulted in the reassessment of existing accruals in France and the negative impact on SG&A of EUR 1 million in Q3 2009 associated with restructuring costs for headcount reductions and branch optimisation

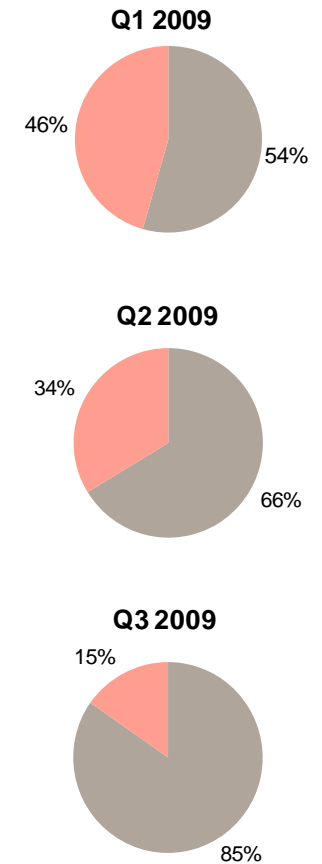
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Human Capital Solutions impact on Adecco Group profitability

In EUR millions



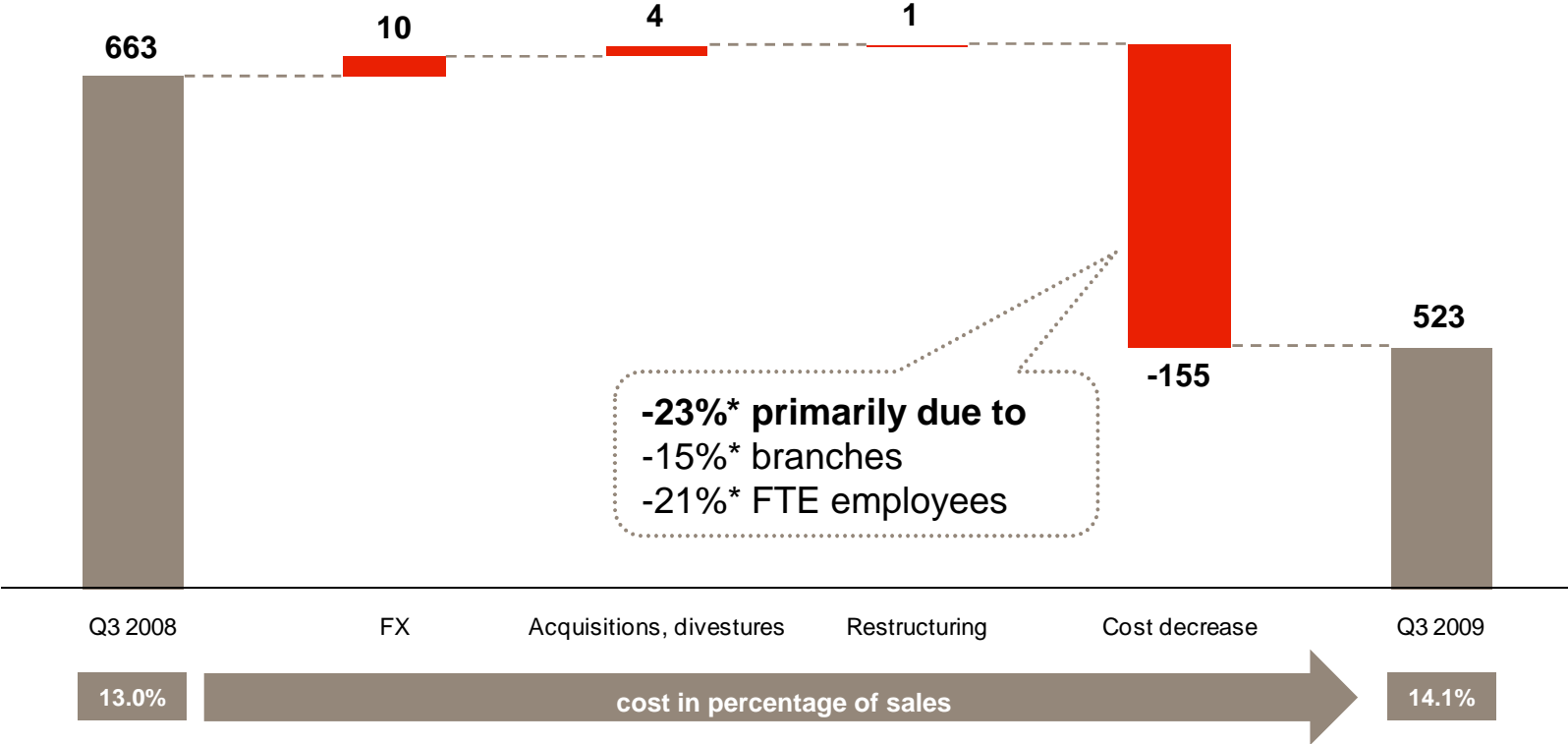
EBITA* split



* EBITA is a non US GAAP measure and refers to operating income before amortisation and impairment of goodwill and intangible assets

