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## **Adecco acquires 100% of Tuja Group**

18 June, 2007

# Disclaimer

## Forward-looking statements

Information in this release may involve guidance, expectations, beliefs, plans, intentions or strategies regarding the future. These forward-looking statements involve risks and uncertainties. All forward-looking statements included in this release are based on information available to Adecco S.A. as of the date of this release, and we assume no duty to update any such forward-looking statements. The forward-looking statements in this release are not guarantees of future performance and actual results could differ materially from our current expectations. Numerous factors could cause or contribute to such differences. Factors that could affect the Company's forward-looking statements include, among other things: global GDP trends and the demand for temporary work; changes in regulation of temporary work; intense competition in the markets in which the Company competes; changes in the Company's ability to attract and retain qualified temporary personnel; the resolution of the French anti-trust investigation and the resolution of the US class action; and any adverse developments in existing commercial relationships, disputes or legal and tax proceedings.

Please refer to the Company's most recent Annual Report on Form 20-F and other reports filed with or submitted to the US Securities and Exchange Commission from time to time, for further discussion of the factors and risks associated with our business.



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# Today's agenda

Highlights and strategic rationale

German market

Profile of Tuja Group

Details of transaction

Conclusion



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# Highlights

- ▶ **Adecco acquires Tuja Group for around EUR 800 million enterprise value**
- ▶ **Adecco significantly strengthens its market position in the German temporary staffing market**
- ▶ **Germany is one of the most attractive markets for temporary staffing worldwide**
- ▶ **Adecco consistently implements its strategy to grow in interesting staffing markets and to specialize the general staffing business**



# Strategic rationale

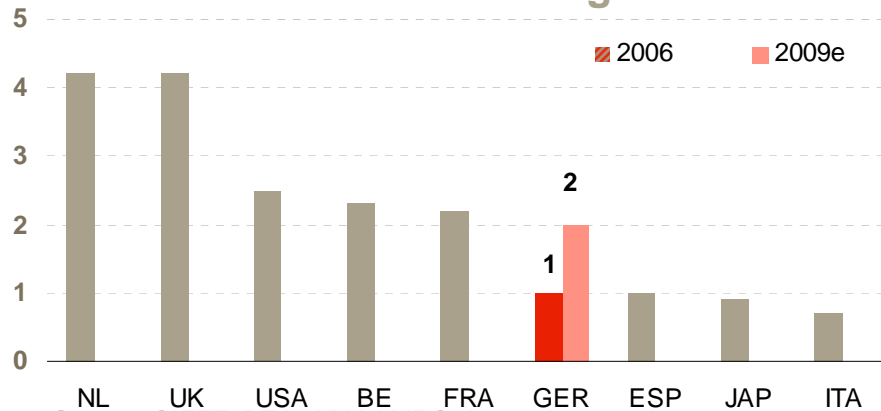
- ▶ **Adecco Group will close the gap to the market leader in the fast-growing and highly profitable German temporary staffing market**
- ▶ **Tuja Group is a highly attractive asset**
  - Strong management team commitment with Mr. Bäumer and Mr. Jackwerth
  - Strong top-line growth outpacing all competitors over the last years in the German market and thus gaining market share
  - Well-established and stable customer base
- ▶ **Significant value upside for Adecco**
  - Adecco increases its exposure to markets with high structural growth and above average profitability
  - EPS enhancing as of the first year of consolidation
- ▶ **Allows Tuja Group to leverage Adecco's client base and profit from enlarged resources**



