

Adecco S.A. shares are registered in Switzerland (ISIN: CH0012138605) and listed on the SIX Swiss Exchange (ADEN). Adecco is a constituent of the Swiss Market Index (SMI), Switzerland's most important stock market index, containing the 20 largest and most liquid Swiss stocks.

Investor Relations

Equity story The Adecco Group is the world's leading provider of HR solutions, offering a wide variety of services including temporary staffing, permanent placement, Career Transition (outplacement), Talent Development, outsourcing and other services. We have around 32,000 FTE employees and place almost 700,000 people at work every day through a network of around 5,400 branches in over 60 countries and territories.

Our core competences include providing flexible workforce solutions and matching clients' needs with candidates' skills. In an environment of cyclical and seasonal changes in demand, we help our clients to adapt their workforce needs accordingly. More customisation and made-to-order impact the production cycle and reduce the predictability of our clients' business development. We help our clients manage their business cycles by providing them with the required human resources with the right skills, at the right time. We help smooth seasonal impacts on businesses through flexible workforce solutions allowing for rapid adaptation to peaks and troughs in demand during the year. Thanks to our global presence we can deliver geographic mobility and organise work migration to match clients' needs with candidates' skills to meet the diverse needs of labour markets.

Our temporary and permanent placement businesses, which constitute over 90% of our total revenues, are cyclical and dependent on the level of economic activity in the countries where we operate. These businesses expand during periods of economic growth and contract during recessions. On the other hand, our outplacement business, where we offer Career Transition services, is counter-cyclical and expands during difficult economic periods. Our profitability is dependent on the revenue level, business mix, country mix, pricing and the way we manage our cost base. While revenue development to a large degree hinges on economic activity, we actively practice price discipline to optimise gross profit and we consistently manage our cost base very strictly, to protect profitability in downturns and to deliver increasing returns in upturns.

Through past acquisitions we have improved our business mix. Today we are also the leader in Professional Staffing, having

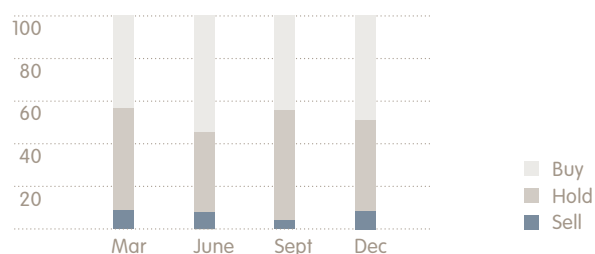
increased our exposure to this higher-growth and higher-margin business and we took the lead in the counter-cyclical Career Transition (outplacement) and Talent Development segment, where we achieve very attractive double-digit EBITA margins. While our business offers operating leverage, we limit financial leverage and will always aim to maintain our investment grade credit rating. The application of the 'Economic Value Added' (EVA) concept ensures that the interests of our shareholders are met and that our daily decision-making processes are geared towards value creation. We have never ceased to pay dividends to our shareholders over the past few years, even in economically very challenging times, and our dividend pay-out ratio has ranged between 25% and 30% of adjusted net earnings. Given Adecco's solid financial position and strong cash flow generation, the pay-out range was increased for the year 2011 and going forward to 40–50% of adjusted net earnings. In addition, an enhanced dividend policy has been introduced. The Company is committed to pay at least a stable dividend compared to the previous year even if the pay-out range is temporarily exceeded, barring seriously adverse economic conditions.

We are confident that we are in good shape to enhance our leadership position in the HR services industry. Based on the good progress on our six strategic priorities and more favourable economic conditions expected towards the end of 2013, we are convinced we will achieve our EBITA margin of above 5.5% in 2015.

Investor Relations The Adecco Group Investor Relations team focuses on providing transparent and consistent information and interactive communication. We strive for an open dialogue with the financial community, the media and all key stakeholders, to enhance understanding of the business as well as to explain the implied risks and opportunities.

The Adecco Group is committed to providing regular updates on key value drivers, business strategy, threats and opportunities, as well as key ratios used by the Group to track its own performance.

Distribution of broker ratings in 2012* in %



* At quarter end.

The Investor Relations team is dedicated to providing true, fair and up-to-date information to every interested stakeholder, so that the share price reflects the inherent value of the Company.

