

Dear shareholder,

The year 2011 started with continued improving economic conditions. As the months progressed, natural disasters, political unrest and the sovereign debt crisis led to volatile equity, bond and currency markets. In such a challenging environment, every day our 33,000 employees worldwide work with around 700,000 associates on assignment at more than 100,000 clients. By providing flexible HR solutions to the changing needs of our clients, we increase their competitiveness; by providing meaningful work for our associates, we help them achieve their work and career aspirations.

We achieved solid growth and industry-leading profitability. We reinforced our leadership position in the HR industry. Our revenues increased by 10% organically to EUR 20.5 billion. The strength in the early cyclical Industrial business continued and was yet again the key growth driver in 2011. The gross margin of 17.4% is a good result when taking into account that business mix trends unfavourably impacted the Group's gross margin and that the negative impact of reduced government subsidies in our largest market, France, had to be compensated throughout the year. Nevertheless, through the combination of sound topline development, pricing discipline and strict cost control, we delivered solid profitability. EBITA amounted to EUR 814 million, up 14% organically. The EBITA margin increased by 10 bps to 4.0%. Net income attributable to Adecco shareholders was EUR 519 million, up 23%. We generated strong operating cash flow of EUR 524 million in 2011 up 15%; our balance sheet is in a very healthy state, and our debt has no near term refinancing needs.

At the Annual General Meeting, the Board of Directors will propose a dividend of CHF 1.80 per share for 2011, for approval by shareholders. This represents an increase of 64%,

compared to the dividend paid for 2010 and is equivalent to a pay-out ratio of 45% based on adjusted earnings. Given Adecco's solid financial position and strong cash flow generation, it was decided to increase the pay-out range from the Group's traditional pay-out range of 25-30% to 40-50% of adjusted earnings. This range is seen as sustainable going forward.

In 2011 we continued to work towards our EBITA margin target of above 5.5%. The integration of MPS Group was successfully completed during the course of 2011. Initially targeted synergies of EUR 25 million were clearly exceeded and profitability developed ahead of expectations. After almost two years of internal focus on integrating MPS, we missed some revenue growth opportunities, mainly in the US IT segment. Corrective measures have been taken and we are confident of a return to market growth.

With the acquisition of Drake Beam Morin Inc. (DBM) in 2011, we took global leadership in the career transition and talent development services sector. We are now present in all of the five largest career transition markets in the world and we are in a position to offer our customers a global solution of services. At the beginning of 2012, we acquired VSN Inc. in Japan, which was a rare opportunity for us to expand in Professional Staffing in the world's second-largest staffing market. These bolt-on acquisitions are an excellent fit with our global priority to increase the share of higher-margin businesses.

We have also made substantial progress in the execution of our mid-term strategic priorities. The Group's retention rate continued to be a strong focus and we launched the Adecco Academy training initiative to invest in our own people and culture, as well as to further enhance our service quality. Our investments in IT were stepped up and we continued on our path to standardise, centralise and simplify our processes

from client- or candidate-related interactions all the way through to back-office optimisation. In General Staffing, we continued to better segment our client base and tailor our offering to best capture market opportunities. The trend of companies to outsource a part or the entire management of their contingent workforce persisted. We further developed our leading MSP, RPO and VMS offerings and won a number of important new client contracts. We continued to invest in the Emerging Markets and entered new countries such as Vietnam. Our joint venture in China, FESCO Adecco, already has over 125,000 associates on assignment every day and we will continue to invest as the untapped growth potential is still immense.

The value of flexibility, talents and skills that the Adecco Group offers to businesses and individuals, throughout their business and working life cycles, is appreciated more than ever. Companies increasingly focus on efficient HR strategies and require services on a regional as well as on a global level.

Manufacturing continues to move to the East and inventory-to-sales ratios have been falling, proving that the made-to-order trend has even intensified. This requires a flexible, but capable and continuously trained workforce. Although we still remain below prior peaks in many markets, we are certain that the structural shift towards more flexible workforce solutions will lead to higher penetration rates for our industry in the majority of markets where we operate.

Our global reach and agility mean that the Adecco Group is solidly positioned for the future. In an environment of economic uncertainty we will continue to build on our strengths – our leading global position and diverse service offering. We will continue to take advantage of growth opportunities, with a strong focus on disciplined pricing and cost control to optimise profitability and value creation.

With the death of Henri Ferdinand Lavanchy our Company lost the founder of Adia. Henri Ferdinand Lavanchy was a visionary entrepreneur, the pioneer who first introduced the concept of temporary work in Switzerland with his ground-breaking ideas. By founding Adia in 1957, he laid the foundation for what became together with Ecco the world's leading provider of HR solutions, Adecco. The needs and ambitions of both employees and employers were always foremost in his mind. As a Group we will continue to live up to his values and we will keep his memory alive with great honour.

Our sincere thanks go to all our stakeholders, especially to our clients, our associates and our employees as well as our shareholders for their continued support and confidence in the Adecco Group.



Rolf Dörig
Chairman of the Board of Directors



Patrick De Maeseneire
Chief Executive Officer