# Germany one of the most attractive staffing markets

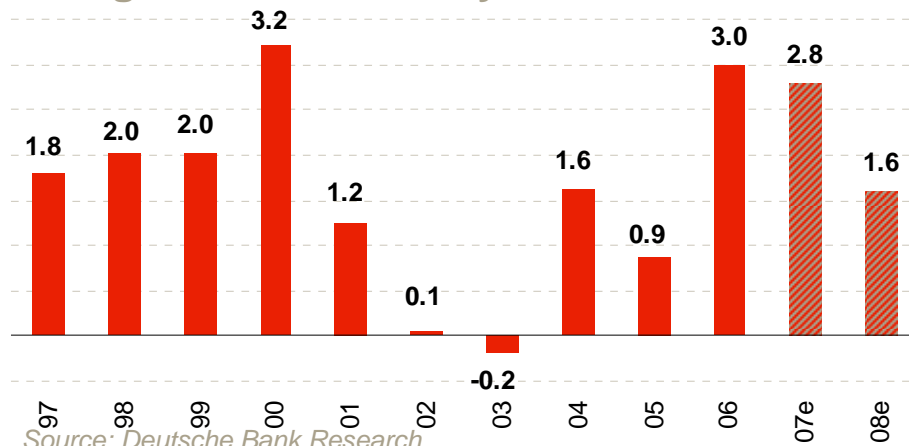
Unparalleled secular growth due to below-average penetration rates

Penetration rates of staffing markets 2006



Source: CIETT, BZA, ABN AMRO, internal research

GDP growth in Germany 1997 - 2008



Source: Deutsche Bank Research

## German market characteristics

- ▶ Europe's largest employment market, with penetration rate of 1%. Market deregulation and increasing acceptance of temporary staffing expected to bring penetration rate to 2% by 2009
- ▶ Growth of the temporary employment market is strongly linked to GDP growth; German GDP outlook is good
- ▶ Overall German staffing market expected to grow between 11% and 14% for the next 8 – 10 years
- ▶ Still fragmented market – combined market share of top 4 players in 2006 36%
- ▶ Increasing need for flexibility and specialization



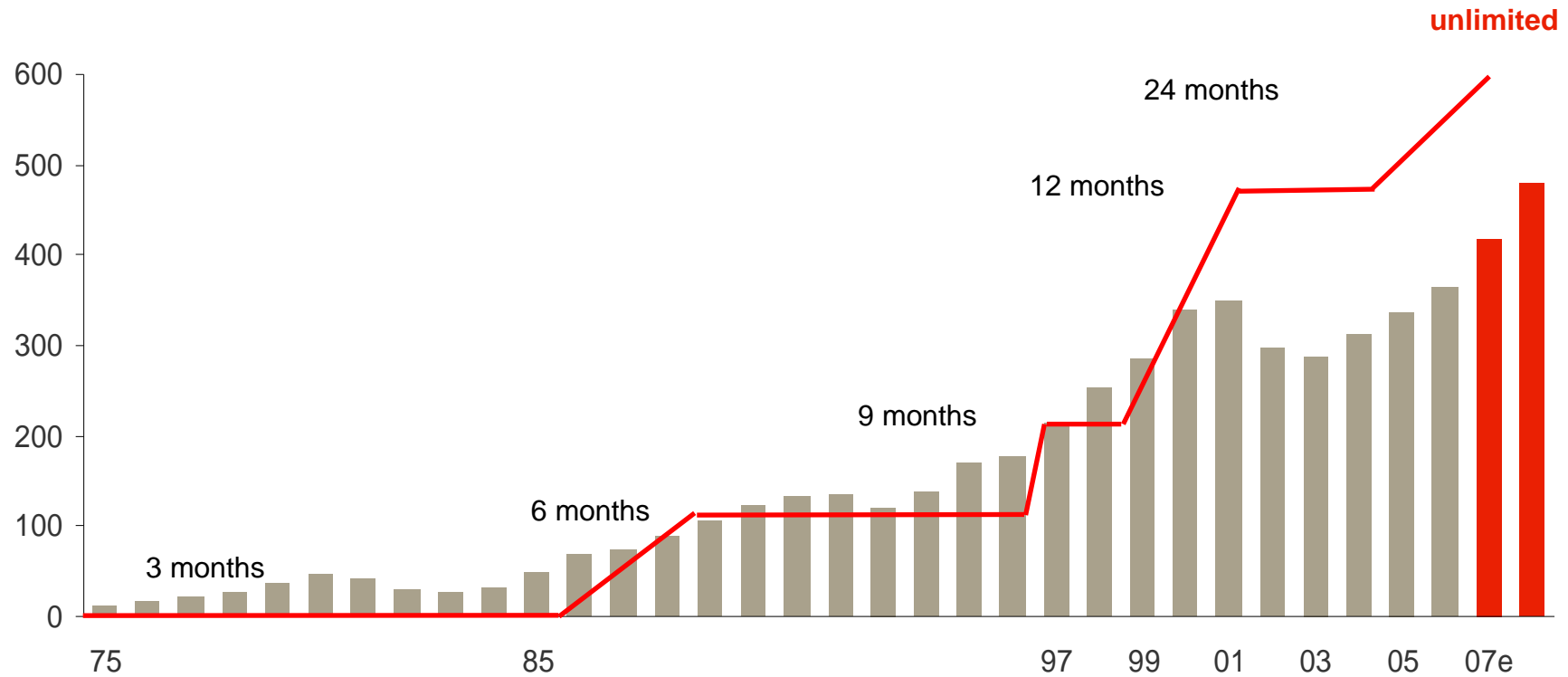
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# Deregulation impact in Germany

