Adecco Group

Press Release

Adecco maintains solid profitability in Q2 2012

Gross margin up 80 bps to 17.7% and a solid EBITA margin

Second quarter 2012 HIGHLIGHTS

- Revenues of EUR 5.2 billion, up 1% (-4% organically[1])
- Gross margin at 17.7%, up 80 bps year-on-year (+30 bps organically)
- SG&A slightly below the prior year, organically and before integration and restructuring costs
- EBITA[2] before integration and restructuring costs at EUR 194 million
- EBITA margin at 3.7%, down 20 bps year-on-year before integration and restructuring costs
- Net income of EUR 113 million, down 20%
- Operating cash flow of EUR 81 million in H1 2012 (EUR -30 million in H1 2011)

Key figures Q2 2012

in EUR millions	reported	reported growth	constant currency growth
Revenues	5,195	+1%	-3%
Gross profit	917	+5%	0%
EBITA before integration and restructuring costs	194	-4%	-8%
EBITA	185	-7%	-11%
Operating income	172	-8%	-11%
Net income	113	-20%	

Zurich, Switzerland, August 9, 2012: Adecco Group, the world's leading provider of Human Resources solutions, today announced results for the second quarter of 2012. Revenues were up 1% or down 4% organically, to EUR 5.2 billion. The gross margin was 17.7%, an increase of 80 bps versus the prior year and up 30 bps organically. Continued strong cost control resulted in slightly lower SG&A, on an organic basis and before integration and restructuring costs. The Q2 2012 EBITA margin before integration and restructuring costs was 3.7%, down 20 bps compared to the same quarter last year. Net income was down 20% to EUR 113 million. The Group generated operating cash flow of EUR 81 million in the first half of 2012.

Patrick De Maeseneire, CEO of the Adecco Group said: "*I am pleased that our price discipline is paying off, leading to a 30 bps organic increase in the gross margin to 17.7%. At the same time, the cost base continued to be a key priority. SG&A was slightly down, on an organic basis and before restructuring and integration costs. And we achieved a solid EBITA margin of 3.7%, down 20 bps year-on-year before one-off costs. In terms of revenues, Q2 2012 was again characterised by a diverging picture geographically. Revenue growth in North America slightly accelerated to 2%. The UK also held up well as did the Emerging Markets, where we continued to see double-digit revenue growth. Our focus on profitability and optimisation of the business in France, coupled with more challenging market conditions, impacted revenue growth. Demand slowed in Germany and also further in Italy. In Japan, due to the completion of some large projects, organic growth was in negative territory. On the other hand, our outplacement and talent development business LHH returned to growth of 2% organically. We have a strong global platform for organic growth and a good business mix. Price discipline and the continued focus on cost optimisation remain key priorities for us and we are committed to our EBITA margin target of above 5.5% midterm.*"

[1] Organic growth is a non US GAAP measure and excludes the impact of currency, acquisitions and divestitures.
[2] EBITA is a non US GAAP measure and refers to operating income before amortisation of intangible assets.

Adecco Group

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Q2 2012 FINANCIAL PERFORMANCE

Revenues

Group revenues in Q2 2012 were EUR 5.2 billion, up 1% or down 3% in constant currency. Organically, revenues were down 4%. Permanent placement revenues amounted to EUR 91 million, a decrease of 3% organically, while revenues from the counter-cyclical outplacement business totalled EUR 67 million, flat organically.

Gross Profit

In Q2 2012, gross profit amounted to EUR 917 million and the gross margin was 17.7%, up 80 bps compared to the prior year's second quarter. Organically the gross margin was up 30 bps in the quarter under review. Temporary staffing had a positive impact on the gross margin of 10 bps in Q2 2012 (flat organically). Permanent placement had an impact on the Q2 2012 gross margin of +10 bps (flat organically), whereas the impact was +40 bps from outplacement (+10 bps when excluding the acquired DBM business) and +20 bps from other activities.

