

Adecco S.A. (Holding Company) – Balance sheets

in millions, except share and per share information and compensation table data

As of (in CHF)	Note	31.12.2012	31.12.2011
Assets			
Current assets:			
• Cash and cash equivalents		596	45
• Receivables from subsidiaries		64	52
• Accrued income, prepaid expenses, and withholding taxes		22	19
Total current assets		682	116
Non-current assets:			
• Investments in subsidiaries		10,088	10,323
• Loans to subsidiaries		3,008	3,236
• Provisions on investments in and loans to subsidiaries		(619)	(843)
• Treasury shares	4	213	912
• Intangible assets		154	135
• Other assets		8	11
Total non-current assets		12,852	13,774
Total assets		13,534	13,890
Liabilities and shareholders' equity			
Liabilities			
Current liabilities:			
• Amounts due to subsidiaries		219	224
• Short-term liabilities to related parties			92
• Other current liabilities		89	62
Total current liabilities		308	378
Non-current liabilities:			
• Long-term debt to subsidiaries		5,693	5,945
• Long-term liabilities to related parties	2		900
• Provisions and non-current liabilities		18	21
• Long-term debt	3	825	
Total non-current liabilities		6,536	6,866
Total liabilities		6,844	7,244
Shareholders' equity			
Share capital	5	189	189
General reserves:			
• Reserve from capital contributions	5	1,200	1,505
• Other reserves	5	407	407
Reserve for treasury shares	5	215	1,092
Retained earnings	5	4,679	3,453
Total shareholders' equity		6,690	6,646
Total liabilities and shareholders' equity		13,534	13,890

Adecco S.A. (Holding Company) – Statements of operations

in millions, except share and per share information and compensation table data

<i>For the fiscal years ended December 31 (in CHF)</i>	Note	2012	2011
Operating income			
Royalties and license fees		381	396
Dividends from subsidiaries		410	142
Interest income from subsidiaries		131	126
Interest income from third parties		16	14
Other income		39	17
Total operating income		977	695
Operating expenses			
Interest expense to subsidiaries		(227)	(255)
Interest expense to related parties		(1)	(2)
Interest expense to third parties		(17)	(4)
Charge to provisions on loans and investments, net		(173)	(230)
Taxes		(14)	(5)
Financial expense		(64)	(236)
Other expenses (including depreciation of CHF 3 in both 2012 and 2011)	8	(130)	(105)
Total operating expenses		(626)	(837)
Net income/(loss)		351	(142)

Adecco S.A. (Holding Company) – Notes to financial statements

in millions, except share and per share information and compensation table data

Note 1 • Contingent liabilities

in CHF	31.12.2012	31.12.2011
Guarantees	2,305	2,273
Letters of comfort	101	105
Other	10	11
Total contingent liabilities	2,416	2,389

Adecco S.A. has irrevocably and unconditionally guaranteed the 2018 notes of CHF 604 (EUR 500) and accrued interest of CHF 21, the 2014 notes of CHF 430 (EUR 356) and accrued interest of CHF 22, and the 2013 notes of CHF 403 (EUR 333) and accrued interest of CHF 12 issued by Adecco International Financial Services BV, a wholly owned subsidiary of Adecco S.A.

Adecco S.A. has irrevocably and unconditionally guaranteed outstanding commercial paper of CHF 222 (EUR 184) issued by Adecco International Financial Services BV, a wholly owned subsidiary of Adecco S.A.

Adecco S.A. has guaranteed or co-issued an amount of CHF 93 utilised from the revolving credit facility in the form of letters of credit as of December 31, 2012. Approximately CHF 500 of the credit facilities issued to several subsidiaries in Europe, North America, South America, Asia, and Australia have been guaranteed. Additionally, Adecco S.A. has provided guarantees and letters of comfort amounting to CHF 99 relating to government requirements for operating a temporary staffing business and to operating leases of its subsidiaries mainly in the USA.

Adecco S.A. is jointly and severally liable for the liabilities of the Swiss VAT group. As of December 31, 2012, the Swiss VAT group liability amounted to CHF 10.

