

FORM 10-Q
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Quarterly Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the quarterly period ended:
June 30, 2010

or

Transition Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the transition period from: _____ to _____

Commission file number: 1-10686

MANPOWER INC.

(Exact name of registrant as specified in its charter)

Wisconsin
(State or other jurisdiction of incorporation)

39-1672779
(IRS Employer Identification No.)

100 Manpower Place
Milwaukee, Wisconsin
(Address of principal executive offices)

53212
(Zip Code)

Registrant's telephone number, including area code: **(414) 961-1000**

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the Registrant has submitted electronically and posted on its corporate website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (Section 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the Registrant was required to submit and post such files). Yes No

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (check one):

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

(Do not check if a smaller reporting company)

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class
Common Stock, \$.01 par value

Shares Outstanding
at August 2, 2010

82,235,087

MANPOWER INC. AND SUBSIDIARIES

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PART I - FINANCIAL INFORMATION

Item 1 – Financial Statements (unaudited)

MANPOWER INC. AND SUBSIDIARIES

**Consolidated Balance Sheets (Unaudited)
(in millions)**

ASSETS

	June 30, 2010	December 31, 2009
CURRENT ASSETS:		
Cash and cash equivalents	\$ 552.5	\$ 1,014.6
Accounts receivable, less allowance for doubtful accounts of \$111.1 and \$118.3, respectively	3,415.7	3,070.8
Prepaid expenses and other assets	172.4	179.6
Future income tax benefits	65.4	67.4
Total current assets	<u>4,206.0</u>	<u>4,332.4</u>
OTHER ASSETS:		
Goodwill	1,223.6	959.1
Intangible assets, less accumulated amortization of \$115.2 and \$100.5, respectively	508.7	398.4
Other assets	326.9	347.5
Total other assets	<u>2,059.2</u>	<u>1,705.0</u>
PROPERTY AND EQUIPMENT:		
Land, buildings, leasehold improvements and equipment	655.0	703.6
Less: accumulated depreciation and amortization	492.3	527.2
Net property and equipment	<u>162.7</u>	<u>176.4</u>
Total assets	<u>\$ 6,427.9</u>	<u>\$ 6,213.8</u>

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

MANPOWER INC. AND SUBSIDIARIES

Consolidated Balance Sheets (Unaudited)
(in millions, except share and per share data)

LIABILITIES AND SHAREHOLDERS' EQUITY

	June 30, 2010	December 31, 2009
CURRENT LIABILITIES:		
Accounts payable	\$ 1,193.4	\$ 944.4
Employee compensation payable	184.6	187.8
Accrued liabilities	426.4	465.9
Accrued payroll taxes and insurance	543.9	572.0
Value added taxes payable	407.2	391.2
Short-term borrowings and current maturities of long-term debt	36.1	41.7
Total current liabilities	<u>2,791.6</u>	<u>2,603.0</u>
OTHER LIABILITIES:		
Long-term debt	611.9	715.6
Other long-term liabilities	396.0	358.7
Total other liabilities	<u>1,007.9</u>	<u>1,074.3</u>
SHAREHOLDERS' EQUITY:		
Preferred stock, \$.01 par value, authorized 25,000,000 shares, none issued	-	-
Common stock, \$.01 par value, authorized 125,000,000 shares, issued 108,055,854 and 104,397,965 shares, respectively	1.0	1.0
Capital in excess of par value	2,758.9	2,544.2
Retained earnings	1,114.5	1,109.6
Accumulated other comprehensive (loss) income	(20.0)	106.9
Treasury stock at cost, 25,830,327 and 25,821,405 shares, respectively	(1,226.0)	(1,225.2)
Total shareholders' equity	<u>2,628.4</u>	<u>2,536.5</u>
Total liabilities and shareholders' equity	<u>\$ 6,427.9</u>	<u>\$ 6,213.8</u>

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

MANPOWER INC. AND SUBSIDIARIES

Consolidated Statements of Operations (Unaudited)
(in millions, except per share data)