Selling, General and Administrative Expenses (SG&A)

SG&A in Q2 2012 amounted to EUR 732 million, an increase of 8% or 3% in constant currency compared to Q2 2011. Given weaker revenue developments, management proactively reduced SG&A in Europe by 4% organically and before restructuring costs. This was partly offset by investments in the Emerging Markets and Professional Staffing in North America. SG&A for the Group was slightly lower year-on-year on an organic basis and before one-off costs. Integration costs amounted to EUR 2 million and restructuring costs for various European countries and Japan were EUR 7 million in the quarter under review. Sequentially, SG&A was flat on an organic basis and when excluding integration and restructuring costs. Organically, FTE employees decreased by 1% (-350) compared to the second quarter of 2011. Sequentially, FTE employees were down 1% organically. The branch network, on an organic basis, decreased by 2% (-120 branches) compared with the second quarter of 2011. At the end of the second quarter of 2012, the Adecco Group had over 33,000 FTE employees and operated a network of over 5,500 branches.

EBITA

In the period under review, EBITA was EUR 185 million compared with EUR 199 million reported in the second quarter of 2011. The Q2 2012 EBITA margin was 3.6% compared to 3.9% in Q2 2011. EBITA before integration and restructuring costs was EUR 194 million in Q2 2012 and the margin was 3.7%, down 20 bps compared to the Q2 2011 EBITA margin of 3.9% before integration costs.

Amortisation of Intangible Assets

Amortisation in Q2 2012 was EUR 13 million, unchanged compared to Q2 2011.

Operating Income

In Q2 2012, operating income was EUR 172 million. This compares to EUR 186 million in the second quarter of 2011.

Interest Expense and Other Income / (Expenses), net

The interest expense amounted to EUR 19 million in the period under review, EUR 2 million higher than in Q2 2011. Other income / (expenses), net was an expense of EUR 14 million in Q2 2012, negatively impacted by the sale of a business in North America at the end of June 2012. This compares to an expense of EUR 10 million in the second quarter of 2011, which was impacted by a EUR 11 million loss recognised in connection with the bond tender completed in April 2011. Interest expense is expected to be around EUR 80 million for the full year 2012.

Provision for Income Taxes
The effective tax rate in the period under review was 19% compared to 11% in Q2 2011. In both years, the tax rate was impacted by the successful resolution of prior years' audits and tax disputes and the expiration of the statute of limitations in several jurisdictions.

Net Income / Net Income attributable to Adecco shareholders and EPS
In the period under review, net income / net income attributable to Adecco shareholders were EUR 113 million and EUR 112 million respectively. This compares to EUR 141 million in Q2 2011. Basic EPS in Q2 2012 was EUR 0.59 (Q2 2011: EUR 0.74).

Cash flow, Net Debt[3] and DSO
Cash generated from operating activities amounted to EUR 81 million in the first half of 2012 compared to cash used in operating activities of EUR 30 million in the same period last year. The Group paid dividends of EUR 256 million and capital expenditure amounted to EUR 48 million in the first half of 2012. Net debt at the end of June 2012 was EUR 1,244 million compared to EUR 892 million at year end 2011. DSO was 54 days in the second quarter of 2012, a decrease of 1 day compared to the same period last year.

Currency Impact
In Q2 2012, currency fluctuations had a positive impact on revenues of approximately 4%.

[3] 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.

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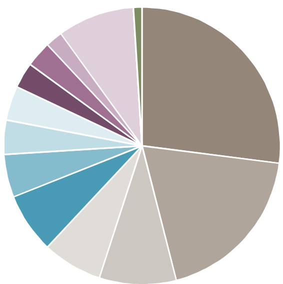
SEGMENT PERFORMANCE

Q2 2012

Revenues in percent



		Revenues		EBITA *	
		EUR m	organic yoy growth	EUR m	margin
27%	France	**1,378**	-13%	**41**	2.9%
19%	North America	**967**	2%	**44**	4.5%
9%	UK & Ireland	**470**	7%	**3**	0.7%
7%	Germany & Austria	**386**	-1%	**13**	3.5%
7%	Japan	**379**	-10%	**23**	6.0%
5%	Italy	**245**	-13%	**14**	5.5%
4%	Benelux	**227**	-5%	**8**	3.3%
4%	Nordics	**210**	3%	**9**	4.2%
3%	Iberia	**166**	-11%	**6**	3.8%
3%	Australia & New Zealand	**132**	-1%	**5**	3.7%
2%	Switzerland	**109**	-12%	**9**	8.1%
9%	Emerging Markets	**447**	12%	**14**	3.4%
1%	LHH	**79**	2%	**21**	27.7%
	Corporate			**(25)**	
	Adecco Group	**5,195**	-4%	**185**	3.6%

*Including restructuring costs of EUR 5 million for France and EUR 2 million for other European countries and Japan.

