

Adecco

Winning the HR Service Match

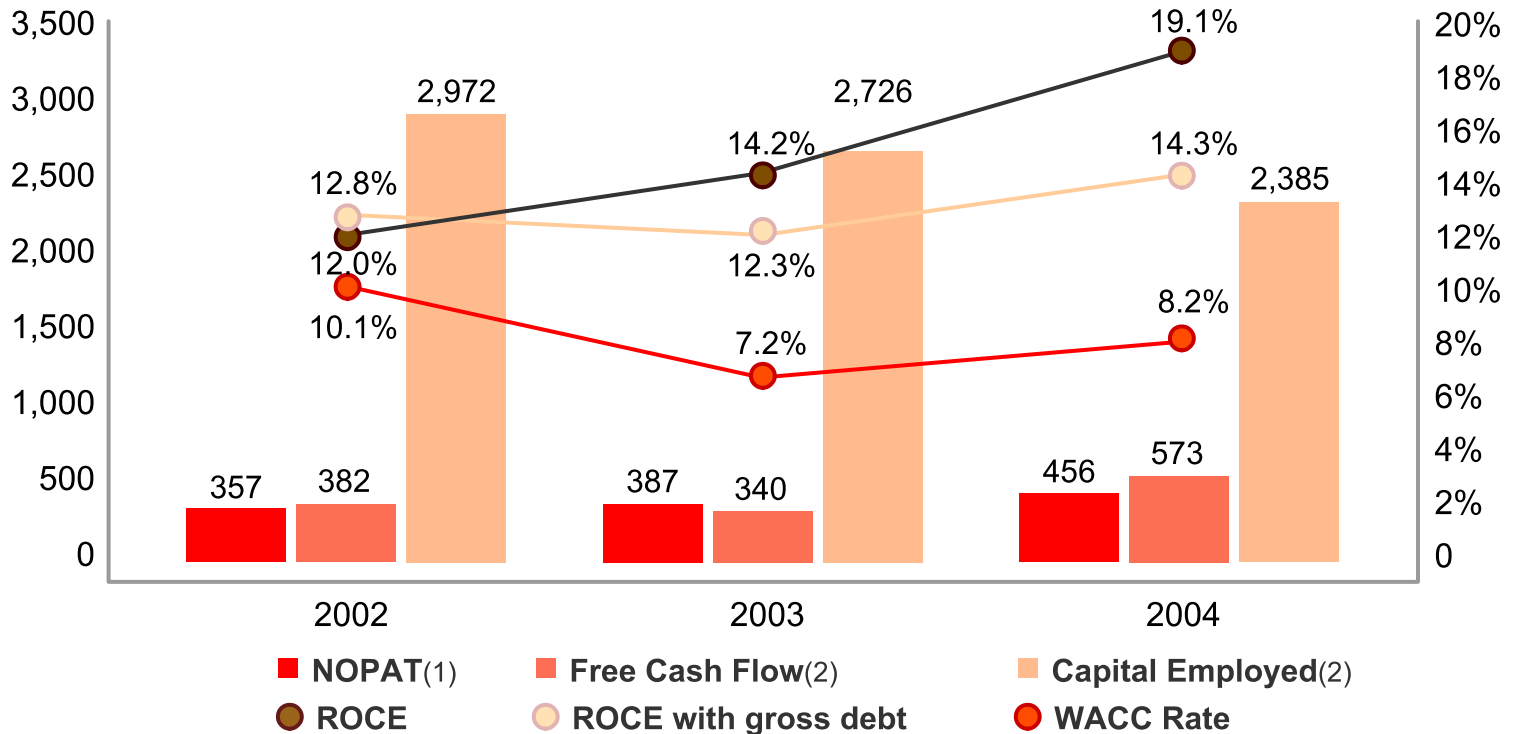
Financial Performance

Jim Fredholm
Chief Financial Officer

Agenda

1. Growth engines by business line
2. Management of costs
3. Capital structure to support future growth

Track Record: Adecco's Value Creation



- **NOPAT CAGR 02-04 +13%**
- **Capital Employed 02-04 -10%**
- **Value creation since 2002**