Note 2 • Long-term liabilities to related parties

As of December 31, 2011 long-term liabilities to related parties included a consideration of CHF 900 received for the prepaid forward sale of Adecco S.A. shares ("prepaid forward") in November 2009 in connection with the Senior Secured Limited Recourse Mandatory Convertible Bonds ("MCB") issued by Adecco Investment (Bermuda) Ltd ("Adecco Investment"), a wholly owned subsidiary of Adecco S.A. which was not included in the consolidated financial statements of the Adecco Group until December 2012 (refer to Note 1 and Note 8 to the consolidated financial statements). The prepaid forward was settled in November 2012 and 19,157,073 treasury shares were delivered.

In 2012 and 2011, Adecco S.A. recorded expenses of CHF 4 and CHF 5, respectively, relating to the amortisation of capitalised costs incurred in connection with the prepaid forward. There is no further impact on the statements of operations.

Note 3 · Long-term debt

The long-term debt issued by Adecco S.A. as of December 31, 2012 consists of the following:

<i>in CHF</i>	Principal at maturity	Maturity	Fixed interest rate	31.12.2012
8-year Swiss Franc fixed rate notes	CHF 125	2020	2.625%	125
5-year Swiss Franc fixed rate notes	CHF 350	2017	1.875%	350
4-year Swiss Franc fixed rate notes	CHF 350	2016	2.125%	350
Total long-term debt				825

8-year Swiss Franc fixed rate notes and 5-year Swiss Franc fixed rate notes

On July 18, 2012, Adecco S.A. issued CHF 125 fixed rate notes with a coupon of 2.625% ("2020 notes") and CHF 250 fixed rate notes with a coupon of 1.875% ("2017 notes") due on December 18, 2020 and December 18, 2017, respectively. Furthermore, on October 19, 2012, the Company increased the outstanding 2017 notes by CHF 100. The notes were issued within the framework of the Euro Medium-Term Note Programme and trade on the SIX Swiss Stock Exchange. The proceeds were used to fund the share buyback programme approved by the Board of Directors in June 2012 (for further details, refer to Note 4). Interest is paid annually in arrears.

4-year Swiss Franc fixed rate notes

On February 8, 2012, Adecco S.A. issued CHF 350 fixed rate notes due on February 8, 2016 ("2016 notes"). The 2016 notes were issued within the framework of the Euro Medium-Term Note Programme and trade on the SIX Swiss Stock Exchange. The proceeds are used for general corporate purposes. Interest is paid annually in arrears at a fixed annual rate of 2.125%.

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Note 4 - Treasury shares

The reserve for treasury shares held by Adecco S.A. is transferred to/from retained earnings. As of December 31, 2012

and December 31, 2011, all treasury shares held by the Adecco Group are held by Adecco S.A.

	Carrying value (in CHF millions)	Number of shares	Average price per share (in CHF)
January 1, 2011	874	14,561,480	
Purchases	224	4,355,000	51
Utilisation for stock-based compensation settlement	(6)	(101,375)	60
Write-down	(180)		
December 31, 2011	912	18,815,105	
Purchases, net	12	419,334	37
Purchased over second trading line (share buyback)	175	3,837,087	46
Utilisation for stock-based compensation settlement	(17)	(286,724)	58
Settlement of the prepaid forward	(930)	(19,157,073)	49
Purchased from AFS upon settlement of call spread	1	26,009	49
Purchase and exercise of call option	45	1,000,000	45
Reversal of prior year write-down	15		
December 31, 2012	213	4,653,738	

In 2012 and 2011, the number of treasury shares acquired by Adecco S.A. on the regular trading line, net of disposals, amounted to 419,334 and 4,355,000, respectively. The highest and lowest price per share paid for the shares acquired in 2012 amounted to CHF 44 and CHF 36 and to CHF 61 and CHF 33 for the shares acquired in 2011. In 2012, Adecco S.A. used 19,157,073 treasury shares to settle the prepaid forward it had entered into in 2009 and purchased 26,009 shares from Adecco Financial Services ("AFS") upon settlement of the call spread option between AFS and Adecco Investment (refer to Note 2 for further details). Additionally, in November 2012, Adecco S.A. purchased and exercised a call option on 1,000,000 treasury shares for the settlement of the prepaid forward.