Revenues in **France** amounted to EUR 1.4 billion, down 13% organically compared to Q2 2011. Permanent placement revenues were down 13%. In the quarter under review, EBITA was EUR 41 million compared to EUR 57 million in Q2 2011. The EBITA margin was 2.9% in Q2 2012, down 70 bps compared to the prior year's second quarter. Mandatory legal talks with the French Works Councils have been finalised and the implementation of the plans in France was kicked-off at the beginning of August. Excluding EUR 5 million restructuring costs incurred in Q2 2012, the adjusted EBITA margin was at a solid 3.3%, compared to 3.6% a year ago.

In **North America**, Adecco's revenues increased by 2% in constant currency to EUR 967 million in Q2 2012. General and Professional Staffing revenues both grew by 2% in constant currency. The US IT Professional Staffing segment grew 2% year-on-year in constant currency in Q2 2012. Revenues developed solidly in Finance & Legal and Medical & Science, up 9% and 21% respectively year-on-year, both in constant currency. The Engineering & Technical segment was down 2% in constant currency. Permanent placement revenues continued to develop strongly, up 15% in constant currency. Profitability in Q2 2012 was solid. EBITA increased 14% in constant currency to EUR 44 million and the EBITA margin was 4.5%, up 50 bps compared to Q2 2011. Integration costs related to MPS amounted to EUR 2 million in Q2 2011.

In the **UK & Ireland,** revenues were up 7% in constant currency to EUR 470 million, also driven by the Olympics where Adecco is the official supplier of temporary employees. Permanent placement revenues were down 21% in constant currency, compared with a strong second quarter in 2011. EBITA was EUR 3 million in Q2 2012, and the EBITA margin was 0.7%, down 100 bps compared to Q2 2011. In the quarter under review profitability was impacted by the sponsorship costs for the London Summer Olympics. Profitability will also be impacted in Q3 2012. Integration costs related to MPS amounted to EUR 1 million in Q2 2011.

In **Germany & Austria,** Q2 2012 revenue development continued to be ahead of the market. Revenues increased by 1% to EUR 386 million. Organically revenues declined by 1%, compared with a very strong base last year (Q2 2011: +31% year-on-year revenue growth). Demand from automotive remained strong, but was weaker in manufacturing. EBITA amounted to EUR 13 million and the EBITA margin was 3.5% compared to the Q2 2011 EBITA margin of 5.1%, also reflecting one additional bank holiday compared to the prior year.

In **Japan,** revenues were flat in constant currency at EUR 379 million. Organically revenues were down 10% and were impacted by the completion of several outsourcing projects. Despite the revenue decline, profitability remained strong. EBITA was EUR 23 million and the EBITA margin was 6.0%, down 30 bps compared to the second quarter of 2011. The acquired company VSN Inc. continued to develop well. VSN added 40 bps to the EBITA margin in Japan in Q2 2012.

Revenues in **Italy** declined by 13% in Q2 2012. Demand slowed considerably due to the economic uncertainties in the country, however, the comparison base of Q2 last year was very high (Q2 2011: +35% year-on-year revenue growth). Italy achieved a strong EBITA margin of 5.5% in Q2 2012, down 190 bps year-on-year.

In Q2 2012, revenues in **Benelux** decreased by 5%. Revenue development was in line with the market in the Netherlands, but ahead of the market in Belgium.

Revenues in the **Nordics** were up 3% in constant currency. Revenues in Sweden were slightly down year-on-year in Q2 2012, but solidly increased in all other Nordic countries. The EBITA margin in Q2 2012 was 4.2%. Q2 2011 had been impacted by EUR 6 million related to exiting the nursing home outsourcing business in Norway.

In **Iberia** revenues declined by 11% as economic conditions in the region remained challenging. Revenues in **Australia & New Zealand** declined 1% in constant currency in Q2 2012 with an EBITA margin of 3.7%, up 80 bps compared to Q2 2011. In **Switzerland**, revenues declined by 12% in constant currency in Q2 2012, while profitability remained solid with an EBITA margin of 8.1%.