- 1) Excludes costs associated with the 2003 financial reporting delay (EUR 6 in 2003 and EUR 83 in 2004) and Jobpilot activities
- 2) Total Fixed Assets, Intangibles, Net Working Capital and Operating Cash.
- 3) Total Assets less Current Liabilities

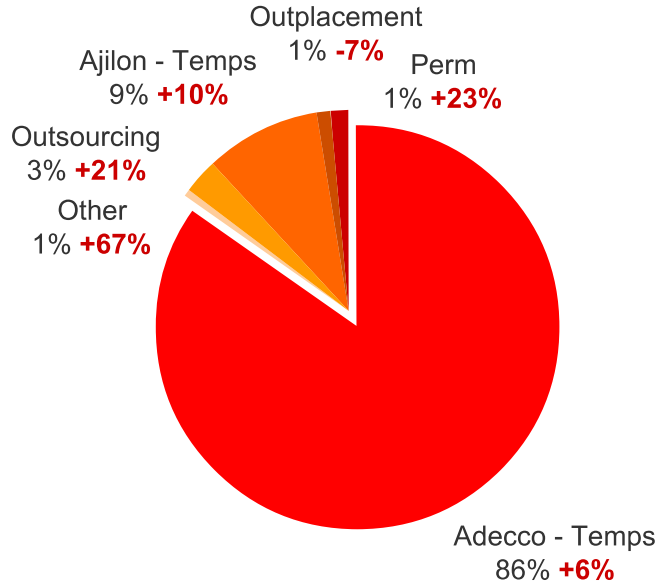
Agenda

- 1. Growth engines by business line**
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Growth engines by business line

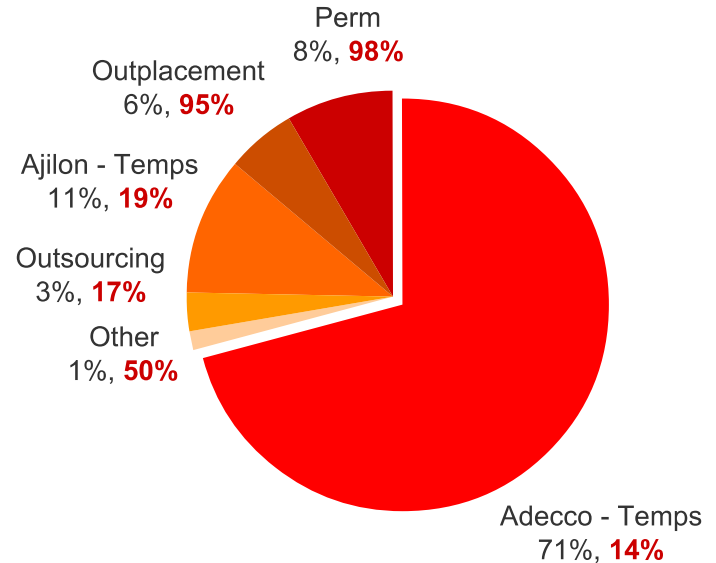
Revenues and Growth

(as % of Total, Revenue Growth %)