Q3 2009 SG&A movements

In EUR millions

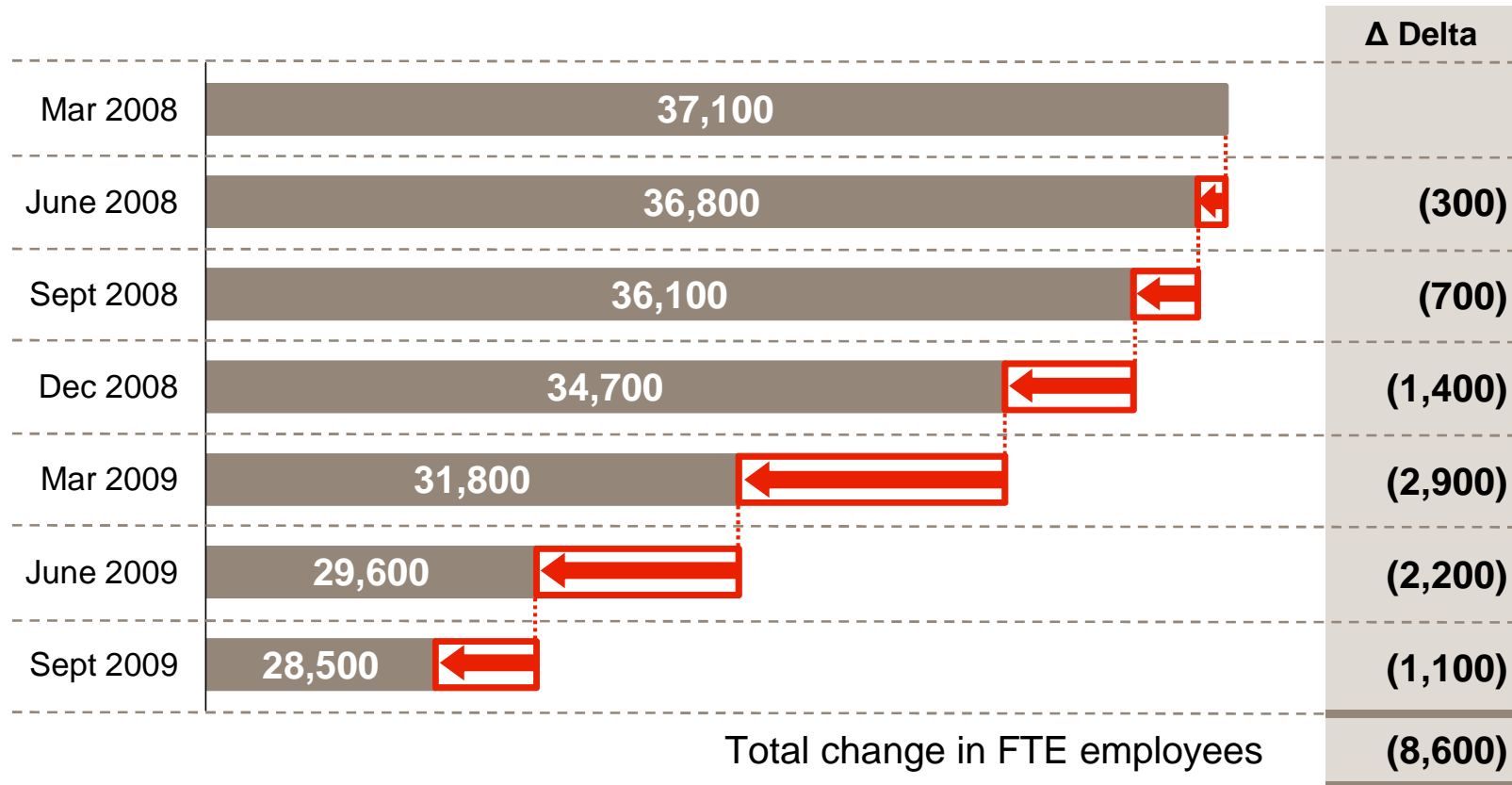


* Organically

Development of full-time equivalent (FTE) employees

Trend since end March 2008

Group FTE employees



Restructuring timeline

In EUR millions

Countries	Restructuring costs expensed				Benefits starting schedule
	Q4 2008	Q1 2009	Q2 2009	Q3 2009	
France	23	12	29	-3	First plan: Q2 2009; Adia plan: Q1 2010
Italy		18	1		End Q1 2009
Iberia	5		10		Q1 2009 / Q4 2009
Benelux			10	2	Mid Q3 2009
Other	12	6	4	2	Various
Total	40	36	54	1	

▶ Restructuring liability stands at EUR 52 million as of 30 September 2009

▶ Restructuring costs of EUR 35 million are expected in Q4 2009. The largest part relates to France (Adia plan and further measures for the Adecco brand). The remainder is targeted for the completion of the branch footprint optimisation in the US in Q4 2009 and for measures in various other countries.