## Example of maximum assignment period

Associates ('000)  
Germany 1973 – 2008e

Maximum assignment period



Source: CIETT, BZA, internal research



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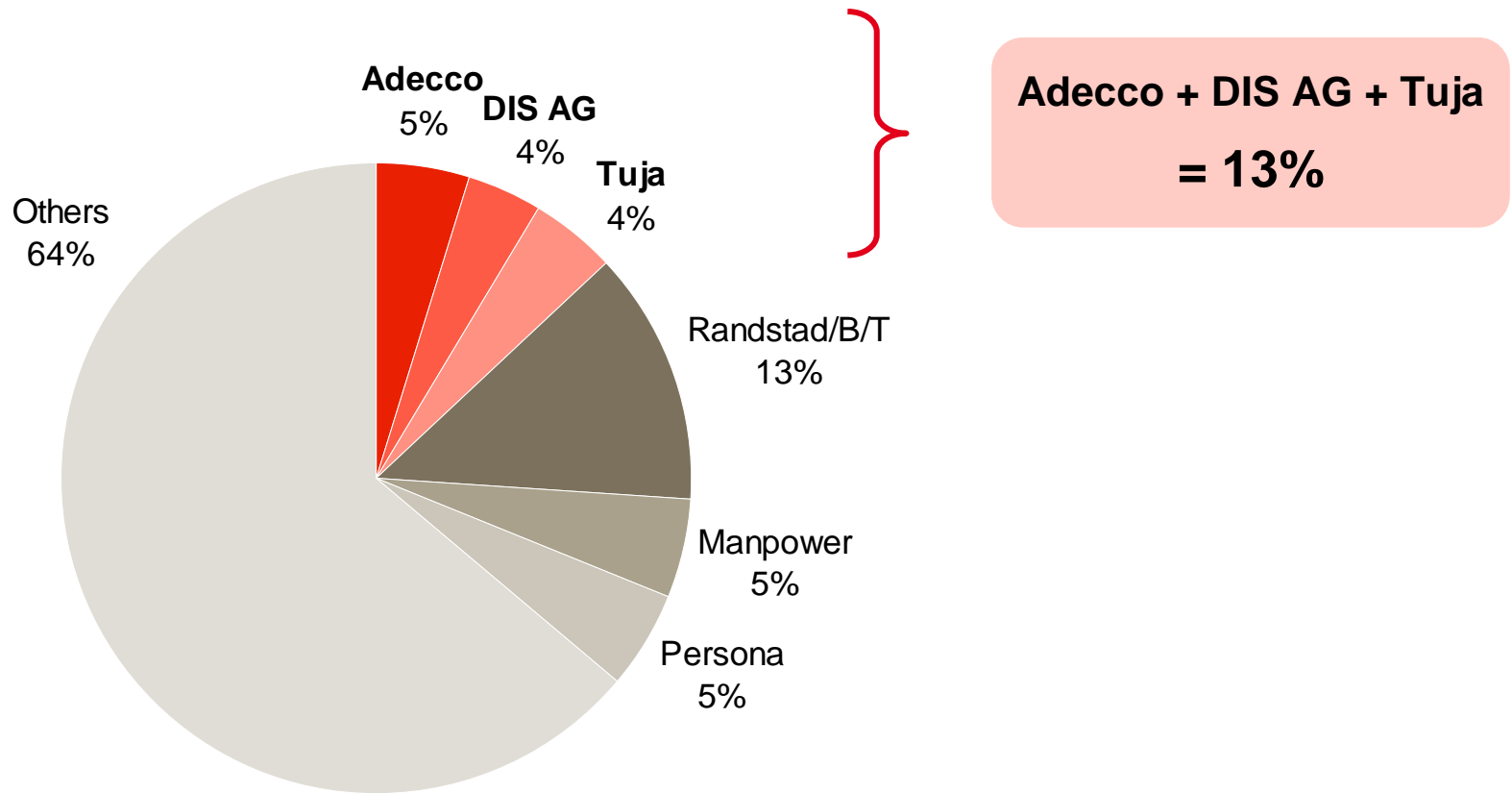
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# German market share breakdown in 2006