Gross Profit and Gross Margin

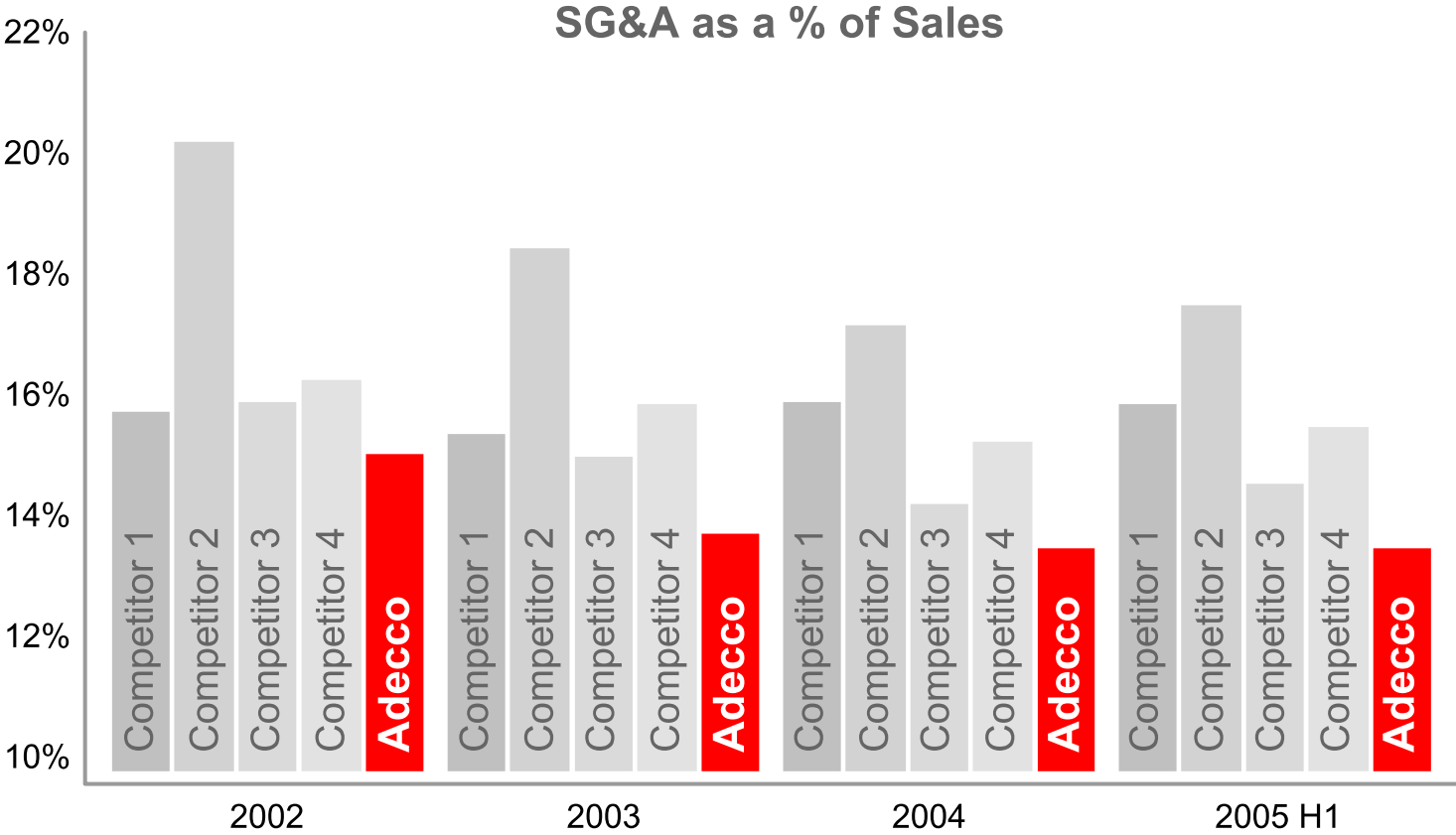
June YTD 2005 (as % of Total, Gross Margin %)