Balance sheet

In EUR millions

	Sept 30 2009	Dec 31 2008
Assets		
Cash and cash equivalents	767	574
Short-term Investments	1	7
Trade accounts receivable, net	2,528	3,046
Other current assets	471	389
Property, equipment, and leasehold improvements, net	234	236
Other assets	269	219
Goodwill and intangible assets, net	2,874	3,059
Total assets	7,144	7,530
Liabilities and shareholders' equity		
Accounts payable and accrued expenses	2,671	3,053
Short- and long-term debt	1,470	1,198
Other liabilities	437	481
Total Adecco shareholders' equity	2,565	2,793
Noncontrolling interests	1	5
Total liabilities and shareholders' equity	7,144	7,530
Net Debt*	702	617

* 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.

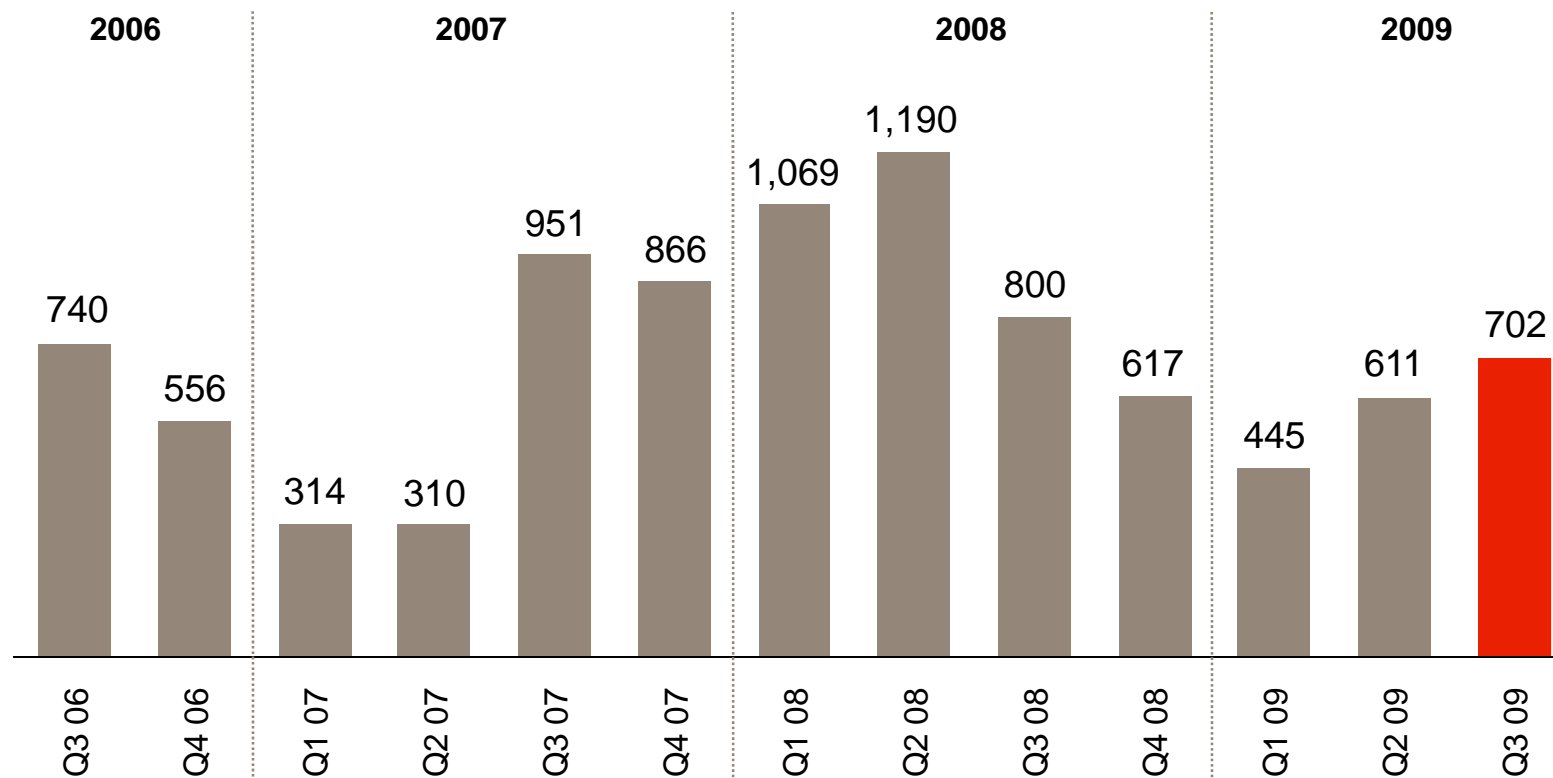
Cash-flow statement

In EUR millions

	Q3		9M	
	2009	2008	2009	2008
Net income/(loss)	90	168	(34)	520
Adjustments to reconcile net income/(loss) to cash flows from operating activities:				
– Depreciation and amortisation	26	31	93	93
– Impairment of goodwill and intangible assets			192	
– Other charges	(4)	31	(31)	56
Changes in operating assets and liabilities, net of acquisitions:				
– Trade accounts receivable	(76)	179	508	74
– Accounts payable and accrued expenses	39	1	(383)	(107)
– Other assets and liabilities	(8)	21	4	33
Cash flows from operating activities	67	431	349	669
Cash flows from/(used in) investing activities	(152)	(29)	(251)	(120)
Cash flows from/(used in) financing activities	(72)	(87)	86	(430)
Effect of exchange rate changes on cash	2	12	9	(3)
Net increase/(decrease) in cash and cash equivalents	(155)	327	193	116

Net debt* development since Q3 2006

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.