In 2012 and 2011, Adecco S.A. awarded 6,555 and 4,697 treasury shares, respectively, to the Chairman of the Board of Directors as part of his compensation package (refer to section 3.1.1 "Board of Directors' compensation and shareholding" within the Remuneration Report). In addition, in 2012 and 2011, 280,169 and 96,506 treasury shares, respectively were used to settle share awards under the long-term incentive plan. Furthermore, 172 shares were used to settle stock option exercises in 2011.

In 2012, CHF 15 of the write-down on treasury shares recorded in 2011 was reversed to the December 2012 average share price. In 2011, the carrying value of treasury shares designated for the long-term incentive plan was written down by CHF 17 to the December 2011 average share price and the carrying value of the remaining treasury shares was written down by CHF 163 to the minimum strike price of the prepaid forward.

In June 2012, the Company launched a share buyback programme of up to EUR 400 on a second trading line with the aim of subsequently cancelling the shares and reducing share capital. The share buyback commenced in mid-July 2012. As of December 31, 2012 the Company has acquired 3,837,087 shares under this programme and the highest and lowest price per share paid amounted to CHF 49 and CHF 40, respectively.

As of December 31, 2012, the treasury shares, excluding those acquired on the second trading line with the aim of subsequently cancelling the shares and reducing share capital, are intended to be used for the settlement of the Company's outstanding employee stock option plans and long-term incentive plan (for further details refer to Note 9 to the consolidated financial statements).

Note 5 - Shareholders' equity

in CHF	General Reserves					Retained earnings	Total
	Share capital	Reserve from capital contributions	Other reserves	Free reserves	Reserve for treasury shares		
January 1, 2012	189	1,505	407		1,092	3,453	6,646
Allocation from reserve from capital contributions to free reserves for dividend distribution		(307)		307			
Dividend distribution				(307)			(307)
Net movement in reserve for treasury shares					(877)	877	
Transfer from retained earnings to capital contributions reserve		2				(2)	
Net income						351	351
December 31, 2012	189¹	1,200	407		215	4,679	6,690

¹ Common shares of CHF 189,263,506 at CHF 1 par value.

On April 24, 2012, Adecco S.A. held its Annual General Meeting of Shareholders in Lausanne.

Conditional capital

As of December 31, 2012, Adecco S.A. has conditional capital under Art. 3^{quater} of the Articles of Incorporation of Adecco S.A. of 15,400,000 shares, for a maximum aggregate amount of CHF 15 for issue of a maximum of 15,400,000 registered shares, which shall be fully paid by the exercise of option and conversion rights to be granted in relation to bond issues or other obligations of Adecco S.A. or affiliated companies. The shares represent conditional capital authorised without time limitation and remain available for issuance upon conversion of any financial instruments that Adecco S.A. or its subsidiaries have issued or may issue in the future.

As of December 31, 2012 and December 31, 2011, Adecco S.A. has 4,166,804 shares of conditional capital reserved for issuance of common shares to employees and members of the Board of Directors upon the exercise of stock options under Art. 3^{ter} of the Articles of Incorporation of Adecco S.A. These shares shall be fully paid up by the exercise of option rights which the Board of Directors has granted to the employees and to the members of the Board of Directors of Adecco S.A. or of its affiliated companies. During 2012, Adecco S.A. did not issue any shares.

General Reserves

Pursuant to Swiss tax legislation, the reserve from capital contributions amounting to CHF 1,200 and CHF 1,505 as of December 31, 2012 and as of December 31, 2011, respectively, is presented separately within general reserves. Any dividend distribution made out of the reserve from capital contributions (or from free reserves allocated from reserves from capital contributions) after January 1, 2011 is not subject to Swiss withholding tax. Only capital contributions made after December 31, 1996 qualify for the tax exemption and are classified in the reserve from capital contributions.