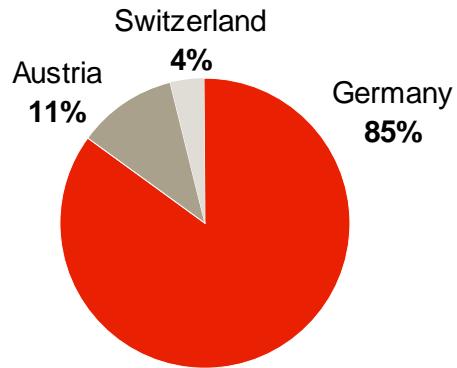
Market size EUR 9.8 billion



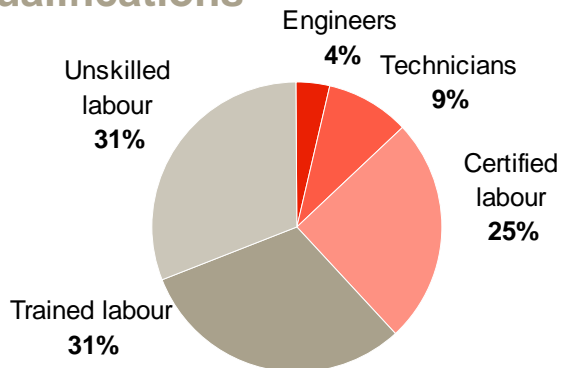
Source: Lünendonk study, competitor reports, own estimates