Credit facilities and cash & short term investments

As of September 30, 2009

	Principal at maturity	Maturity	Fixed interest rate	Total in EUR million
Guaranteed Euro medium term notes	EUR 500	2014	7.625%	499
Guaranteed zero-coupon convertible bond	CHF 696	2013*		433
Fixed rate guaranteed notes	EUR 500	2013	4.5%	517
Committed multicurrency revolving credit facility	EUR 550	2013	variable	-**
Uncommitted lines	EUR 435	various	variable	21
Short & long term debt				1,470
Cash & short term investments				768
Net Debt				702

* Put option per August 2010

** EUR 79 million used for letters of credit

Outlook

Patrick De Maeseneire, Group CEO

Adecco Group strategy

Our two-folded market approach



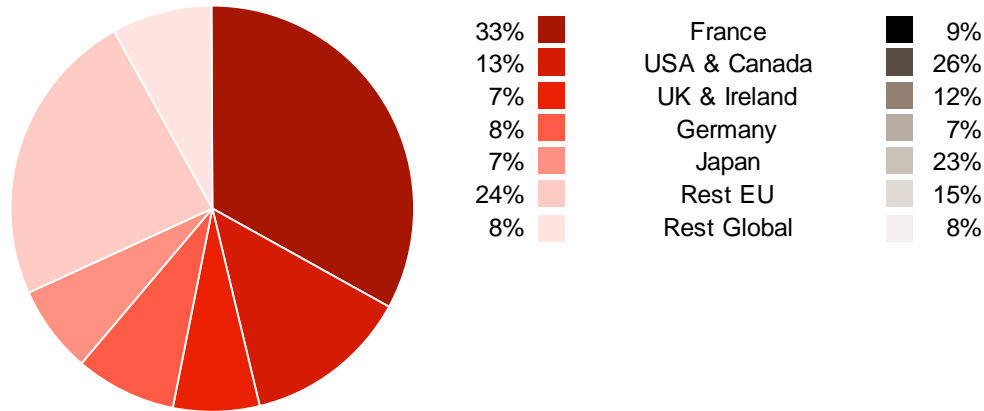
Thank you

Appendix

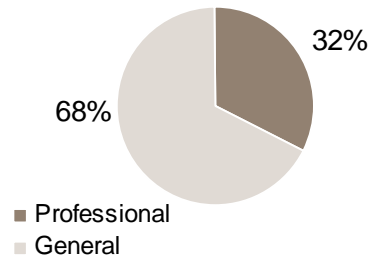
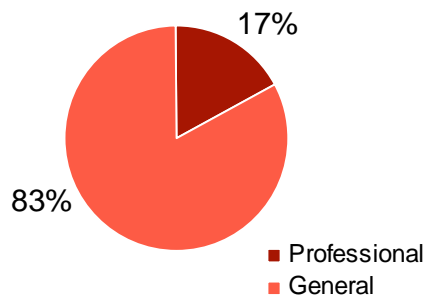
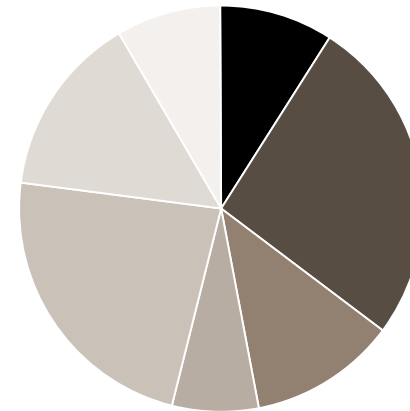
Market potential for Professional and General staffing

