We aim to present a clear and balanced view of our investment story – including our strategy and the drivers of our revenue growth, best-in-class margins, and strong cash generation – and to provide true, fair, and up-to-date information to all of our stakeholders.

Investor Relations

Our investment 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, talent development, and outsourcing. We operate in over 60 countries and territories through a network of around 5,100 branches. Every day our more than 31,000 FTE employees place over 650,000 associates at work. Every day we aim to satisfy their needs, along with those of our clients, candidates, and social partners, and in so doing create value for our shareholders.

The HR services industry benefits from positive secular trends offering good growth opportunities through-the-cycle. Our strategic vision helps us to capture these opportunities. At the same time, our experienced management team focuses closely on operational execution, underpinned by the Economic Value Added (EVA) concept (described in the chapter 'Our strategy'). As a result of our approach, we are the global leader in HR services by revenues, with the highest profitability amongst our major competitors and a strong track record of cash generation. We are confident that we are in good shape to further enhance our leadership position in the attractive HR services industry.

Revenue growth with structural and cyclical drivers

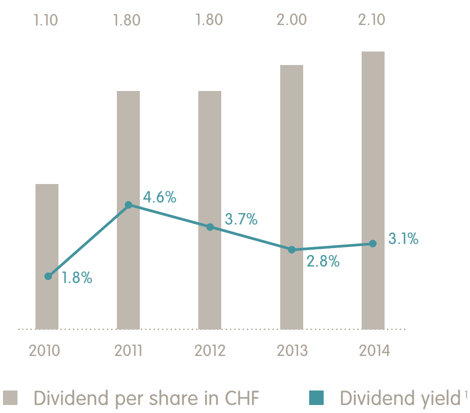
Cyclical drivers Our temporary staffing and permanent placement services, which constitute over 90% of our total revenues, are cyclical and dependent on the level of economic activity in the countries where we operate. Demand for these services expands during periods of economic growth (and contracts during recessions), with a highly leveraged effect – even modest levels of GDP growth can drive very strong growth in our temporary staffing and permanent placement revenues. On the other hand, career transition services are counter-cyclical, expanding during difficult economic periods and contracting during a recovery.

Structural drivers Importantly, for all our service lines we see structural growth drivers alongside the cyclical forces. Companies are increasingly using temporary staff as a core component of their workforces, allowing them to adapt faster and better to changes in demand and thereby to maintain their competitiveness. With this clear driver, we expect temporary staffing penetration rates to increase over the course of the cycle. This is not just true for lower-skill blue-collar and clerical workers but also for higher-qualified staff. We have significantly improved our Professional Staffing offering in the past years through acquisitions and organic initiatives, and today we are the largest player worldwide in the higher-growth, higher-margin professional staffing business.

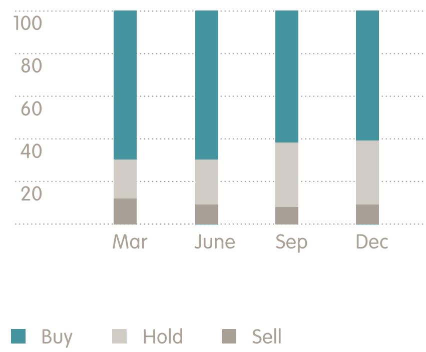
For companies wanting to add permanent employees, structural skills shortages make our permanent placement services increasingly attractive. We have made significant investments in recent years, creating permanent placement 'hubs' and hiring experienced new colleagues. The results in 2014 have been encouraging.

Demand for career transition and talent development services is also expected to grow over the course of the cycle. The effects of technological change and disruptive innovation will see ongoing restructuring activities in traditional businesses. Our global footprint and innovative solutions allow us to offer even more effective support to companies and their employees undergoing such changes, helping us to capture further share in the growing career transition market. In talent development, skills shortages and companies' increasing commitment to home-grown talent will continue to drive up demand. Our innovative service offerings also provide more affordable solutions for non-C-level executives, creating further growth opportunities.

Dividend history



Distribution of broker ratings in 2014 at quarter end *in %*



Best-in-class operating margins and strong operating leverage

While revenue development hinges to a large degree on economic activity, we practise price discipline and continuously focus on our business mix in order to optimise gross profit. With our strategic mid-term priorities on Professional Staffing & Services including permanent placement, as well as Business Process Outsourcing solutions, we are clearly concentrating our investments in the growth of higher-margin businesses.

To maximise overall profitability in a cyclical business like ours, it is also very important to manage our cost base very strictly. Our approach is to be very proactive, to ensure that we deliver strong operating leverage and increasing returns in times of economic growth, while protecting profitability in downturns. Our strategy is focused on achieving leading profitability in all our markets.