# Profile of Tuja Group

## 2006 revenues EUR 466m



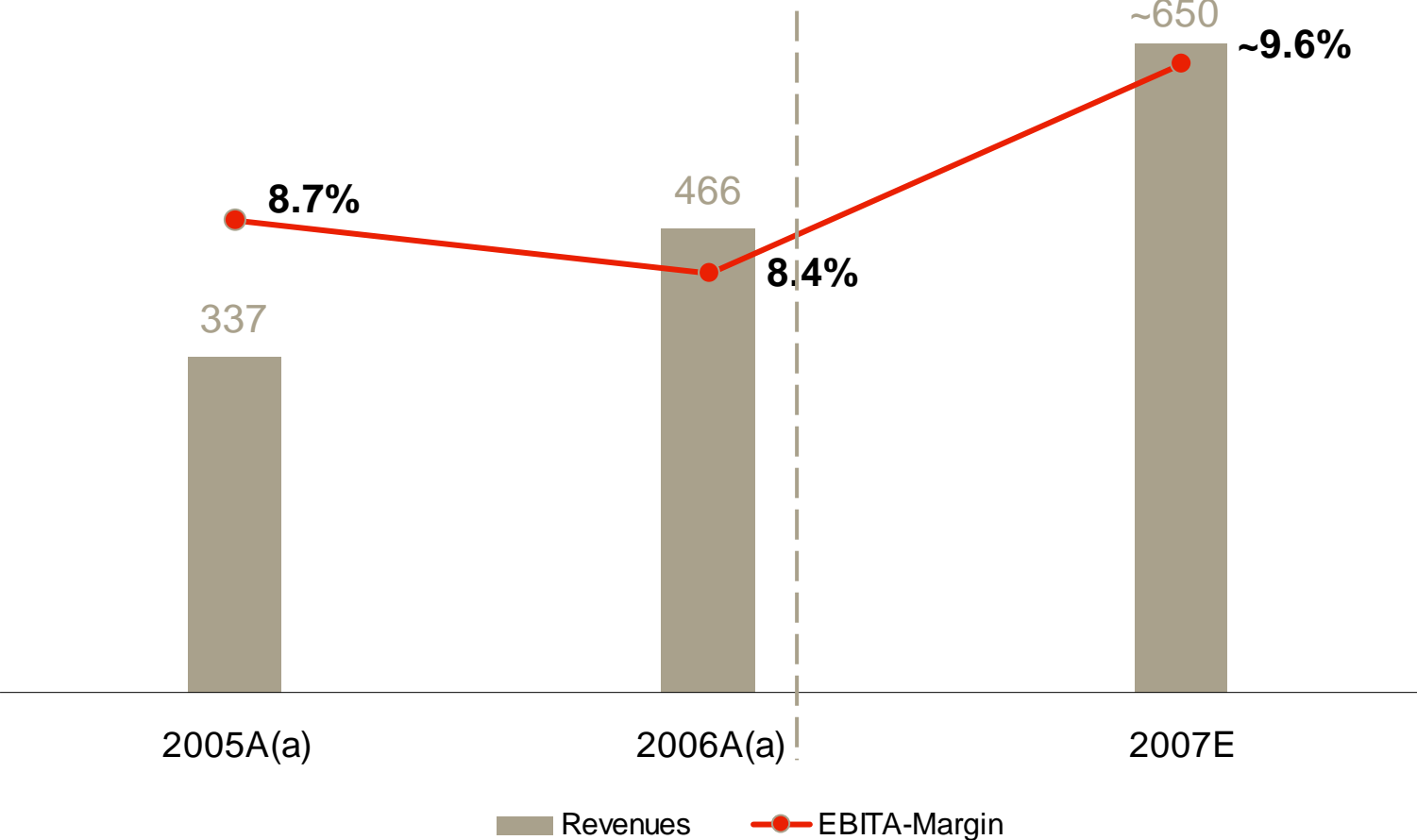
## 2006 qualifications



## Business description

- 5th largest player in German market
- Operates through 127 branches in Germany, Austria and Switzerland
- Focused on aviation, automotive, healthcare, engineering, energy, logistics and telecom client segments
- Business is largely focused on the specialized blue-collar segment
- Compelling delivery approach
- Successful M&A history
- Geographic expansion into Austria and Switzerland in 2005
- Founded in 1992

# Tuja Group – Strong profitable sales growth



(a) 2005 and 2006 financials are on a pro-forma basis including acquisition retroactive.

# Management of Tuja Group



**Peter Jackwerth, CEO**

CEO of Tuja Group since 2003

- 1992 Co-founder of Tuja Zeitarbeit GmbH
- 1990 Manager at Time Power Ingolstadt
- 1989 Manager at Sanyo Industries Deutschland, Nördlingen
- 1985 Time Power, Ingolstadt
- 1978 Mechanics at MBB, Donauwörth
- 1977 Daimler, Esslingen



**Thomas Bäumer, COO**

COO of Tuja Group since 2003

- 1990 Acting partner at Verfürth Personalleasing (now Tuja)
- 1988 Branch manager at Verfürth Personalleasing
- 1985 Independent commercial agent
- 1984 Manager of retirement home
- 1982 Certified plumber



# Details of transaction

- ▶ **100% acquisition of Tuja Group**
  - 97% of shares acquired now, 3% at the end of 2007
  - 5th largest and one of the fastest growing staffing companies in Germany
  - Currently owned by Barclays Private Equity (91%) and management (9%)
  
- ▶ **Total consideration of around EUR 800 million (enterprise value)**
  - Aprox. EUR 200 million net debt
  - Financing mainly through cash
  - EV / EBITA 2007E multiple of 12.8x
  