Market size and FY 2008 revenues of Adecco

Adecco FY 2008 revenues: EUR 20.0 bn



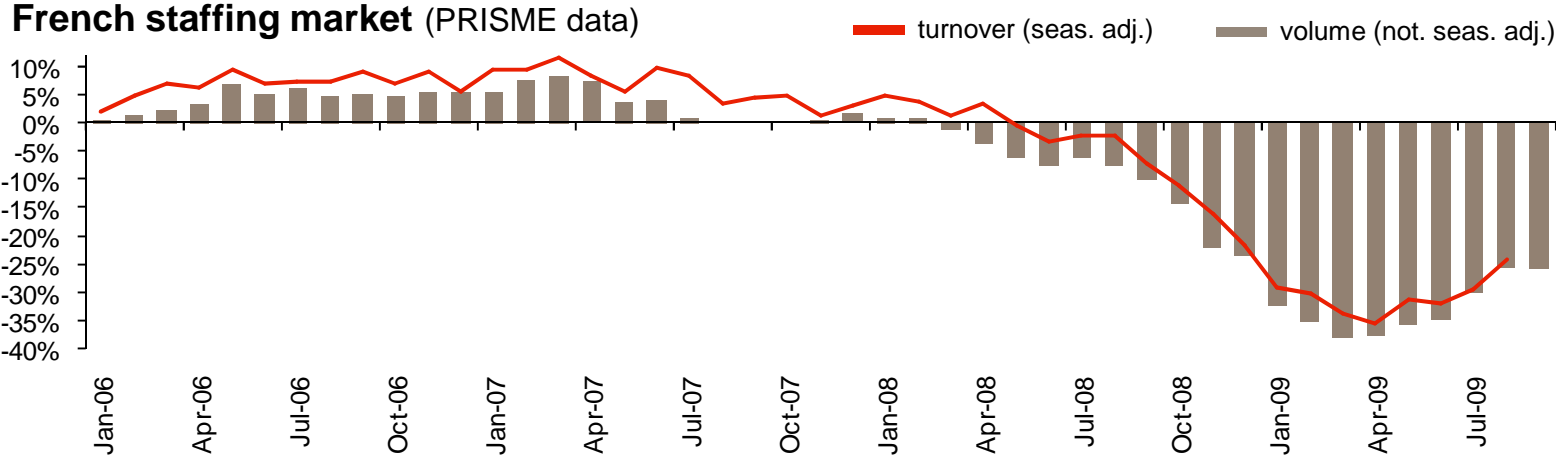
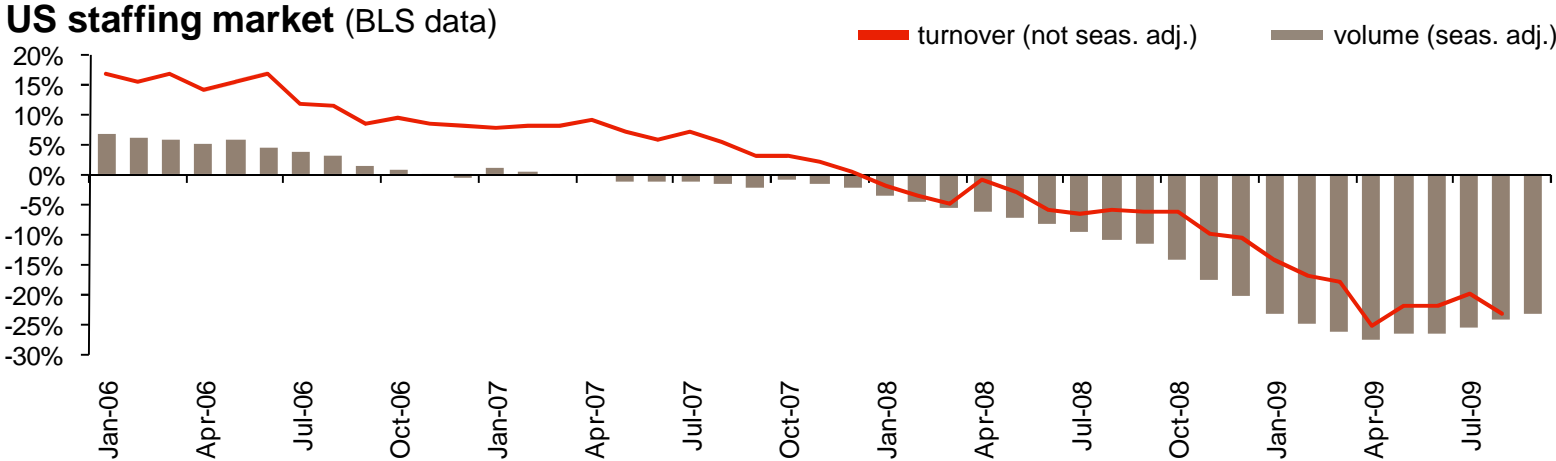
Global market 2008: Approx. EUR 215 bn



Source: National statistics and Adecco estimates

Development of US and French staffing market

Year-on-year growth



Our market

Structure of the operating fields of Adecco

Fields of operation / HR services

- Temporary staffing
 - Permanent placement
 - Secondment
 - Outsourcing
 - Training
 - Assessment
-
- Restructuring
 - Career transition/outplacement
 - Talent management
 - Training
-
- HR process management services

Adecco's business structure

General staffing

- Office
- Industrial

Professional business lines

Professional staffing

- Information Technology
- Engineering & Technical
- Finance & Legal
- Medical & Science
- Sales, Marketing & Events