The **Emerging Markets** maintained double-digit revenue growth of 12% in constant currency. The EBITA margin was 3.4%, down 70 bps when compared to the same period last year, as Adecco continues to invest in the region.

Revenues of **Lee Hecht Harrison (LHH)**, Adecco’s career transition and talent development business were EUR 79 million, up 42% in constant currency and up 2% organically compared to Q2 2011. EBITA was EUR 21 million and profitability remained strong, as the EBITA margin increased to 27.7% from 19.2% in Q2 2011. Integration related costs for DBM amounted to EUR 2 million in Q2 2012. The targeted EUR 20 million synergies will be exceeded and fully realised by the end of 2012.

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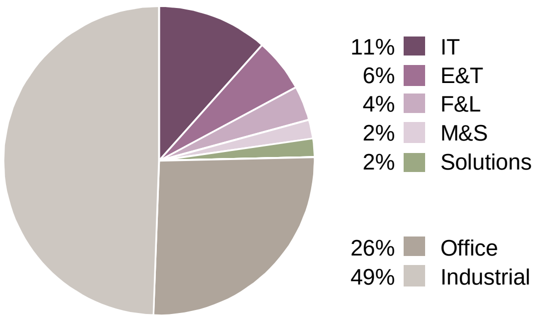
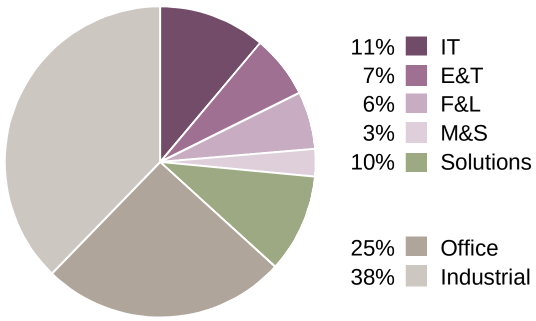
BUSINESS LINE PERFORMANCE

Q2 2012 Revenue split



Q2 2012 Gross profit split



Adecco's revenues in the **General Staffing** business (Office & Industrial) decreased by 6% in constant currency to EUR 3.9 billion. Revenues in the **Industrial** business were down 8% in constant currency. In France, revenues declined by 13% in Q2 2012 and in Italy by 14%. Germany & Austria was down 2% organically year-on-year. In constant currency, revenues in Industrial in North America were flat in Q2 2012. In the **Office** business, revenues were down 2% in constant currency. In North America revenues were up 5%, whereas revenues in Japan were down 11%, in the UK & Ireland down 3% and in the Nordics down 2%, all in constant currency. Revenues in France declined by 15% organically.

Professional Staffing[4] revenues increased 5% in constant currency (2% organically). Revenues in North America were up 2% in constant currency, while revenues in France were down 10%. In the UK & Ireland revenues were up 11% in constant currency.

In **Information Technology (IT)**, revenues increased 7% in constant currency (4% organically). In North America, revenues declined by 1% in constant currency, but the US IT Professional Staffing segment is back to growth of 2% in constant currency. Revenues in the UK & Ireland continued to develop strongly, increasing double-digit in constant currency.

Adecco's **Engineering & Technical (E&T)** business was up 7% in constant currency (1% organically). In Germany & Austria revenues grew 6%, while in France revenues were flat. In North America revenues declined by 2% in constant currency, compared to a solid Q2 last year, when revenues increased by 12% in constant currency.

In **Finance & Legal (F&L)**, revenues were down 1% in constant currency. Revenues in North America increased 9%, while business in the UK & Ireland remained difficult, with revenues declining by 14% in Q2 2012, all in constant currency.

In Q2 2012, revenues in **Medical & Science (M&S)** were up 5% in constant currency (3% organically). While revenues in North America were up double-digit, revenues in the Nordics declined by 2%, both in constant currency. Revenues in France were down 11% in the quarter under review.

In the second quarter of 2012, revenues in **Solutions**[5] were up 32% in constant currency or up 3% organically, held back by the counter-cyclical outplacement business. Revenue growth in MSP (Managed Service Programmes) and VMS (Vendor Management System) continued to be double-digit in constant currency.