Agenda

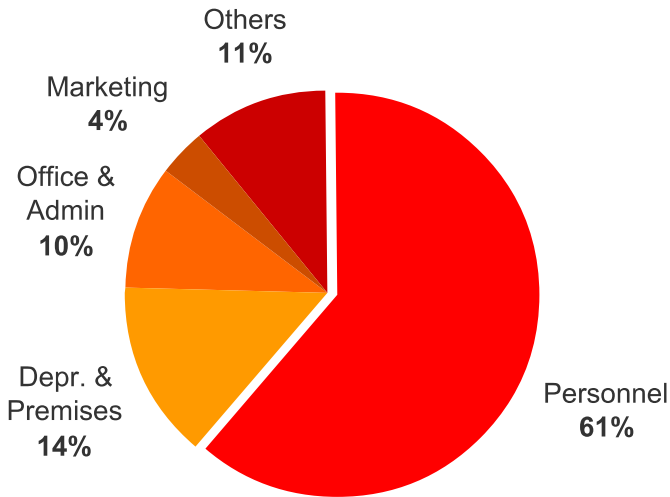
1. Growth engines by business line
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Management of costs – ahead of competition



Personnel cost management is key

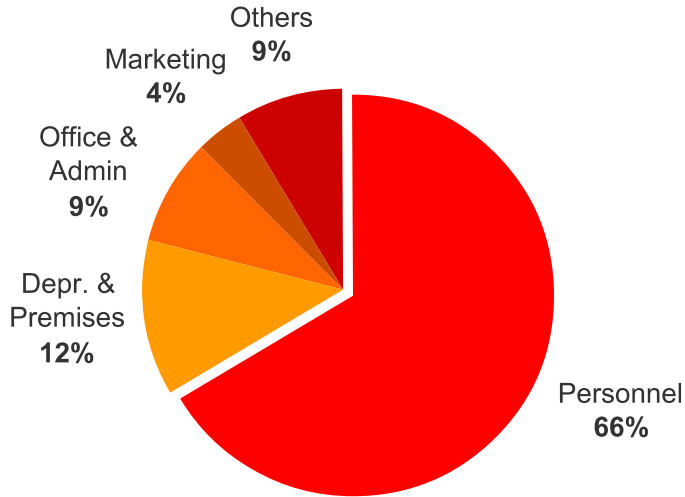
2002



FTE: 29,000

Branches: 5,800

2005 H1