	3 Months Ended June 30,		6 Months Ended June 30,	
	2010	2009	2010	2009
Revenues from services	\$ 4,585.6	\$ 3,793.5	\$ 8,684.9	\$ 7,436.5
Cost of services	3,788.6	3,101.2	7,186.4	6,078.5
Gross profit	797.0	692.3	1,498.5	1,358.0
Selling and administrative expenses	717.9	673.3	1,386.8	1,337.6
Operating profit	79.1	19.0	111.7	20.4
Interest and other expenses	11.9	10.8	24.8	22.7
Earnings (loss) before income taxes	67.2	8.2	86.9	(2.3)
Provision for income taxes	34.5	(8.1)	51.4	(16.8)
Net earnings	\$ 32.7	\$ 16.3	\$ 35.5	\$ 14.5
Net earnings per share – basic	\$ 0.40	\$ 0.21	\$ 0.44	\$ 0.19
Net earnings per share – diluted	\$ 0.40	\$ 0.21	\$ 0.44	\$ 0.18
Weighted average shares – basic	81.5	78.3	80.1	78.2
Weighted average shares – diluted	82.5	78.8	81.2	78.6

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

MANPOWER INC. AND SUBSIDIARIES

Consolidated Statements of Cash Flows (Unaudited)
(in millions)

	6 Months Ended June 30,	
	2010	2009
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net earnings	\$ 35.5	\$ 14.5
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	50.5	46.9
Deferred income taxes	(6.9)	(27.5)
Provision for doubtful accounts	13.5	13.7
Share-based compensation	11.5	7.5
Excess tax benefit on exercise of stock options	(0.8)	(0.1)
Changes in operating assets and liabilities, excluding the impact of acquisitions:		
Accounts receivable	(480.1)	759.5
Other assets	(26.3)	(40.7)
Other liabilities	337.4	(394.5)
Cash (used in) provided by operating activities	<u>(65.7)</u>	<u>379.3</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital expenditures	(27.9)	(16.9)
Acquisitions of businesses, net of cash acquired	(258.5)	(21.7)
Proceeds from the sale of property and equipment	2.3	2.1
Cash used in investing activities	<u>(284.1)</u>	<u>(36.5)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net change in short-term borrowings	(5.5)	(85.0)
Proceeds from long-term debt	1.4	-
Repayments of long-term debt	(0.8)	-
Proceeds from share-based awards	14.8	5.5
Excess tax benefit on exercise of stock options	0.8	0.1
Dividends paid	(30.6)	(29.0)
Cash used in financing activities	<u>(19.9)</u>	<u>(108.4)</u>
Effect of exchange rate changes on cash	(92.4)	(1.1)
Change in cash and cash equivalents	<u>(462.1)</u>	<u>233.3</u>
Cash and cash equivalents, beginning of year	1,014.6	874.0
Cash and cash equivalents, end of period	<u>\$ 552.5</u>	<u>\$ 1,107.3</u>
SUPPLEMENTAL CASH FLOW INFORMATION:		
Interest paid	\$ 40.0	\$ 43.7
Income taxes paid	\$ 51.7	\$ 45.9
Non-cash financing activity:		
Common stock issued for acquisition	\$ 188.5	-

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

MANPOWER INC. AND SUBSIDIARIES

**Notes to Consolidated Financial Statements (Unaudited)
For the Three Months and Six Months Ended June 30, 2010 and 2009
(in millions, except share and per share data)**

(1) Basis of Presentation and Accounting Policies

Basis of Presentation

Certain information and footnote disclosures normally included in the financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to the rules and regulations of the Securities and Exchange Commission, although we believe that the disclosures are adequate to make the information presented not misleading. These Consolidated Financial Statements should be read in conjunction with the Consolidated Financial Statements included in our 2009 Annual Report to Shareholders.

The information furnished reflects all adjustments that, in the opinion of management, were necessary for a fair statement of the results of operations for the periods presented. Such adjustments were of a normal recurring nature.