[4] Professional Staffing refers to Adecco's Information Technology, Engineering & Technical, Finance & Legal, and Medical & Science businesses.
[5] Solutions include revenues from Human Capital Solutions, Managed Service Programmes (MSP), Recruitment Process Outsourcing (RPO) and Vendor Management System (VMS).

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MANAGEMENT OUTLOOK

In June, Adecco Group's revenues declined by 3% organically and adjusted for business days. While the revenue decline rate during Q2 2012 was relatively stable, revenue development in July was slightly weaker, mainly driven by France and Japan. Geographically, developments continue to be diverse. Europe is weakening further. On the other hand, business in North America is accelerating, also driven by the IT Professional Staffing business. In the Emerging Markets, revenue growth continues to be healthy.

Given these diverging economic trends, price discipline and a proactive approach to cost management are key. The gross margin improvement in Q2 2012 reflects management's focus on profitability and value creation. In Q3 2012, SG&A is expected to remain approximately in line with Q2 2012, on an organic basis and before restructuring costs. In the second half of 2012 management plans to invest approximately EUR 10 million related to the full consolidation of several data centres in North and South America. Our plans in France, to merge the networks of Adecco and Adia under the single Adecco brand, are fully on track. We are convinced that our total expected investments of EUR 45 million in France will result in an even better offering for our customers and will ensure sustainable and leading profitability.

Building on our strategic priorities, we continue to focus our efforts on constantly improving our HR solutions, delivery models and the cost base, and we remain convinced that we will achieve an EBITA margin of over 5.5% midterm.

Update on the share buyback programme and bond issuance announced in June 2012

In June 2012, the Company launched a share buyback programme of up to EUR 400 million on a second trading line with the aim of subsequently cancelling the shares and reducing the share capital. The share buyback commenced in mid-July 2012. To date, the Company has acquired 280,000 shares for a total consideration of EUR 10 million under this programme.

On July 18, 2012, Adecco S.A. issued a CHF 250 million long 5-year bond with a coupon of 1.875% and a CHF 125 million long 8-year bond with a coupon of 2.625%, due on December 18, 2017 and December 18, 2020, respectively. The bonds were issued within the framework of the Medium-Term Note Programme. The proceeds will be used to fund the planned share buyback programme described above.

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Q2 2012 Results Conference Calls

There will be a media conference call at 9 am CEST as well as an analyst conference call at 11 am CEST, details of which can be found in the Investor Relations section on our website.

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Financial Agenda 2012

• Investor Days in Paris	September 19/20, 2012
• Q3 2012 results	November 6, 2012

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.

About the Adecco Group

The Adecco Group, based in Zurich, Switzerland, is the world's leading provider of HR solutions. With more than 33,000 FTE employees and over 5,500 branches, in over 60 countries and territories around the world, Adecco Group offers a wide variety of services, connecting over 700,000 associates with over 100,000 clients every day. The services offered fall into the broad categories of temporary staffing, permanent placement, career transition and talent development, as well as outsourcing and consulting. The Adecco Group is a Fortune Global 500 company.

Adecco S.A. is registered in Switzerland (ISIN: CH0012138605) and listed on the SIX Swiss Exchange (ADEN).

Adecco Group

Press Release (Annexes)

Consolidated statements of operations
(unaudited)

EUR millions except share and per share amounts	Q2 2012	Q2 2011	Variance % EUR	Variance % Constant Currency	H1 2012	H1 2011	Variance % EUR	Variance % Constant Currency
Revenues	5,195	5,166	1%	-3%	10,230	10,081	1%	-1%
Direct costs of services	(4,278)	(4,290)			(8,397)	(8,351)		
Gross profit	**917**	**876**	5%	0%	**1,833**	**1,730**	6%	3%
Gross margin	*17.7%*	*16.9%*			*17.9%*	*17.2%*		
Selling, general, and administrative expenses	(732)	(677)	8%	3%	(1,466)	(1,359)	8%	4%
As a percentage of revenues	*14.1%*	*13.1%*			*14.3%*	*13.5%*		
Amortisation of intangible assets	(13)	(13)			(27)	(27)		
Operating income	**172**	**186**	-8%	-11%	**340**	**344**	-1%	-4%
Operating income margin	*3.3%*	*3.6%*			*3.3%*	*3.4%*		
Interest expense	(19)	(17)			(37)	(32)		
Other income / (expenses), net	(14)	(10)			(11)	(11)		
Income before income taxes	**139**	**159**	-12%		**292**	**301**	-3%	
Provision for income taxes	(26)	(18)			(67)	(59)		
Net income	**113**	**141**	-20%		**225**	**242**	-7%	
Net income attributable to noncontrolling interests	(1)				(1)	(1)		
Net income attributable to Adecco shareholders	**112**	**141**	-20%		**224**	**241**	-7%	
Net income margin attributable to Adecco shareholders	*2.2%*	*2.7%*			*2.2%*	*2.4%*		
Basic earnings per share	**0.59**	**0.74**			**1.19**	**1.26**		
Basic weighted-average shares	189,409,950	191,106,120			189,146,648	191,864,453		
Diluted earnings per share	**0.59**	**0.74**			**1.19**	**1.26**		
Diluted weighted-average shares	189,452,554	191,215,918			189,249,654	191,989,599		