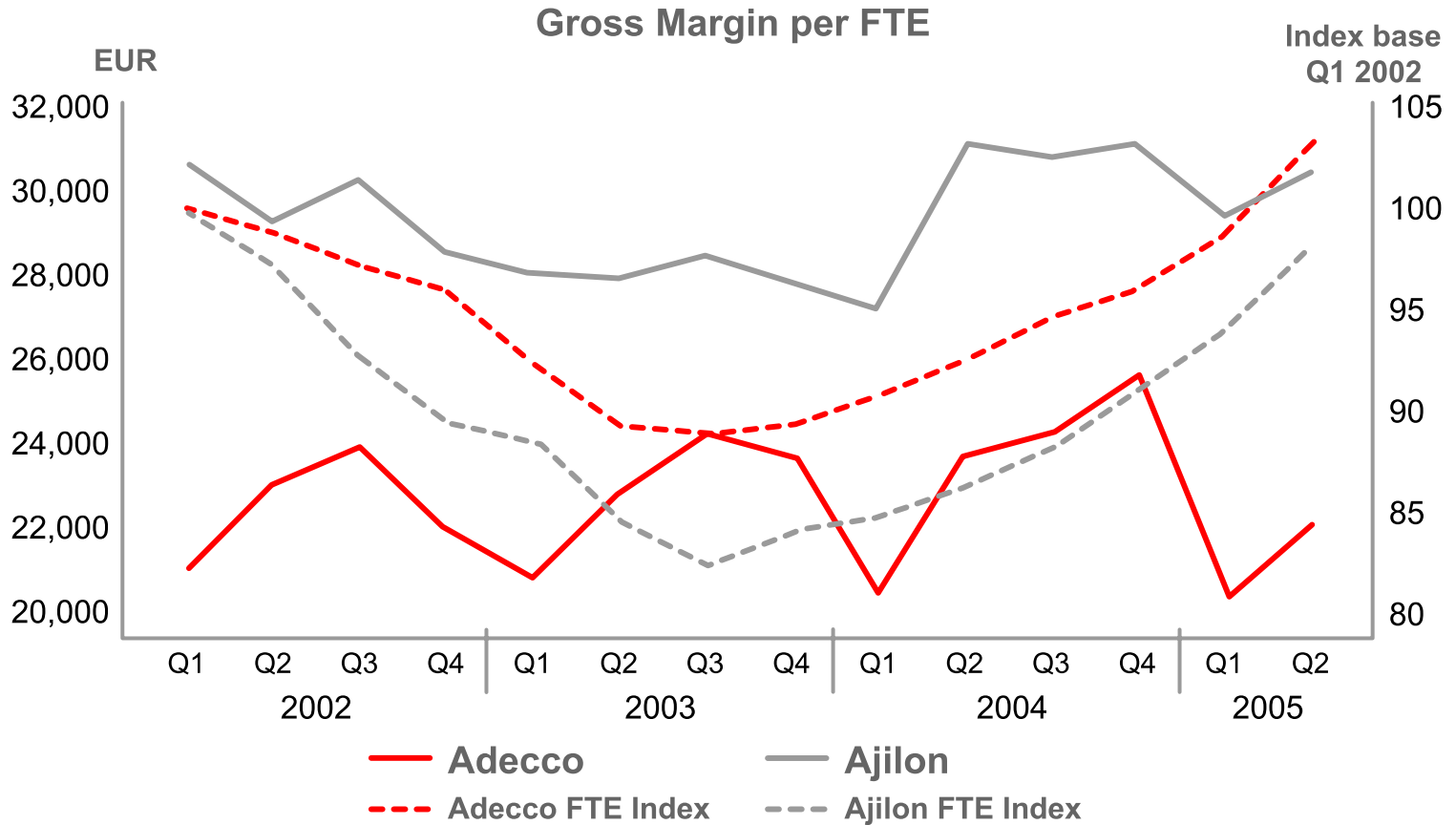
FTE: 32,000

Branches: 6,500

+10%

+12%

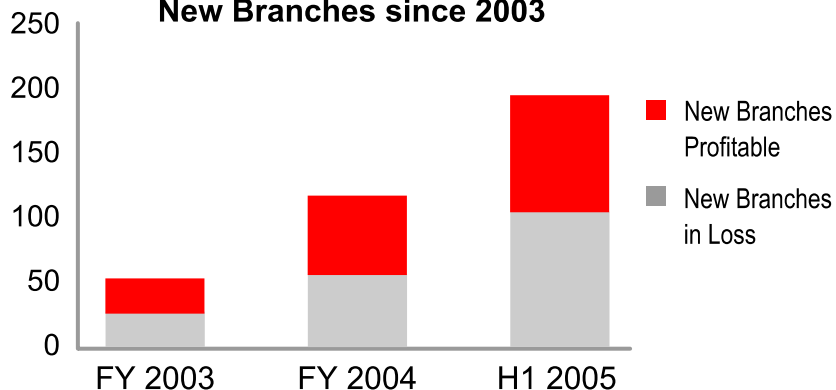
Stable productivity in a hiring phase



Deep dive: Economics of new branches

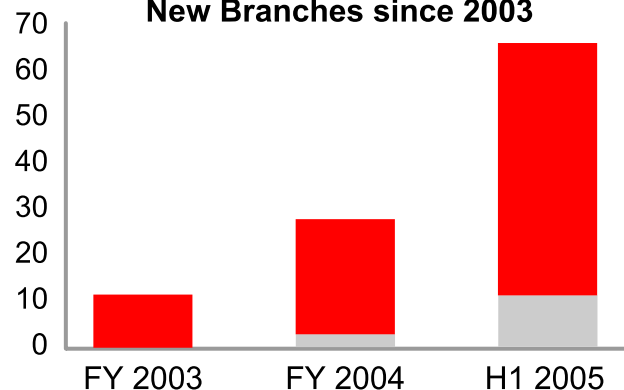
UK - Adecco

New Branches since 2003

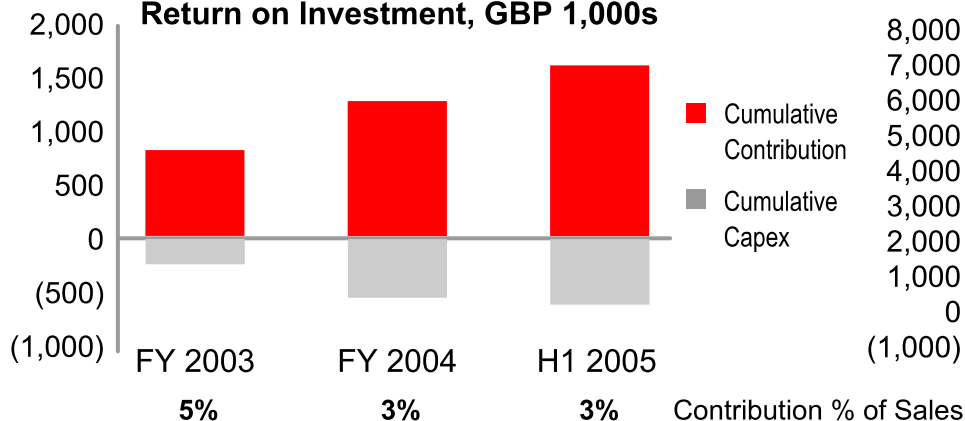