In 2012, upon approval at the Annual General Meeting of Shareholders, dividends for 2011 of CHF 1.80 per share, totalling CHF 307 (EUR 256), were allocated from Adecco S.A.'s reserve from capital contributions to free reserves and subsequently distributed to shareholders. For 2012, the Board of Directors of Adecco S.A. will propose a dividend of CHF 1.80 per share outstanding for the approval of shareholders at the Annual General Meeting of Shareholders to be allocated from Adecco S.A.'s reserve from capital contributions to the free reserves and subsequently distributed to shareholders.

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Note 6 • Significant shareholders

Adecco S.A. has only registered shares. Not all shareholders register with Adecco S.A.'s share register. The following figures are based on information from the share register as of December 31, 2012, on shareholders' disclosures or on other information available to Adecco S.A.

34,873,579 and 35,313,579 shares in 2012 and 2011, respectively, held by a shareholder group with pooled voting rights, consisting, as notified to the Company on August 26, 2011, of Jacobs Holding AG, Zurich, Switzerland; Jacobs Stiftung, Zurich, Switzerland; Renata I. Jacobs, St. Moritz, Switzerland; Lavinia Jacobs, London, UK; Nicolas Jacobs, Kusnacht, Switzerland; Philippe Jacobs, London, UK; Nathalie Jacobs, Kusnacht, Switzerland; Christian Jacobs, Hamburg, Germany; Andreas Jacobs, Hamburg, Germany; Verein Jacobs Familienrat, Zurich, Switzerland; Sentosa Beteiligungs GmbH, Hamburg, Germany (controlled by Christian Jacobs); Niantic Finance AG, Zurich, Switzerland (controlled by Andreas Jacobs); Jacobs Venture AG, Baar, Switzerland; and Triventura AG, Baar, Switzerland.

10,163,580 shares in 2012 and 2011, held by Akila Finance S.A., Luxembourg, controlled by Philippe Foriel-Destezet, Gstaad, Switzerland.

9,660,727 shares as notified to the Company on May 11, 2011, held by Harris Associates L.P., Chicago, USA.

Refer to Note 4 for details on shares held by Adecco S.A.

For further detailed information, refer to the links listed under item 1.2 "Significant shareholders" of the Corporate Governance Report.

Note 7 • Restriction regarding the distribution of dividends

Adecco S.A. may only pay dividends from unappropriated available earnings, the general reserves, or other reserves distributable in accordance with Art. 675 of the Swiss Code of Obligations.

Companies whose principal purpose consists of participations in other companies may freely use the general reserves to the extent they exceed 20% of the paid-in share capital. Pursuant to Art. 671 para. 1 of the Swiss Code of Obligations, 5% of the annual profits shall be allocated to the general reserves until they have reached 20% of the paid-in share capital. In addition, pursuant to Art. 671 para. 2 and para. 4 of the Swiss Code of Obligations, companies whose principal purpose consists of participations in other companies shall allocate to the general reserves the following: (1) any surplus over par value upon the issue of new shares after deduction of the issuance cost, to the extent such surplus is not used for depreciation or welfare purposes; (2) the excess of the amount which was paid-in on cancelled shares over any reduction on the issue price of replacement shares. The general reserves amounted to CHF 1,607 and CHF 1,912 as of December 31, 2012 and December 31, 2011, respectively, thereby exceeding 20% of the paid-in share capital in both years.

Note 8 · Compensation, shareholdings, and loans

Compensation and shareholding of members of the Board of Directors and the Executive Committee

The amounts indicated in this paragraph include honorariums (fees), salaries, loans, bonuses, and compensation in kind (according to market value at time of conferral). The members of the Board of Directors are compensated in cash. The Chairman is partially compensated with Adecco S.A. shares. The amount conferred to the members of the Board of Directors for the fiscal year 2012 amounted to CHF 4.8. The total of all compensation conferred for the fiscal year 2012 to all members of the Executive Committee, including bonus payments for 2012 due in 2013, and awards granted in 2012 under the LTIP, at grant date fair value, amounted to CHF 28.5. Not included are bonus payments due for 2011 but made during 2012 as this information was disclosed in 2011.

Further information on the compensation of the Board of Directors and the Executive Committee of the Adecco Group can be found in the Remuneration Report.