Revenues

During the fourth quarter of 2009, we determined that one of our subsidiaries within the Other EMEA segment prematurely recognized revenues related to a workforce solutions contract. These revenues were recorded on a cash-basis rather than being deferred and recognized over the performance period. Accordingly, we have restated our accompanying Consolidated Statement of Operations for both the three months and the six months ended June 30, 2009 to defer certain amounts of revenue to future periods, net of income taxes. This restatement had no impact on cash flows under the contract and only affects the timing of when revenues are earned. The total revenues under this contract are expected to remain unchanged.

The effects of this restatement for the three months ended June 30, 2009 were as follows:

	<u>As previously Reported</u>	<u>Adjustment</u>	<u>As restated</u>
Revenues from services	\$ 3,796.6	\$ (3.1)	\$ 3,793.5
Cost of services	3,101.2	-	3,101.2
Gross profit (loss)	695.4	(3.1)	692.3
Selling and administrative expenses	673.3	-	673.3
Operating profit (loss)	22.1	(3.1)	19.0
Interest and other expense	10.8	-	10.8
Earnings (loss) before income taxes	11.3	(3.1)	8.2
Provision for income taxes	(8.0)	(0.1)	(8.1)
Net earnings (loss)	\$ 19.3	\$ (3.0)	\$ 16.3
Net earnings (loss) per share - basic	\$ 0.25	\$ (0.04)	\$ 0.21
Net earnings (loss) per share - diluted	\$ 0.25	\$ (0.04)	\$ 0.21

The effects of this restatement for the six months ended June 30, 2009 were as follows:

	As previously Reported	Adjustment	As restated
Revenues from services	\$ 7,443.7	\$ (7.2)	\$ 7,436.5
Cost of services	6,078.5	-	6,078.5
Gross profit (loss)	1,365.2	(7.2)	1,358.0
Selling and administrative expenses	1,337.6	-	1,337.6
Operating profit (loss)	27.6	(7.2)	20.4
Interest and other expense	22.7	-	22.7
Earnings (loss) before income taxes	4.9	(7.2)	(2.3)
Provision for income taxes	(16.7)	(0.1)	(16.8)
Net earnings (loss)	<u>\$ 21.6</u>	<u>\$ (7.1)</u>	<u>\$ 14.5</u>
Net earnings (loss) per share - basic	<u>\$ 0.28</u>	<u>\$ (0.09)</u>	<u>\$ 0.19</u>
Net earnings (loss) per share - diluted	<u>\$ 0.27</u>	<u>\$ (0.09)</u>	<u>\$ 0.18</u>

Subsequent Events

We have evaluated events and transactions occurring after the balance sheet date through our filing date and noted no events that are subject to recognition or disclosure.

(2) New Accounting Standards

In October 2009, the FASB issued new accounting guidance on multiple-deliverable revenue arrangements. The new guidance amends the criteria for separating deliverables as well as how to measure and allocate consideration for multiple arrangements. The guidance also expands the disclosures related to a vendor's multiple-deliverable revenue arrangements. The new guidance will be effective prospectively for our multiple-deliverable revenue arrangements entered into or materially modified in 2011. We are currently assessing the impact of the adoption of this guidance.

(3) Stock Compensation Plans

During the three months ended June 30, 2010 and 2009, we recognized share-based compensation expense of approximately \$6.0 and \$3.4, respectively, and \$11.5 and \$7.5 for the six months ended June 30, 2010 and 2009, respectively. The expense relates to grants of stock options, deferred stock units, and restricted stock units and performance share units. Consideration received from stock-based awards was \$15.6 and \$7.5 for the six months ended June 30, 2010 and 2009, respectively. We recognize share-based compensation expense related to grants of share-based awards in Selling and Administrative Expenses on a straight-line basis over the service period of each award.

(4) Acquisitions

On April 5, 2010, we acquired COMSYS IT Partners, Inc. ("COMSYS") from its existing shareholders. The value of the consideration for each outstanding share of COMSYS common stock was approximately \$17.65, for a total enterprise value of \$427.0, including debt of \$47.1, which we repaid upon closing. The consideration was approximately 50% Manpower common stock (3.2 million shares with a fair value of \$188.5 upon closing) and approximately 50% cash (consideration of \$191.4). In addition, we incurred approximately \$0.7 and \$1.9 of transaction costs associated with the acquisition during the three and six months ended June 30, 2010, respectively, which have been classified in Selling and Administrative Expenses.