Adecco Group

Press Release (Annexes)

Revenues and operating income by segment

(unaudited)

EUR millions	Q2 2012	Q2 2011	Variance %		H1 2012	H1 2011	Variance %	
			EUR	Constant Currency			EUR	Constant Currency
Revenues								
France[1]	1,378	1,596	-14%	-14%	2,646	3,004	-12%	-12%
North America[2]	967	854	13%	2%	1,876	1,728	9%	1%
UK & Ireland	470	406	16%	7%	929	817	14%	8%
Germany & Austria[1]	386	382	1%	1%	786	738	7%	7%
Japan[1]	379	330	14%	0%	810	682	19%	7%
Italy	245	283	-13%	-13%	477	520	-8%	-8%
Benelux	227	239	-5%	-5%	452	469	-4%	-4%
Nordics	210	200	5%	3%	408	400	2%	0%
Iberia	166	186	-11%	-11%	331	367	-10%	-10%
Australia & New Zealand	132	125	6%	-1%	266	245	9%	1%
Switzerland	109	117	-7%	-12%	208	221	-6%	-11%
Emerging Markets[2]	447	396	13%	12%	884	781	13%	14%
LHH[1]	79	52	50%	42%	157	109	44%	38%
Adecco Group[1]	**5,195**	**5,166**	**1%**	**-3%**	**10,230**	**10,081**	**1%**	**-1%**
Operating income								
France	41	57	-29%	-29%	68	94	-28%	-28%
North America[2]	44	34	28%	14%	83	66	25%	16%
UK & Ireland	3	7	-55%	-59%	14	15	-1%	-7%
Germany & Austria	13	19	-30%	-30%	43	48	-10%	-10%
Japan	23	21	9%	-4%	48	40	19%	7%
Italy	14	21	-35%	-35%	26	34	-23%	-23%
Benelux	8	9	-22%	-22%	15	20	-27%	-27%
Nordics	9	3	139%	141%	13	6	111%	113%
Iberia	6	6	9%	9%	10	11	-5%	-5%
Australia & New Zealand	5	4	37%	28%	10	7	42%	31%
Switzerland	9	11	-21%	-25%	16	20	-22%	-26%
Emerging Markets[2]	14	17	-7%	-7%	28	28	3%	4%
LHH	21	10	117%	102%	42	21	98%	89%
Corporate Expenses	(25)	(20)			(49)	(39)		
EBITA[3]	**185**	**199**	**-7%**	**-11%**	**367**	**371**	**-1%**	**-4%**
Amortisation of intangible assets	(13)	(13)			(27)	(27)		
Adecco Group	**172**	**186**	**-8%**	**-11%**	**340**	**344**	**-1%**	**-4%**

1) In Q2 2012 revenues changed organically in France by -13% (H1: -12%), in Germany & Austria by -1% (H1: 4%), in Japan by -10% (H1: -4%), in LHH by 2% (H1: 1%) and in Adecco Group by -4% (H1: -2%).

2) Mexico, previously reported together with North America, is since Q2 2012 reported under Emerging Markets. The 2011 information has been restated to conform to the current year presentation.