Professional services

- Human Capital Solutions

RPO

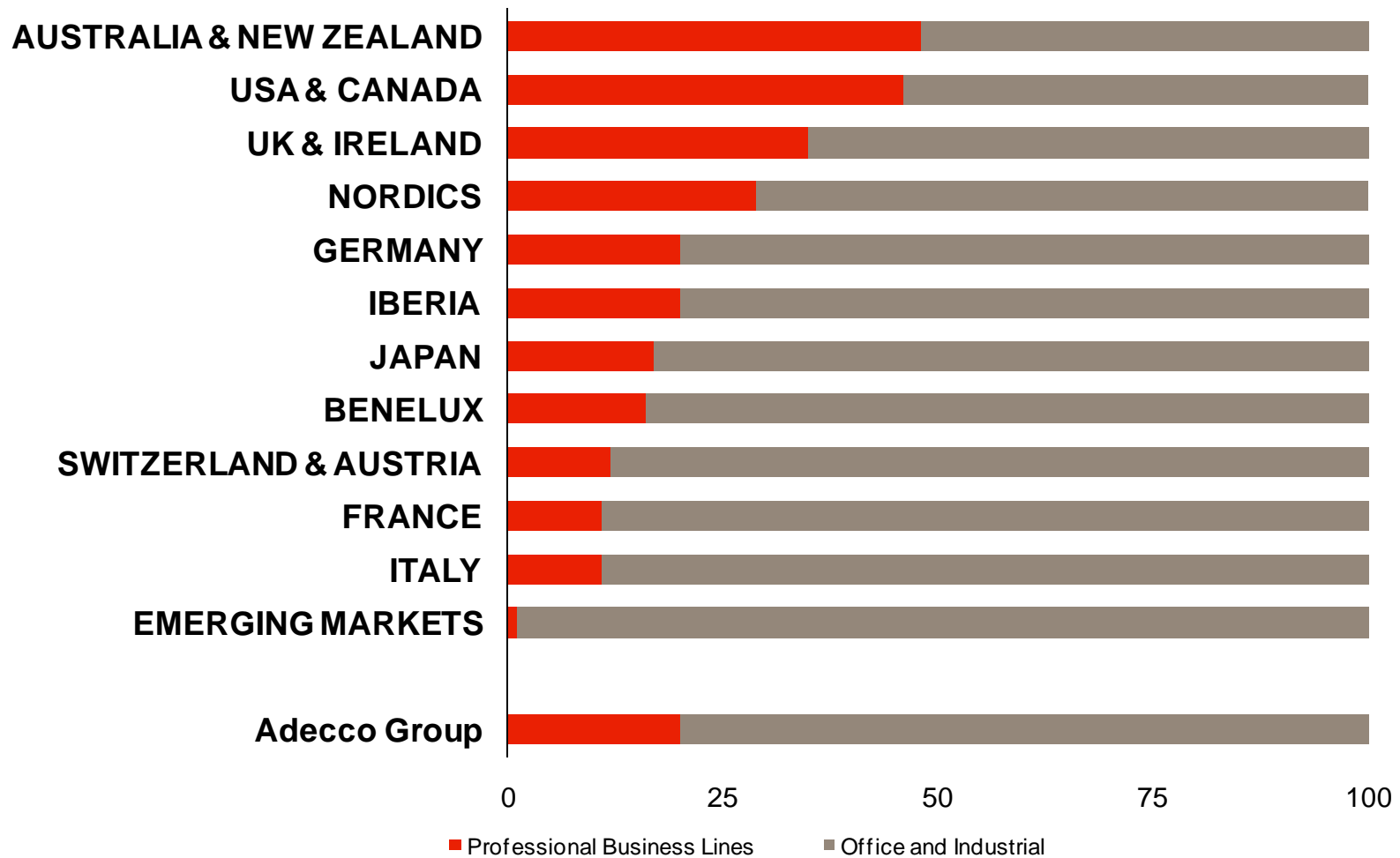
Recruitment Process Outsourcing

MSP

Managed Service Provider