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Individual compensation and shareholding for 2012 and 2011 are shown in the following tables:

Board of Directors' compensation and shareholding

For the year 2012

Name and function	Office/ compensation period in 2012	Net compensation for term served	Social contributions ¹		Shareholding as of December 31, 2012 ²
			Old age Insurance and other		
<i>in CHF (except shares)</i>					
Rolf Dörig, Chairman	since Jan. 2012	1,800,000 ³	239,242		47,000
Andreas Jacobs, Vice-Chairman	since Jan. 2012	450,000			714,915 ⁴
Dominique-Jean Chertier	since Apr. 2012	225,000	33,000		1,000
Alexander Gut	since Jan. 2012	424,224	59,956		13,200
Didier Lamouche	since Jan. 2012	282,114	41,375		
Thomas O'Neill	since Jan. 2012	332,640	40,942		6,000
David Prince	since Jan. 2012	289,132	40,410		5,539
Wanda Rapaczynski	since Jan. 2012	450,000			7,700
Jakob Baer	until Apr. 2012	71,968	7,152		n.a.
Subtotal		4,325,078	462,077		
Total			4,787,155		795,354

¹ Including Directors' and Company's social contributions.

² Indicating the number of registered shares held, with a par value of CHF 1 each. The members of the Board of Directors and the Executive Committee are required to disclose to the Company direct or indirect purchases and sales of equity-related securities of Adecco S.A.

³ CHF 300,000 of the total net compensation was paid with Adecco S.A. shares (6,555 shares at a price of CHF 45.76 per share).

⁴ Refer to Corporate Governance Report, section 1.2 "Significant shareholders" and Note 6 regarding shares held by a group of which Andreas Jacobs is a member.

For the year 2011

Name and function	Office/ compensation period in 2011	Net compensation for term served	Social contributions ¹	Shareholding as of December 31, 2011 ²
			Old age insurance/ pensions and other	
<i>in CHF (except shares)</i>				
Rolf Dörig, Chairman	since Jan. 2011	1,800,000 ³	237,123	35,000
Thomas O'Neill, Vice-Chairman	since Jan. 2011	427,690	53,061	6,000
Jakob Baer	since Jan. 2011	320,984	39,282	5,101
Alexander Gut	since Jan. 2011	377,069	53,656	11,940
Andreas Jacobs	since Jan. 2011	450,000		714,915 ⁴
Didier Lamouche	since Apr. 2011	211,781	30,823	
David Prince	since Jan. 2011	290,002	9,998	5,539
Wanda Rapaczynski	since Jan. 2011	400,000		7,700
Francis Mer	until Apr. 2011	107,571	11,722	n.a.
Judith A. Sprieser	until Apr. 2011	100,000	100,000	n.a.
Subtotal		4,485,097	535,665	
Total			5,020,762	786,195

¹ Including Directors' and Company's social contributions.

² Indicating the number of registered shares held, with a par value of CHF 1 each. The members of the Board of Directors and the Executive Committee are required to disclose to the Company direct or indirect purchases and sales of equity-related securities of Adecco S.A.

³ CHF 300,000 of the total net compensation was paid with Adecco S.A. shares.

⁴ Refer to Corporate Governance Report, section 1.2 "Significant shareholders" and Note 6 regarding shares held by a group of which Andreas Jacobs is a member.

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Executive Committee's compensation

For the year 2012

in CHF	Patrick De Maeseneire, CEO ¹	Total Executive Committee ²
Gross cash compensation ³ :		
• Base salary	1,800,000	9,145,981
• Annual bonus	1,440,000	5,938,496
Compensation in kind ⁴	120,000	1,573,033
Social contributions ⁵ :		
• Old age insurance/pensions and other	619,953	2,163,458
• Additional health/accident insurance	53,078	167,850
Other including severance ⁶		3,084,302
Total conferred	4,033,031	22,073,120
Share awards granted in 2012 under the long-term incentive plan (LTIP) ⁷ :		
• RSU awards	1,458,786	4,945,927
• Relative TSR awards	157,105	532,657
• Absolute TSR awards	152,810	518,081
• Additional TSR awards	101,763	345,012
Social contributions on awards, estimated ⁵		52,457
Total conferred including LTIP	5,903,495	28,467,254

¹ Highest conferred individual compensation in 2012.