Consistent cash generation and a shareholder-friendly approach to use of cash

Adecco requires limited capital investment for growth, helping to make the business highly cash-generative. By applying the EVA concept throughout the organisation, we incentivise our colleagues in the field to focus on the efficient use of capital in the operations, primarily by optimising our accounts receivable. This helps to maximise the operating cash flow of the business.

We seek to use our free cash flow in a shareholder-friendly manner. While our business offers operating leverage, we limit financial leverage and will always aim to maintain our investment grade credit rating. In 2012, as we had not planned any major acquisitions in the mid-term, we began a series of share buyback programmes using the excess cash that we generate. These programmes are on top of our regular dividend payments.

Dividend Since 2011, our policy is to maintain a dividend pay-out ratio in a range of 40–50% of adjusted net earnings. In addition, we are 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. For 2013 Adecco paid a dividend of CHF 2.00 per share. At the next Annual General Meeting, the Board of Directors will propose a dividend of CHF 2.10 per share for 2014 for approval by shareholders. This amount represents an increase of 5% compared to the dividend paid for 2013 and is equivalent to a pay-out ratio of 49% of adjusted net earnings.

Share buyback programmes In 2012 we announced our first share buyback programme of EUR 400 million, which was completed in September 2013. A second share buyback programme of EUR 250 million was completed in November 2014 and we immediately launched a further programme of up to EUR 250 million.

Experienced Management focused on operational execution and longer-term strategic vision

The strategy and objectives of the Adecco Group are determined by the Board of Directors, while the day-to-day operation of the business is managed by the CEO and the Executive Committee. The Executive Committee is composed of the CEO, CFO, and regional and functional heads with a long history of service in Adecco and the HR services industry. Our management approach is to be very focused on operational execution and to monitor closely our key performance indicators. This is critical in a business where conditions can change very quickly. At the same time, we are working to a clear strategic vision, focused on our common purpose to help people to 'better work, better life' and expressed through our six mid-term strategic priorities: Engagement; Information Technology; Professional Staffing & Services; Segmentation; BPO solutions; and the Emerging Markets.

1 Yield is based on the year end share price.

Adecco share price in CHF and main events 2014

Investor Relations activities

The 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 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. We are 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.

We formally communicate our financial performance in 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, 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 investor.adecco.com. 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 our approach, we maintained an open dialogue with the financial community through our Investor Relations activities in 2014. During the year, we devoted 49 days to market communication through broker conferences and roadshows in Europe and North America, during which we held over 300 one-on-one or group meetings with investors.

In 2014 we held our biennial Investor Days. The two-day event in Rome featured updates on the Group's strategy and financial performance, detailed presentations on our operations in Italy, France, Iberia, Eastern Europe & MENA, as well as US Healthcare Staffing, and a technology expo.

Analyst coverage

Adecco's development is closely monitored by the financial community. Currently 23 brokers actively cover Adecco, maintaining regular contact with Management and the Investor Relations team. They comprise ABN Amro, Bank am Bellevue, Bank of America Merrill Lynch, Bank Vontobel, Barclays Capital, Bryan Garnier & Co., Citigroup, Credit Suisse, Deutsche Bank, Exane BNP Paribas, Goldman Sachs, Helvea-Baader Bank Group, HSBC, Jefferies, JP Morgan Cazenove, Kepler-Chevreux, MainFirst, Morgan Stanley, Rabobank, Redburn, Royal Bank of Canada, UBS, and Zürcher Kantonalbank.

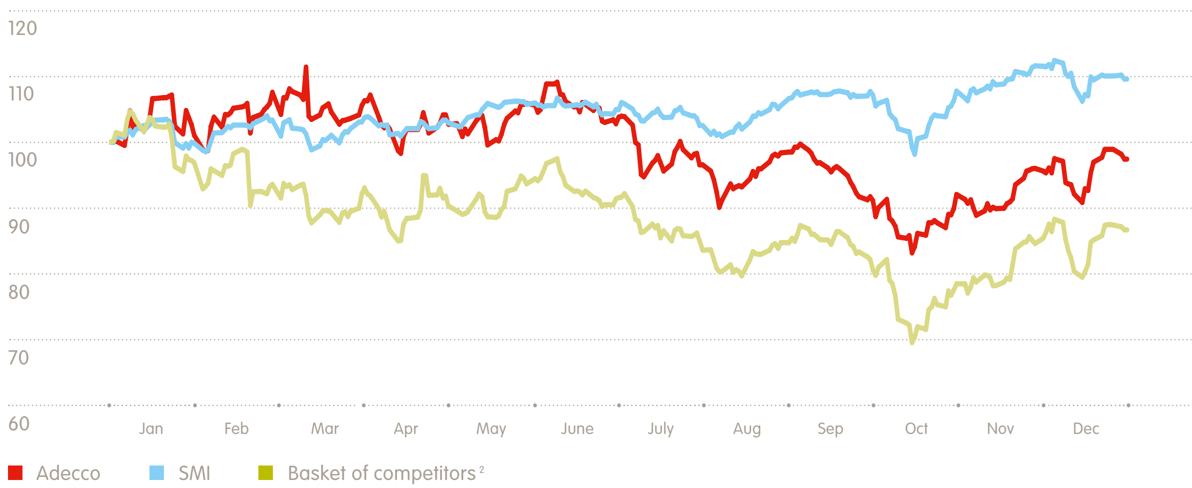
After reporting the Q4 and FY results for 2013, at the end of March 2014, 57% of the analysts recommended buying the stock, 30% had a neutral view, and 13% recommended selling. The year 2014 ended with 52% of the analysts having a buy recommendation, 39% being neutral, and 9% having a sell recommendation on Adecco shares. This development was influenced by continued strong profitability, improving revenue trends, and the share price performance.