The following table summarizes the fair value of the assets acquired and liabilities assumed as of the acquisition date of April 5, 2010. We have finalized our allocation of the consideration transferred to the net assets acquired. We used various methodologies to assess the fair value of the assets and liabilities acquired. For our intangible assets associated with customer relationships, we utilized the multi-period excess-earnings method, a form of the income approach. Some of the significant assumptions used in this valuation included: expected revenue growth rates ranging from 3% to 12%, operating unit profit margins, capital charges representing 1.3% of revenues, and a 13% discount rate.

Cash and cash equivalents	\$ 0.9
Accounts receivable, net	207.0
Prepaid expenses and other assets	2.1
Total current assets	<u>210.0</u>
Goodwill	281.6
Intangible assets	127.1
Other assets	50.5
Property and equipment	5.2
Total assets	<u>\$ 674.4</u>
Accounts payable	\$ 135.9
Employee compensation payable	40.8
Accrued liabilities	14.3
Total current liabilities	<u>191.0</u>
Other long-term liabilities	56.4
Total liabilities assumed	<u>247.4</u>
Net assets acquired	<u>\$ 427.0</u>

Of the \$427.0 of net acquired assets, \$127.1 was assigned to customer relationships and will be amortized over 14 years, using an accelerating method. Total amortization expense related to intangible assets for the remainder of 2010 is \$22.8 and in each of the next five years is as follows: 2011- \$37.6, 2012 - \$33.8, 2013 - \$27.4, 2014 - \$22.4 and 2015 - \$19.2.

The remaining fair value of \$281.6, which was not directly attributable to any specific assets or liabilities, was assigned to goodwill as part of the US reporting unit. Of the goodwill assigned, \$19.9 is deductible for tax purposes.

The following unaudited pro forma information reflects the results of Manpower's operations for the three and six months ended June 30, 2010 and 2009 as if the COMSYS acquisition had been completed on January 1st of each respective year. Pro forma adjustments have been made to illustrate the incremental impact on earnings of amortization expense related to the acquired intangible assets, lost interest income that would have been earned on the cash proceeds used to acquire COMSYS and the tax impact of these respective items.

	3 Months Ended		6 Months Ended	
	June 30,		June 30,	
	2010	2009	2010	2009
Revenues from services				
Pro forma	\$ 4,585.6	\$ 3,950.3	\$ 8,854.5	\$ 7,756.0
As reported	\$ 4,585.6	\$ 3,793.5	\$ 8,684.9	\$ 7,436.5
Net earnings				
Pro forma	\$ 32.7	\$ 11.7	\$ 29.6	\$ (1.4)
As reported	\$ 32.7	\$ 16.3	\$ 35.5	\$ 14.5
Net earnings per share – diluted				
Pro forma	\$ 0.40	\$ 0.14	\$ 0.36	\$ (0.02)
As reported	\$ 0.40	\$ 0.21	\$ 0.44	\$ 0.18

The unaudited pro forma information is provided for illustrative purposes only and does not represent what our consolidated results of operations would have been if the transaction had actually occurred as of January 1, 2010 or 2009 and does not represent our expected future consolidated results of operations.

From time to time, we acquire and invest in companies throughout the world, including franchises. Excluding COMSYS, the total cash consideration paid for acquisitions, net of cash acquired, for the six months ended June 30 was \$20.8 and \$21.7 for 2010 and 2009, respectively.