² In 2012, the Executive Committee consisted of Patrick De Maeseneire, Dominik de Daniel, Alain Dehaze, Peter Searle, Andreas Dinges, Mark Du Ree, Marfin Alonso, Federico Vione, Enrique Sanchez, Sergio Picarelli, and Christian Vasino (all since January 2012), Robert P. (Bob) Crouch (since May 2012), and Theron I (Tig) Gilliam Jr. (until April 2012). Notice periods of up to 12 months apply. For certain members of the Executive Committee, based on mandatory local law, severance payments may become due in case of termination.

³ Including employee's social contributions.

⁴ Car allowance for private use, car lease financed by the Company, membership fees, housing allowance, relocation, education, health insurance, representation allowance. Includes tax equalisation payments to a member of the Executive Committee, partly refundable to the Company in the future.

⁵ Employer's social contributions.

⁶ Including share awards granted under the LTIP, not forfeiting due to severance agreement, valued at grant date values.

⁷ Value in CHF of Adecco S.A. shares awarded in 2012 under the LTIP 2012 (grant date: March 16, 2012).

Valuation of the share awards granted:

- The grant date fair value of the restricted share unit awards ("RSU awards") is equal to the closing price of the Adecco S.A. share on the day of grant less a 3% discount which takes into consideration that RSU awards are not entitled to dividends during the vesting period. An additional discount of 11% is applied to the value of RSU awards granted to the French participants, related to a 2-year post-vesting restriction on sale of shares.
- The grant date values of the total shareholder return awards ("TSR awards") are calculated based on the closing price of the Adecco S.A. share on the day of grant multiplied by the respective probability factors. These factors reflect the likelihood that the respective TSR targets will be met at the end of the performance period. The probability factors of 0.40, 0.39, and 0.26 for relative, absolute, and additional TSR awards, respectively, have been determined using a binomial model. A discount of 3% is applied which takes into consideration that TSR awards are not entitled to dividends during the vesting period. An additional discount of 11% is applied to the value of TSR awards granted to the French participants, related to a 2-year post-vesting restriction on sale of shares by the participants.
- The per-share value of awards granted in 2012 amounts to CHF 42.32 and CHF 47.55 for RSU awards, CHF 16.93 and CHF 19.02 for relative TSR awards, CHF 16.46 and CHF 18.50 for absolute TSR awards, and CHF 10.96 and CHF 12.32 for additional TSR awards (lower values: French participants).
- Included are the awards granted to Theron I (Tig) Gilliam Jr. in 2012.

For the year 2011

in CHF	Patrick De Maeseneire, CEO ¹	Total Executive Committee ²
Gross cash compensation ³ :		
• Base salary	1,800,263	9,214,661
• Annual bonus	1,620,000	6,131,195
Compensation in kind ⁴	120,000	1,137,987
Social contributions ⁵ :		
• Old age insurance/pensions and other	332,160	2,354,279
• Additional health/accident insurance	38,114	117,014
Other cash payments, including severance payments		1,883,245
Total conferred	3,910,537	20,838,381
Share awards granted in 2011 under the long-term incentive plan (LTIP) ⁶ :		
• RSU awards	1,213,242	4,194,197
• Relative TSR awards	130,987	452,850
• Absolute TSR awards	87,246	301,625
• Additional TSR awards	58,776	203,200
Social contributions on awards, estimated ⁵		49,237
Total conferred including LTIP	5,400,788	26,039,490

¹ Highest conferred individual compensation in 2011.

² In 2011, the Executive Committee consisted of Patrick De Maeseneire, Dominik de Daniel, Alain Dehaze, Theron I (Tig) Gilliam Jr., Peter Searle, Andreas Dinges, Mark Du Ree, Federico Vione, Enrique Sanchez, Sergio Picarelli, and Christian Vasino (all since January 2011), Martin Alonso (since August 2011), and François Davy (until June 2011). Notice periods of up to 12 months apply. For one member of the Executive Committee, severance payments of approximately CHF 0.9 million would be due in case of termination of the employment contract by the employer. For certain members of the Executive Committee, based on mandatory local law, severance payments may become due in case of termination.