In addition to the release of our comprehensive quarterly results – which management discusses with the financial community via a conference call and webcast – we also offer meetings with management and Investor Relations at roadshows, industry or market conferences, and at our Headquarters. In addition, we strive to ensure clear and transparent communication of other price-sensitive information through press releases and comprehensive content on our website. At the same time, we respect the legal obligations relating to confidentiality and disclosure, and make every effort to guarantee equal distribution of price-sensitive information.

In keeping with this strategy, we maintained an efficient and open dialogue with the market through our Investor Relations activities in 2012, devoting 47 days to market communication around the time of our quarterly results releases. We participated in 8 broker conferences and 27 road-shows in Europe and North America during 2012.

On September 19 and 20, 2012, we hosted our bi-annual Investor Days in Paris with a total of 90 participants. The theme of the event was 'leading HR solutions on a global scale'. We provided the financial community and the media with an update on Adecco's strategy, financial performance and achievements, both from a Group and segment perspective. The aim was also to explain the progress so far in achieving the EBITA margin target of above 5.5%. While our CEO provided a strategic update and our CFO explained the financial performance and our potential, the event also featured presentations on Adecco's operations in France, including our progress with the restructuring plan; on Lee Hecht Harrison (LHH), the global leader in Career Transition and Talent Development; on the Company's business in North and Latin America, and Adecco's offering in Business Process Outsourcing solutions (which includes Managed Service Programmes and Recruitment Process Outsourcing, both run under the global brand Pontoon, and the Vendor Management System branded Beeline).

In addition, the Investor Relations section on the Adecco website, investor.adecco.com, provides the investment community with a broad source of up-to-date information at all times.

Coverage Adecco's share price development is closely monitored by the financial community. After reporting the Q4 & FY results for 2011, at the end of March 2012, 43% of the analysts recommended to buy the stock, 48% had a neutral view and 9% recommended selling. Peak confidence was reached in June 2012, after reporting strong Q1 results, which highlighted strong margin resilience despite organically declining revenues. 54% of analysts recommended to buy, 38% were neutral and 8% recommended to sell the shares. A slowing European economy and an accelerating rate of revenue decline led to a more cautious view from the analysts' side, resulting in downgrades during the summer months and early autumn. At the end of September 2012, 44% of analysts recommended to buy the stock, 52% had a neutral view, while 4% of analysts recommended selling. The year 2012 ended with 48% of the analysts being positive, 43% being neutral and 9% being negative on Adecco shares. Continued margin outperformance and a relatively stabilising macro-economic outlook were the drivers behind this result.

Currently 23 brokers are actively covering Adecco, maintaining regular contact with Group management and the Investor Relations team. They include: ABN Amro, Bank am Bellevue, Bank of America Merrill Lynch, Bank Vontobel, Barclays Capital, Berenberg, Bryan Garnier & Co., Citigroup, Credit Suisse, Deutsche Bank, Exane BNP Paribas, Goldman Sachs, Helvea, HSBC, Jefferies, JP Morgan Cazenove, Kepler, MainFirst, Natixis, Rabo Bank, Royal Bank of Canada, UBS and Zürcher Kantonalbank.

Dividend history The Company steadily increased its dividend from CHF 0.60 for 2002 to CHF 1.50 for 2007, a level it maintained for 2008. Even during the severe recession in 2009, thanks to the healthy financial position of the Company, Adecco was in a position to pay a dividend of CHF 0.75 per share, in line with the historical pay-out ratio of 25–30% of

Adecco share price in CHF during 2012



adjusted net earnings. For 2010 a dividend of CHF 1.10 per share was paid, equivalent to a 30% pay-out ratio based on adjusted net earnings. For 2011, the pay-out ratio was increased to a range of 40–50% of adjusted net earnings and the dividend paid (CHF 1.80 per share) was the highest in the company's history. At the Annual General Meeting, the Board of Directors will propose a dividend of CHF 1.80 per share for 2012 for approval by shareholders. This amount is unchanged compared to the dividend paid for 2011 and is equivalent to a pay-out ratio of 49% based on adjusted net earnings.

Performance report After a decline of 36% in 2011, the Adecco share price started the year at CHF 39.35 and it increased in January and February, on the back of an economy which accelerated in the USA and was resilient in Germany. After the release of solid fourth quarter and full-year 2011 results, and the announcement of a new, higher pay-out range for our dividend, the share price reached the highest level of the year, CHF 49.18, at the beginning of March 2012.