- ▶ **Pending approval of anti-trust authorities**
  - Approval expected in Q3 2007

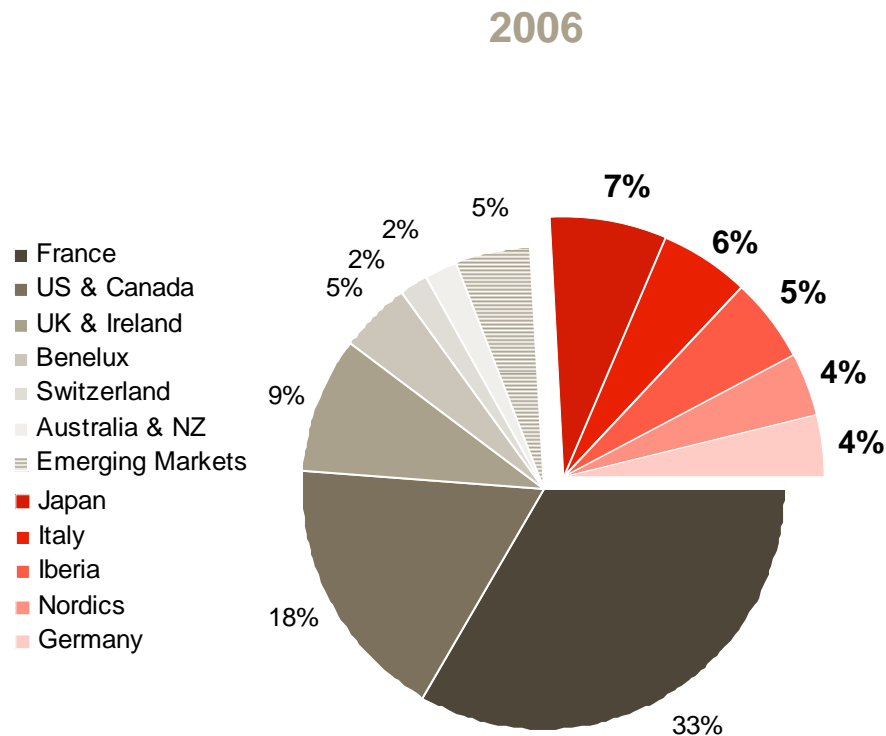
# Conclusion

- ▶ **Adecco significantly strengthens its market position in the German temporary staffing market**
- ▶ **Germany is one of the most attractive markets for temporary staffing worldwide**
- ▶ **Senior management of Tuja Group is one of the most experienced and most successful teams in the German temping market**
- ▶ **Adecco consistently implements its strategy with this transaction**



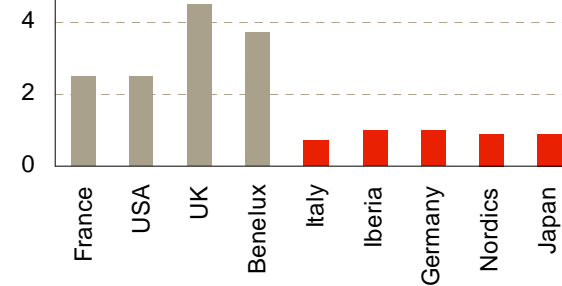
# Structural revenue growth

## Revenue split by countries 2006

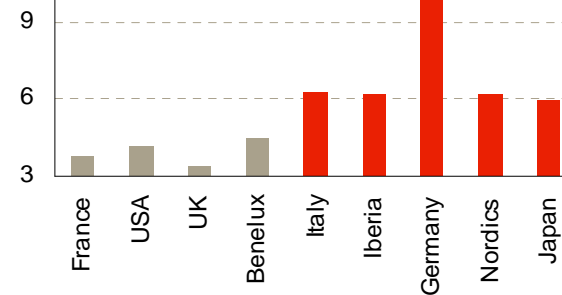


▶ 26% of our business has higher growth potential and higher profitability

Market penetration rate 2006  
in percent



Adecco operating margin 2006  
in percent



# Thank you



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