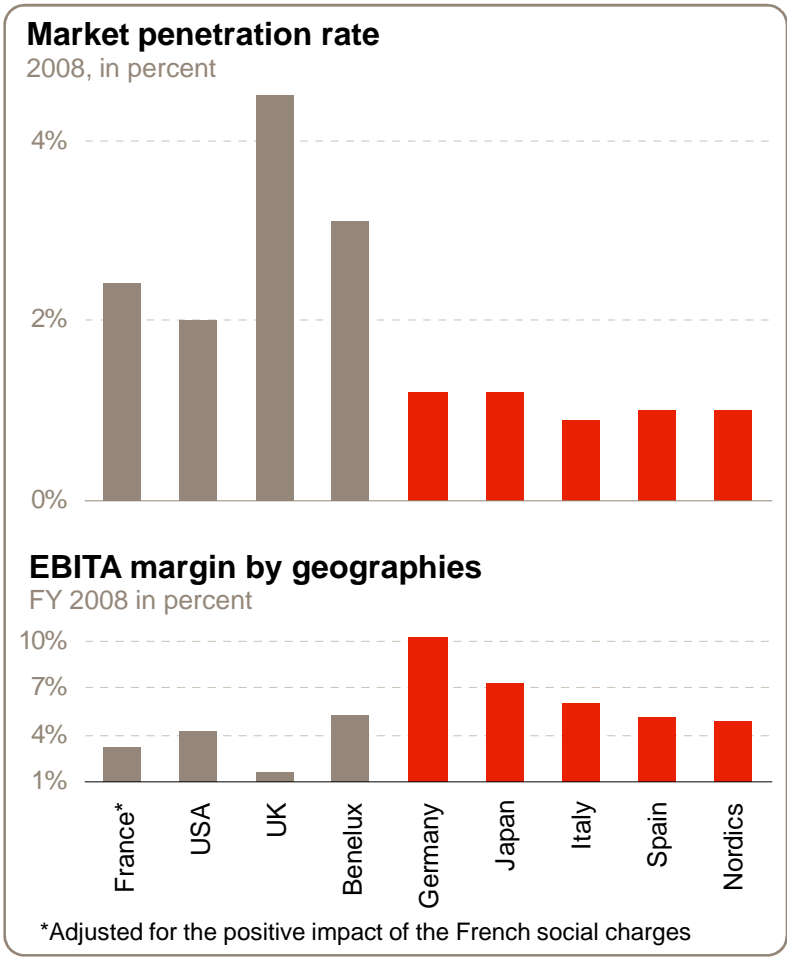
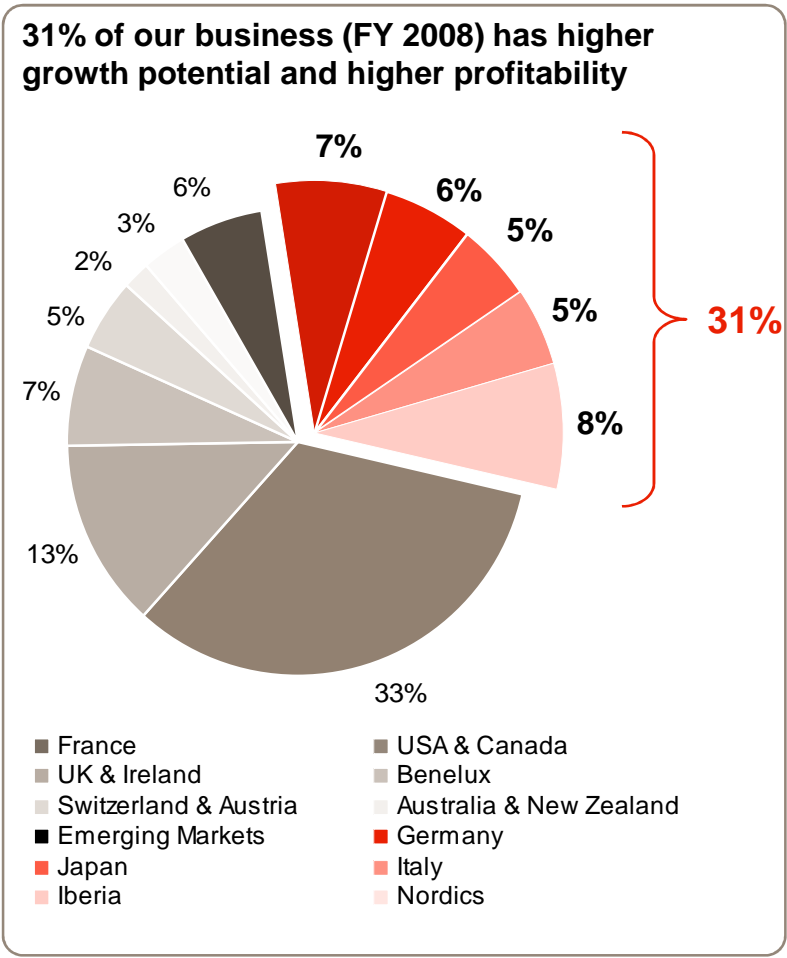
Revenues – Office and Industrial vs. Professional business lines