(5) Reorganization Costs

We recorded reorganization costs of \$2.5 in the first half of 2010 in Selling and Administrative Expenses, related to severances and office closures and consolidations in several countries. We also made payments of \$10.9 relating to reorganization costs out of this and prior-year reserves. Since 2007, we have recorded reorganization costs totaling \$81.6 (including \$33.5, \$37.2 and \$8.4 recorded in 2009, 2008 and 2007, respectively). As of June 30, 2010, \$68.8 has been paid out of these reserves. We expect a majority of the remaining \$12.8 will be paid by the end of 2011. Changes in the reorganization liability balances for each reportable segment and were as follows:

	<u>Americas⁽¹⁾</u>	<u>France</u>	<u>EMEA⁽²⁾</u>	<u>Asia Pacific</u>	<u>Right Management</u>	<u>Jefferson Wells</u>	<u>Total⁽²⁾</u>
Balance, January 1, 2010	\$ 1.4	\$ 5.7	\$ 9.5	\$ 1.5	\$ 0.4	\$ 2.7	\$ 21.2
Severance costs	-	-	0.8	-	-	-	0.8
Office closure costs	0.7	1.0	-	-	-	-	1.7
Costs paid or utilized	(1.1)	(2.8)	(4.4)	(1.4)	(0.1)	(1.1)	(10.9)
Balance, June 30, 2010	<u>\$ 1.0</u>	<u>\$ 3.9</u>	<u>\$ 5.9</u>	<u>\$ 0.1</u>	<u>\$ 0.3</u>	<u>\$ 1.6</u>	<u>\$ 12.8</u>

(1) Balances related to United States were \$1.2 as of January 1, 2010. In 2010, United States incurred \$0.6 for office closure costs and paid \$0.9, leaving a restructuring liability of \$0.9 as of June 30, 2010.

(2) There were no outstanding balances related to Italy or Corporate as of December 31, 2009 and June 30, 2010.

(6) Income Taxes

We recorded income tax expense, at an effective rate of 51.5%, for the three months ended June 30, 2010, as compared to an income tax benefit, at an effective rate of -97.3%, for the three months ended June 30, 2009. The 2010 rate was favorably impacted by the overall mix of earnings, primarily an increase to non-U.S. income, but was unfavorably impacted by valuation allowances related to losses in certain non-U.S. entities and the repatriation of certain non-U.S. earnings. The 2010 rate was also unfavorably impacted by \$16.4 related to a French Business Tax, which has been classified as a component of income tax beginning in January 2010, in accordance with the current accounting guidance on income taxes. Prior to January 2010, the French Business Tax had been presented as a non-income tax and included as a component of Cost of Services. The French government changed the business tax from an asset-based tax to an income-based tax, thereby requiring the classification of this tax as an income tax effective January 1, 2010. The 2009 rate was favorably impacted by a discrete tax benefit that reduced the amount of deferred taxes related to the French earnings that would likely be repatriated because of the payment of the fine for the French competition case, which is disclosed in Note 13 to the Consolidated Financial Statements.

This 51.5% rate was higher than the U.S. Federal statutory rate of 35%, and we currently expect an annual effective tax rate of approximately 55%, due primarily to valuation allowances, other permanent items and the French Business Tax. Excluding the impact of the French Business Tax, our tax rate would be approximately 40%, which is lower than the previous year, due to a favorable impact from changes in the mix of U.S. and non-U.S. earnings.

We recorded an income tax expense, at an effective rate of 59.2%, for the first half of 2010, as compared to an income tax benefit, at an effective rate of -740.8%, for the first half of 2009. The 2010 rate was favorably impacted by the overall mix of earnings, primarily an increase to non-U.S. income, but was unfavorably impacted by valuation allowances related to losses in certain non-U.S. entities and the repatriation of certain non-U.S. earnings. The 2010 rate was also unfavorably impacted by \$30.1 million related to a French Business Tax, which has been classified as a component of income tax beginning in January 2010, in accordance with the current accounting guidance on income taxes. The 2009 rate was favorably impacted by a discrete tax benefit that reduced the amount of deferred taxes related to the French earnings that would likely be repatriated because of the payment of the fine for the French competition case and a valuation allowance reversal related to a European entity for prior net operating losses that would be utilized.