Spain - Adecco

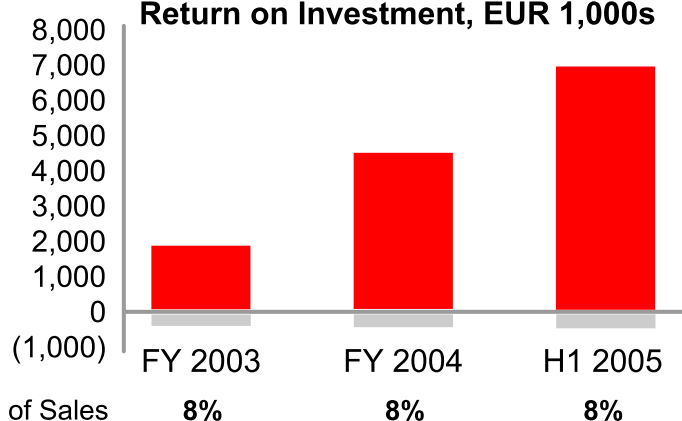
New Branches since 2003



Return on Investment, GBP 1,000s

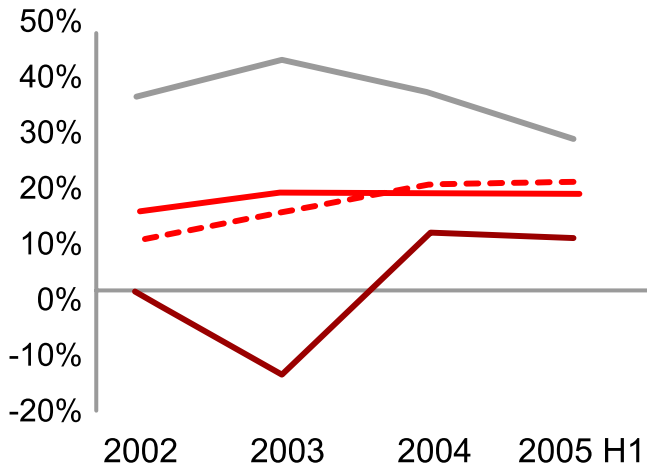


Return on Investment, EUR 1,000s



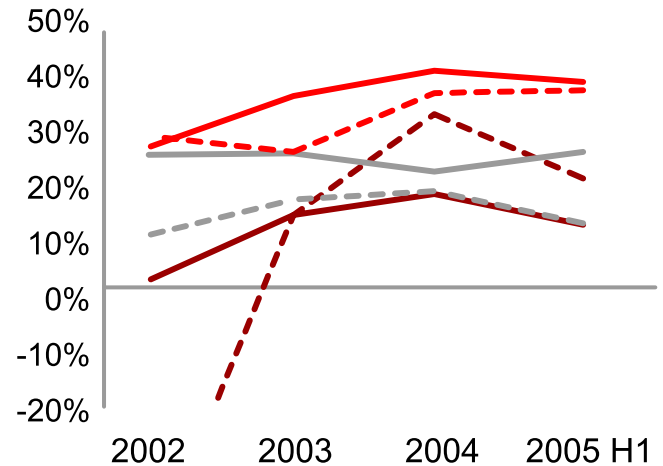
Putting it all together: Costs stable over cycle