Share performance report

Following a 47% increase in 2013, the Adecco share price started 2014 at CHF 70.60. For the first six months, the share price fluctuated between a low of CHF 69.45 and a high of CHF 78.60, closing at CHF 73.00 on June 30, 2014. From July, European equity markets in general, and cyclical stocks in particular, came under some pressure due to renewed concerns about the economic outlook in the region. In October, Adecco shares fell to their low for the year of CHF 58.85, before recovering to end the year at CHF 68.85.

Over the year 2014, the Adecco share price decreased by 2%. This represents an underperformance of 12% compared to the Swiss Market Index (SMI) (in CHF), but an outperformance of 12% against a basket of our key competitors[2] in the staffing industry. Adecco's market capitalisation, based on issued shares, was CHF 12.3 billion at the end of 2014, compared with CHF 13.4 billion at the end of 2013.

Share price performance comparison 2014
in CHF, indexed to 100



Shareholder base

In 2014, there was a significant change in the shareholder base of the Adecco Group. The Company was created in 1996 by the merger of Adia Interim SA and Ecco SA. The major shareholders of these companies – Klaus Jacobs and Philippe Foriel-Destezet, respectively – became Adecco's largest shareholders. In 2005 and 2006, the Jacobs family acquired a large portion of Philippe Foriel-Destezet's stake, in the process becoming by far the Group's largest shareholder. In March 2014, the Jacobs Group sold the majority of its 18.4% stake. At the end of 2014, family members together owned less than 1% of Adecco shares.

Adecco continues to have a broad investor base, made up of over 14,000 shareholders. Following the placings of the Jacobs family, the free float (defined as shares issued minus insider and treasury shares in proportion to the shares issued) stood at 97% on December 31, 2014, and our top 20 shareholders held approximately 49% of the issued and outstanding share capital. European institutional investors had increased their holdings in Adecco to 36% of shares issued at the end of 2014, compared to 32% at the end of 2013. The percentage held by North American institutions increased by 11% to 38%.

At the Annual General Meeeting (AGM) 2014 the cancellation of 10,181,696 shares, representing 5% of Adecco shares, was approved and was correspondingly executed in July. The number of shares in issue was therefore reduced to 179,081,810 shares. The Board of Directors will propose a further cancellation of 4,606,873 shares at the AGM 2015.

Shareholder concentration

as of year end 2014	*in % of shares issued*
Top 5 investors	25%
Rest of top 10 investors	10%
Rest of top 20 investors	14%
Rest of top 50 investors	19%
Others	32%

Shareholder structure

in % of shares issued	2014	2013
Institutional:		
• Europe	36%	32%
• North America	38%	27%
• Rest of World	5%	2%
Retail	4%	4%
Insider and treasury	3%	24%
Unassigned	14%	11%

Key data

	2014	2013
Shares issued	179,081,810	189,263,506
Treasury shares	5,633,241	11,125,506
Shares outstanding	173,448,569	178,138,000
Weighted-average shares	176,267,821	180,511,706
Basic earnings per share in EUR	3.62	3.09
Diluted earnings per share in EUR	3.61	3.08
Dividend per share in CHF	2.10 [3]	2.00
Year end share price in CHF	68.85	70.60
Highest share price in CHF	78.60	70.60
Lowest share price in CHF	58.85	47.72
Year end market capitalisation in CHF million [4]	12,330	13,362
Price/earnings ratio [5]	15.8	18.6
Enterprise value [6]/EBITA	12.1	14.6

2 Manpower, Randstad (market capitalisation weighted in CHF).

3 Proposed by the Board of Directors.

4 Based on shares issued.

5 Based on basic earnings per share and share price at year end; CHF/EUR per year end 2014: 1.20 (year end 2013: 1.22).

6 Enterprise value equals net debt plus market capitalisation at year end; CHF/EUR per year end 2014: 1.20 (year end 2013: 1.22).