³ Including employee's social contributions.

⁴ Car allowance for private use, car lease financed by the Company, membership fees, housing allowance, relocation, education, health insurance, representation allowance. Includes tax equalisation payments to a member of the Executive Committee, partly refundable to the Company in the future.

⁵ Employer's social contributions.

⁶ Value in CHF of Adecco S.A. shares awarded in 2011 under the LTIP 2011 (grant date: March 16, 2011).

Valuation of the share awards granted:

- The grant date fair value of the restricted share unit awards ("RSU awards") is equal to the closing price of the Adecco S.A. share on the day of grant less 3% discount related to non-entitlement of RSU awards to dividend until vesting. An additional discount of 11% is applied to the value of RSU awards granted to the French participants, related to additional 2-year post-vesting restrictions on sale of shares.
- The grant date values of the total shareholder return awards ("TSR awards") are calculated based on the closing price of the Adecco S.A. share on the day of grant multiplied by the respective probability factors. These factors reflect the likelihood that the respective TSR targets will be met at the end of the performance period. The probability factors of 0.40, 0.27, and 0.18 for relative, absolute, and additional TSR awards, respectively, have been determined using a binomial model. A discount of 3% is applied in relation to non-entitlement of TSR awards to dividend until vesting. An additional discount of 11% is applied to the value of TSR awards granted to the French participants, related to additional 2-year post-vesting restrictions on sale of shares by the participants.
- The per-share value of awards granted in 2011 amounts to CHF 49.12 and CHF 55.19 for RSU awards, CHF 19.70 and CHF 22.13 for relative TSR awards, CHF 13.12 and CHF 14.74 for absolute TSR awards, and CHF 8.84 and CHF 9.93 for additional TSR awards (lower values: French participants).
- Included are the awards granted to François Davy in 2011. Not included are the awards granted to Martin Alonso in 2011 in his function before he became a member of the Executive Committee.

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For 2012, the variable portion of cash compensation (annual bonus) to the CEO amounted to 80% and for the other members of the Executive Committee ranged between 46% and 87% of the base salary. The variable portion of compensation consisting of share awards (at values as indicated in the previous table) to the CEO amounted to 104% and for the other members of the Executive Committee ranged between 52% and 118% of the base salary. The CEO has reached 80% of the short-term incentive plan ("STIP") bonus base, and the other members of the Executive Committee have reached between 62% and 115% of the STIP bonus base.

Compensation of former members of Governing Bodies (Board of Directors, Executive Committee, closely linked parties)

No compensation payments were made to other former members of Governing Bodies in relation to their former offices.

Shares allocated to Governing Bodies

In 2012, no Adecco S.A. shares were allocated to current or former members of Governing Bodies, except for part of the Chairman's compensation paid with Adecco S.A. shares (refer to compensation table on page 120).

Share ownerships of Governing Bodies

As of December 31, 2012, the members of the Board of Directors, including related parties, reported to hold 795,354 shares; not included are the shares held by a group of which Andreas Jacobs is a member (refer to Note 6 and section 1.2 "Significant shareholders" of the Corporate Governance Report). For the individual share ownerships of the Board of Directors, refer to the table "Board of Directors' compensation and shareholding" and section 1.2 "Significant shareholders" of the Corporate Governance Report.

The members of the Executive Committee, including parties closely linked, reported share ownership as indicated in the following table:

Share ownership as of December 31 ¹	Patrick De Maese-neire	Dominik de Daniel	Alain Dehaze	Robert P. (Bob) Crouch ²	Peter Searle	Andreas Dinges	Mark Du Ree	Martin Alonso	Federico Vione	Enrique Sanchez	Sergio Picarelli	Christian Vasino	Theron I (Tig) Gilliam Jr. ³	Total
2012	61,906	46,437	3,789		2,545	7,590	3,456	1,162	5,553		10,512	11,714	8,670	163,334
2011	8,959	32,873	1,366	n.a.	910	1,434	50	867	1,024		3,358	2,962	1,364	55,167

¹ Indicating the number of registered shares held, with a par value of CHF 1 each.