As of June 30, 2010, we had gross unrecognized tax benefits of \$45.0 recorded in accordance with the current accounting guidance on uncertain tax positions. Our uncertain tax position accrual was related to various tax jurisdictions, including \$3.0 of interest and penalties, and related tax benefits of \$13.4. As of December 31, 2009, we had gross unrecognized tax benefits of \$44.4 and related tax benefits of \$13.4. The net amount of \$31.6 as of June 30, 2010 would favorably affect the effective tax rate if recognized. We do not expect our unrecognized tax benefits to change significantly over the next 12 months.

We conduct business globally and, as a result, we are routinely audited by the various tax jurisdictions in which we operate. Generally, the tax years that remain subject to tax examination are 2005 through 2009 for our major operations in the U.S., France, the United Kingdom and Italy. As of June 30, 2010, we are under audit in France, the U.S., Belgium, and Denmark, and we believe that the resolution of these audits will not have a material impact on earnings. There was no significant change in the total unrecognized tax benefits due to the settlement of audits, the expiration of statute of limitations, or for other items during the three and six months ended June 30, 2010.

(7) Net Earnings Per Share

The calculation of Net Earnings Per Share – Basic and Net Earnings Per Share – Diluted was as follows:

	3 Months Ended June 30,		6 Months Ended June 30,	
	2010	2009	2010	2009
Net Earnings Per Share – Basic:				
Net earnings available to common shareholders	\$ 32.7	\$ 16.3	\$ 35.5	\$ 14.5
Weighted-average common shares outstanding	81.5	78.3	80.1	78.2
	<u>\$ 0.40</u>	<u>\$ 0.21</u>	<u>\$ 0.44</u>	<u>\$ 0.19</u>
Net Earnings Per Share – Diluted:				
Net earnings available to common shareholders	\$ 32.7	\$ 16.3	\$ 35.5	\$ 14.5
Weighted-average common shares outstanding	81.5	78.3	80.1	78.2
Effect of dilutive securities – stock options	0.8	0.4	0.9	0.2
Effect of other stock-based awards	0.2	0.1	0.2	0.2
	<u>82.5</u>	<u>78.8</u>	<u>81.2</u>	<u>78.6</u>
	<u>\$ 0.40</u>	<u>\$ 0.21</u>	<u>\$ 0.44</u>	<u>\$ 0.18</u>

There were 3.2 million and 3.7 million stock-based awards excluded from the calculation of Net Earnings Per Share – Diluted for the three months ended June 30, 2010 and 2009, respectively, and 2.6 million and 0.8 million stock-based awards excluded from the calculation of Net Earnings Per Share – Diluted for the six months ended June 30, 2010 and 2009, respectively, as the exercise price for these awards was greater than the average market price of the common shares during the period.

(8) Goodwill

Changes in the carrying value of goodwill by reportable segment and Corporate were as follows:

	Americas	France	EMEA ⁽¹⁾	Asia Pacific	Right Management	Jefferson Wells	Corporate ⁽²⁾	Total ⁽³⁾
Balance, January 1, 2010	\$ 171.3	\$ 7.1	\$ 286.9	\$ 58.9	\$ 150.7	\$ 2.1	\$ 282.1	\$ 959.1
Goodwill acquired	290.6	-	3.7	-	3.7	-	-	298.0
Currency and other impacts	0.7	(1.0)	(30.1)	0.4	(3.5)	-	-	(33.5)
Balance, June 30, 2010	<u>\$ 462.6</u>	<u>\$ 6.1</u>	<u>\$ 260.5</u>	<u>\$ 59.3</u>	<u>\$ 150.9</u>	<u>\$ 2.1</u>	<u>\$ 282.1</u>	<u>\$ 1,223.6</u>

- (1) Balances related to Italy were \$4.2 and \$4.9 as of June 30, 2010 and December 31, 2009, respectively. The (\$0.7) change represents a currency impact.
- (2) The majority of the Corporate balance relates to goodwill attributable from our acquisitions of Right Management (\$184.4) and Jefferson Wells (\$88.2). For purposes of monitoring our total assets by segment, we do not allocate these balances to their respective reportable segments as this is commensurate with how we operate our business. We do, however, include these balances within the appropriate reporting units for our goodwill impairment testing. See table below for the breakout of goodwill balances by reporting unit.
- (3) Balances were net of accumulated impairment loss of \$201.8 as of June 30, 2010 and December 31, 2009.