Conversion Ratio



— Adecco France — Adecco Group
 — Adecco NA - - - Ajilon

Conversion Ratio

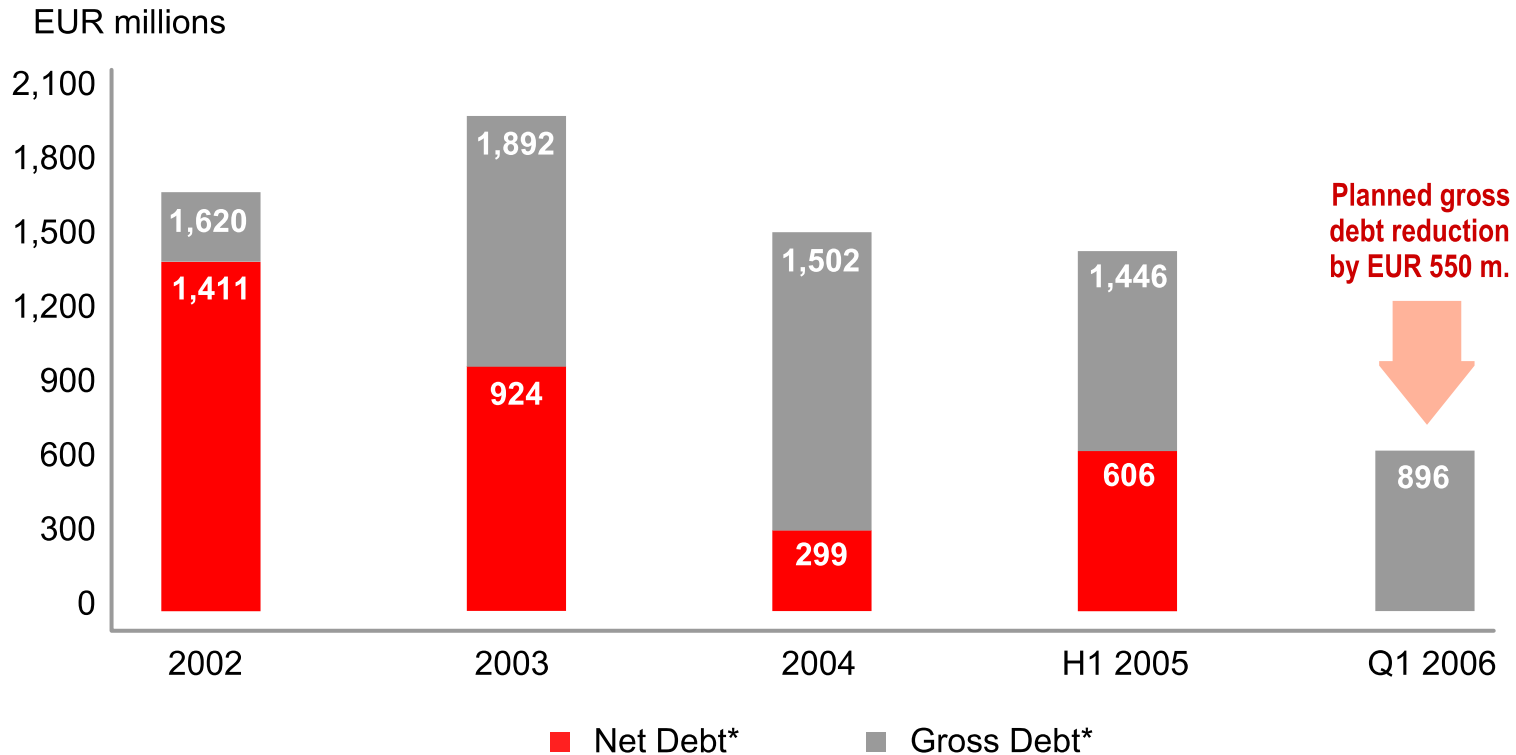


— Adecco Japan - - - Adecco UK
 — Adecco Benelux - - - Adecco Germany
 — Adecco Iberia - - - Italy

Agenda

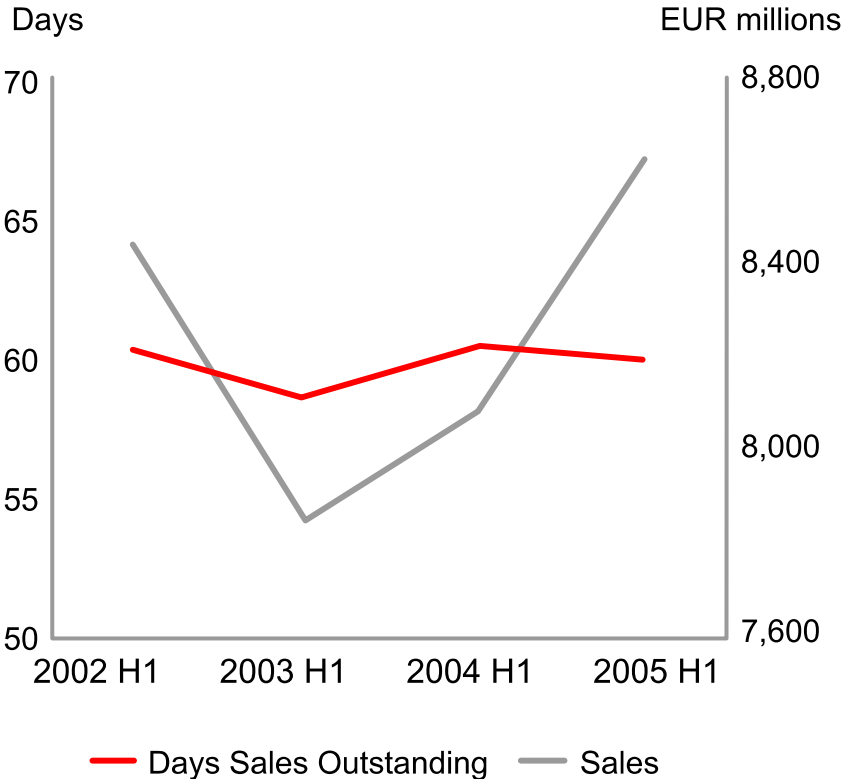
1. Growth engines by business line
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Gross debt reduction planned in Q1 06



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

Efficient DSO control in growth mode



Actions to reduce DSO

- Payment terms
- Time capture/billing cycle
- Credit & collection



Cash, debt and capital management

- Strong focus on **working capital and cash management**
- **Reduce 2006 interest expense** by retiring EUR 550 mio. of maturing debt in Q1 2006
- Maintain **dividend pay-out ratio of approx. 30%**
- **Investment mode:** No changes to current capital structure
- Maintain **solid investment grade rating**

Thank you



Investor Day, Paris – Friday, September 16, 2005