² Became a member of the Executive Committee in 2012.

³ Ceased to be a member of the Executive Committee in 2012, shareholding in 2012 indicated as per date of departure.

The members of the Board of Directors and the Executive Committee are required to disclose to the Company direct or

indirect purchases and sales of equity-related securities in accordance with the requirements of the SIX Swiss Exchange.

Stock options and share awards held by and granted to Governing Bodies

the members of Governing Bodies in office as of December 31, 2012 and as of December 31, 2011, are presented in the following table (no stock options were granted since 2004):

Stock options

Stock options outstanding, as granted since the merger of Adia and Ecco in 1996, exercised by, lapsed from, and held by

As of December 31, 2012

During 2012, none of the stock options outstanding were exercised, and all stock options outstanding have lapsed.

As of December 31, 2011

Year of grant	Last year of expiry detail			Strike price (CHF)	Granted	Exercised	Lapsed	Held by	Held by	Held by
	Marfin Alonso	Federico Vione	Christian Vasino					Marfin Alonso	Federico Vione	Christian Vasino
2003	2012	2012	2012	78.50	36,500	3,200	26,000	6,000	800	500

Stock options held

One option entitled the holder to purchase one Adecco S.A. share under the conditions as outlined in the respective plan.

For additional information on stock options, refer to the Corporate Governance Report, section 2.7 "Convertible notes and options".

Adecco S.A. (Holding Company) – Notes to financial statements

in millions, except share and per share information and compensation table data

Share awards

Awards granted 2012

Share awards held as of December 31, 2012 granted on March 16, 2012 under the LTIP:

December 31, 2012 ¹	RSU awards	TSR awards ²	Total
Patrick De Maeseneire	30,679	24,780	55,459
Total Executive Committee	93,293	75,354	168,647

Awards granted 2011

Share awards held as of December 31, 2012 and December 31, 2011 granted on March 16, 2011 under the LTIP:

December 31, 2012 ¹	RSU awards	TSR awards ²	Total
Patrick De Maeseneire	14,655	17,757	32,412
Total Executive Committee	43,169	51,174	94,343

December 31, 2011 ¹	RSU awards	TSR awards ²	Total
Patrick De Maeseneire	21,983	17,757	39,740
Total Executive Committee	72,536	56,967	129,503

Awards granted 2010

Share awards held as of December 31, 2012 and December 31, 2011 granted on March 16, 2010 under the LTIP:

December 31, 2012 ¹	RSU awards	TSR awards ²	Total
Patrick De Maeseneire	8,368	20,277	28,645
Total Executive Committee	25,725	60,243	85,968

December 31, 2011 ¹	RSU awards	TSR awards ²	Total
Patrick De Maeseneire	16,737	20,277	37,014
Total Executive Committee	56,528	66,390	122,918

Awards granted 2009

No share awards granted in 2009 were outstanding as of December 31, 2012.

Share awards held as of December 31, 2011 granted on March 16, 2009, and April 1, 2009 under the LTIP:

December 31, 2011 ¹	EPS awards ³	TSR awards	Total
Patrick De Maeseneire ⁴	22,500	22,500	45,000
Total Executive Committee	70,042	109,137	179,179

¹ Held, as of the date indicated, by members of the Executive Committee in office on December 31, 2012.

² Split into relative TSR, absolute TSR, and additional TSR awards (one third each).

³ For EPS awards refer to the description of the long-term incentive plan for the awards granted in 2009 as described on pages 189 and 190 of the Annual Report 2009.

⁴ Special conditions: grant date April 1, 2009, vesting of 58% of the awards granted was guaranteed, subject to continued employment.

Additional fees and remuneration of Governing Bodies

No member of the Board of Directors has received any additional honorariums in 2012.

Loans granted to Governing Bodies

In 2012, the Company did not grant any guarantees, loans, advances or credits to members of the Board of Directors or to members of the Executive Committee, including closely linked parties.

Note 9 • Risk management

The detailed disclosure regarding risk management required by Swiss law is included in Note 18 to the consolidated financial statements.