In percent, based on dedicated branches in 9M 2009



Exposure to structural growth markets

Market penetration rate as growth driver

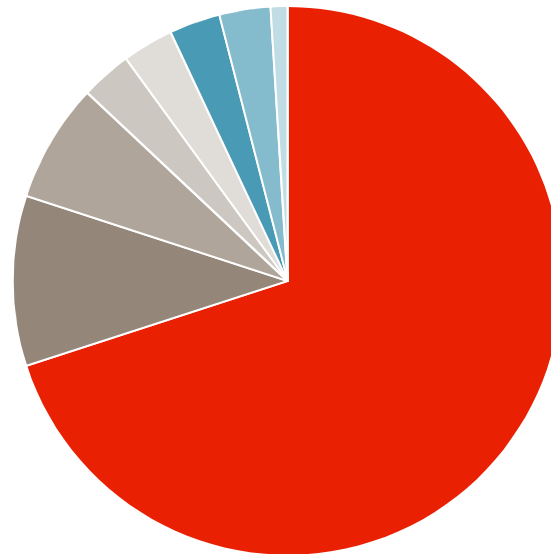


Protecting profitability in weakening markets

How we deal with the cyclical nature of our business

SG&A breakdown for 9M 2009

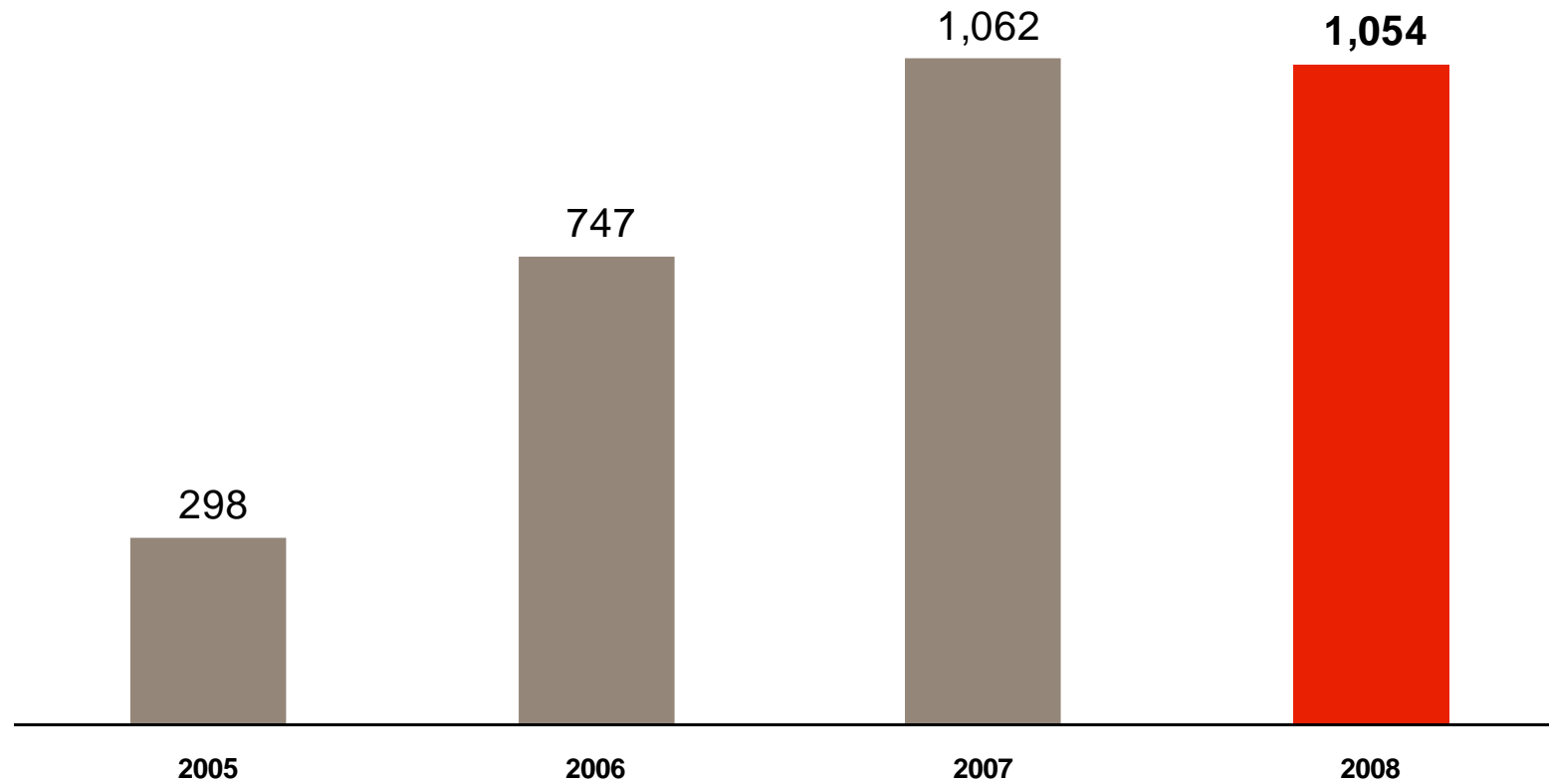
■ Premises Expenses	10%
■ Office & Admin. Expenses	7%
■ Marketing	3%
■ Depreciation	3%
■ Consultants & Associates	3%
■ Bad Debt Expense	1%
■ Other Operating Net Income/Expenses	3%



70% Personnel cost

Strong cash flow development

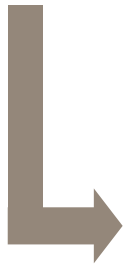
Cash flows from continuing operations 2005 – 2008, in EUR millions



Market potential

Regulatory framework evolution in France

- **Opening of the French administration Temp sector**
Adopted in the National Assembly on 7th July, 2009



- ▶ Temporary staffing allowed in public sector (State and Local Administrations, Hospitals)

- **Potential evaluated by Eurociett is around 130,000 FTE in the mid term (25% of actual temp market, EUR 3-5 billion potential)**
- **Strengthens Adecco's position for perm placements in public sector**

- **Public Tender by French employment office Pole Emploi**



- ▶ The government employment office will hand over 320'000 unemployed persons to staffing agencies by the end of 2011 as part of the government's EUR 466 million Plan d'Urgence

- **Adecco's value share is approximately 15%**
- **Synergies with existing staffing operations**

Managed Service Program (MSP) offering

Overview