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

Adecco Group

Press Release (Annexes)

Revenues by business line
(unaudited)

EUR millions	Q2 2012	Q2 2011	Variance %		H1 2012	H1 2011	Variance %	
Revenues[1]			EUR	Constant Currency			EUR	Constant Currency
Office	1,348	1,304	3%	-2%	2,722	2,606	4%	0%
Industrial	2,568	2,749	-7%	-8%	4,959	5,216	-5%	-6%
General Staffing	**3,916**	**4,053**	**-3%**	**-6%**	**7,681**	**7,822**	**-2%**	**-4%**
Information Technology[2]	599	521	15%	7%	1,196	1,057	13%	7%
Engineering & Technical[2]	290	252	15%	7%	576	504	14%	9%
Finance & Legal	188	175	7%	-1%	378	362	4%	-1%
Medical & Science[2]	102	93	9%	5%	200	189	6%	3%
Professional Staffing[2]	**1,179**	**1,041**	**13%**	**5%**	**2,350**	**2,112**	**11%**	**6%**
Solutions[2]	**100**	**72**	**41%**	**32%**	**199**	**147**	**36%**	**30%**
Adecco Group[2]	**5,195**	**5,166**	**1%**	**-3%**	**10,230**	**10,081**	**1%**	**-1%**

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 System (VMS).

2) In Q2 2012 revenues changed organically in Information Technology by 4% (H1: 4%), in Engineering & Technical by 1% (H1: 3%), in Medical & Science by 3% (H1: 0%), in Professional Staffing by 2% (H1: 3%), in Solutions by 3% (H1: 2%) and in Adecco Group by -4% (H1: -2%).

Adecco Group

Press Release (Annexes)

Consolidated balance sheets

EUR millions	June 30 2012 *(unaudited)*	December 31 2011
Assets		
Current assets:		
– Cash and cash equivalents	447	532
– Short-term investments	2	2
– Trade accounts receivable, net	3,914	3,725
– Other current assets	403	424
Total current assets	**4,766**	**4,683**
Property, equipment, and leasehold improvements, net	311	313
Other assets	331	310
Intangible assets, net	603	593
Goodwill	3,572	3,455
Total assets	**9,583**	**9,354**
Liabilities and shareholders' equity		
Liabilities		
Current liabilities:		
– Accounts payable and accrued expenses	3,548	3,545
– Short-term debt and current maturities of long-term debt	551	236
Total current liabilities	**4,099**	**3,781**
Long-term debt, less current maturities	1,142	1,190
Other liabilities	528	572
Total liabilities	**5,769**	**5,543**
Shareholders' equity		
Adecco shareholders' equity:		
– Common shares	118	118
– Additional paid-in capital	2,196	2,459
– Treasury shares, at cost	(706)	(706)
– Retained earnings	2,301	2,080
– Accumulated other comprehensive income/(loss), net	(98)	(143)
Total Adecco shareholders' equity	**3,811**	**3,808**
Noncontrolling interests	3	3
Total shareholders' equity	**3,814**	**3,811**
Total liabilities and shareholders' equity	**9,583**	**9,354**

Adecco Group

Press Release (Annexes)

Consolidated statements of cash flows
(unaudited)

EUR millions	H1 2012	H1 2011
Cash flows from operating activities		
Net income	225	242
Adjustments to reconcile net income to cash flows from operating activities:		
– Depreciation and amortisation	81	73
– Other charges	13	3
Changes in operating assets and liabilities, net of acquisitions:		
– Trade accounts receivable	(155)	(400)
– Accounts payable and accrued expenses	(27)	85
– Other assets and liabilities	(56)	(33)
Cash flows from/(used in) operating activities	**81**	**(30)**
Cash flows from investing activities		
Capital expenditures	(48)	(50)
Acquisition of VSN, net of cash acquired	(87)	
Cash settlements on derivative instruments	(12)	(47)
Other acquisition and investing activities	(27)	
Cash used in investing activities	**(174)**	**(97)**
Cash flows from financing activities		
Net increase in short-term debt	21	143
Borrowings of long-term debt, net of issuance costs	288	330
Repayment of long-term debt	(49)	(214)
Dividends paid to shareholders	(256)	(149)
Purchase of treasury shares, net of disposals	(12)	(134)
Other financing activities	(3)	3
Cash used in financing activities	**(11)**	**(21)**
Effect of exchange rate changes on cash	**19**	**(18)**
Net decrease in cash and cash equivalents	**(85)**	**(166)**
Cash and cash equivalents:		
– Beginning of year	532	549
– End of period	447	383