A slowing European economy and the unresolved Eurozone debt crisis weighed on equity markets. At the beginning of May, Adecco's strong Q1 2012 results, showing margin improvements despite an organic decline in revenues, could not dampen worries over the uncertain and worsening macro-economic conditions. The stand-off in the Greek elections and the uncertainty over the financial stability of the Spanish banking sector further increased investors' worries about the future prospects of the global economy. This led Adecco shares to reach their lowest level in 2012, CHF 36.33, at the beginning of June.

The share price saw a strong recovery from the early June lows for two main reasons: Adecco announced a EUR 400 million share buyback programme at the end of June, with the aim of cancelling the shares. The buyback was financed with Swiss Franc long-term debt at attractive conditions. The transaction was well received by the investor community. In addition, during summer, as European leaders announced their willingness to take 'all necessary measures' to ensure the continued existence of the Euro, equity markets recovered.

The Adecco share price increased by 18% from the trough in early June to a level of CHF 43 by the end of July 2012.

The Q2 2012 results showed an accelerating rate of decline in Adecco's revenues, as a consequence of a slowing European economy, but resilient profitability. The announcement of the Outright Monetary Transactions by the European Central Bank further lifted equity markets and the Adecco share price reached CHF 46.73 by October 15, 2012. However, lowered economic forecasts for 2013 and increasing concerns about the emergence of the fiscal cliff in the USA weighed on the shares in the second part of October 2012.

A positive reaction to the Q3 2012 results at the beginning of November and progress on the negotiations to avoid the fiscal cliff in the USA led the shares to close at CHF 48.04 on December 31, 2012.

Over the year 2012, Adecco shares increased 22% and closed at CHF 48.04 on December 31, 2012, compared with CHF 39.35 on December 31, 2011. Adecco shares outperformed the Swiss Market Index (SMI) by 7% (in CHF), and also outperformed a basket of key competitors¹ in the staffing industry by 4%. Adecco's market capitalisation, based on issued shares, was CHF 9.1 billion at the end of 2012, compared with CHF 7.4 billion a year earlier.

Shareholder base Adecco has a broad investor base of over 17,000 shareholders. At the same time, the shareholder base is concentrated, with 60% of all issued shares held by institutional investors, 21% held by insiders and Adecco S.A., and only 4% held by retail investors. Some year-on-year changes were observed within the group of institutional shareholders. North American institutional shareholders increased their holdings in Adecco to 32% of shares issued at the end of 2012 compared with 30% at the end of 2011. The percentage held by European institutions declined by 3% to 27%, while the percentage of holdings by institutions from the rest of the world remained unchanged at 1%.

Share price performance comparison 2012
indexed, in EUR

01.01.2012 = 100



Investor structure

in % of shares issued	2012	2011	2010
Institutional:			
• Europe	27%	30%	35%
• North America	32%	30%	27%
• Rest of World	1%	1%	2%
Retail	4%	4%	4%
Insider and treasury	21%	29%	26%
Unassigned	15%	6%	6%

Insider and treasury holdings

as of year end 2012	in % of shares issued
Group represented by Jacobs Holding AG	18.4%
Treasury shares	2.5%
Executive Management and Board of Directors ²	0.1%

Key data

	2012	2011
Shares issued	189,263,506	189,263,506
Treasury shares	4,653,738	18,815,105
Shares outstanding	184,609,768	170,448,401
Weighted-average shares	188,393,511 ³	190,671,723 ³
Basic earnings per share in EUR	2.00	2.72
Diluted earnings per share in EUR	2.00	2.72
Dividend per share in CHF	1.80 ⁴	1.80
Year end share price in CHF	48.04	39.35
Highest share price in CHF	49.18	66.05
Lowest share price in CHF	36.33	32.15
Year end market capitalisation ⁵ in CHF m	9,092	7,448
Price/earnings ratio ⁶	19.9	11.9
Enterprise value ⁷ /EBITA	11.7	8.6

² Not included are shares held by one member of the Board of Directors, who is part of the Group represented by Jacobs Holding AG.

³ Includes weighted-average outstanding shares and shares deliverable under the prepaid forward (for details refer to page 104, Note 15).

⁴ Proposed by the Board of Directors.

⁵ Based on shares issued.

⁶ Based on basic earnings per share and share price at year end; CHF/EUR per year end 2012: 1.21 (year end 2011: 1.22).

⁷ Enterprise value equals net debt plus market capitalisation at year end; CHF/EUR per year end 2012: 1.21 (year end 2011: 1.22).