Goodwill balances by reporting unit were as follows:

	June 30, 2010	December 31, 2009
United States	\$ 449.6	\$ 158.2
Right Management	335.3	335.1
Elan	117.8	128.6
Jefferson Wells	90.3	90.3
Netherlands (Vitae)	74.9	87.6
Other reporting units	155.7	159.3
Total goodwill	<u>\$ 1,223.6</u>	<u>\$ 959.1</u>

We did not perform an interim impairment test of our goodwill and indefinite-lived intangible assets in the second quarter of 2010 as we noted no significant indicators of impairment as of June 30, 2010.

(9) Retirement Plans

The components of the net periodic benefit cost for our plans were as follows:

	Defined Benefit Pension Plans			
	3 Months Ended		6 Months Ended	
	June 30,		June 30,	
	2010	2009	2010	2009
Service cost	\$ 2.1	\$ 2.8	\$ 4.4	\$ 5.5
Interest cost	3.5	3.5	7.2	6.8
Expected return on assets	(3.3)	(3.2)	(6.7)	(6.2)
Curtailement and settlement	-	-	-	(4.3)
Other	(0.1)	(0.3)	(0.3)	(0.6)
Total benefit cost	<u>\$ 2.2</u>	<u>\$ 2.8</u>	<u>\$ 4.6</u>	<u>\$ 1.2</u>

	Retiree Health Care Plan			
	3 Months Ended		6 Months Ended	
	June 30,		June 30,	
	2010	2009	2010	2009
Service cost	\$ 0.1	\$ -	\$ 0.1	\$ 0.1
Interest cost	0.4	0.4	0.7	0.7
Other	(0.1)	(0.2)	(0.1)	(0.4)
Total benefit cost	<u>\$ 0.4</u>	<u>\$ 0.2</u>	<u>\$ 0.7</u>	<u>\$ 0.4</u>

During the three and six months ended June 30, 2010, contributions made to our pension plans were \$4.8 and \$9.4, respectively, and contributions made to our retiree health care plan were \$0.3 and \$0.7, respectively. During 2010, we expect to make total contributions of \$22.5 to our pension plans and to fund our retiree health care payments as incurred.

Effective January 1, 2009, we terminated our defined benefit plan in Japan and replaced it with a defined contribution plan, resulting in a curtailment and settlement gain of \$4.3 in the six months ended June 30, 2009.

(10) Shareholders' Equity

The components of Comprehensive (Loss) Income, net of tax, were as follows:

	3 Months Ended		6 Months Ended	
	June 30,		June 30,	
	2010	2009	2010	2009
Net earnings	\$ 32.7	\$ 16.3	\$ 35.5	\$ 14.5
Other comprehensive income:				
Foreign currency translation (loss) gain	(62.6)	143.4	(126.7)	57.8
Unrealized (loss) gain on investments	(1.7)	2.1	(0.6)	0.9
Unrealized gains on derivatives	-	0.5	-	0.3
Defined benefit pension plans	0.5	0.2	0.5	(0.6)
Retiree health care plan	(0.1)	(0.2)	(0.1)	(0.3)
Comprehensive (loss) income	<u>\$ (31.2)</u>	<u>\$ 162.3</u>	<u>\$ (91.4)</u>	<u>\$ 72.6</u>

The components of Accumulated Other Comprehensive (Loss) Income, net of tax, were as follows:

	June 30,	December 31,
	2010	2009
Foreign currency translation (loss) gain	\$ (15.7)	\$ 111.0
Unrealized gain on investments	6.0	6.6
Defined benefit pension plans	(12.7)	(13.2)
Retiree health care plan	2.4	2.5
Accumulated other comprehensive (loss) income	<u>\$ (20.0)</u>	<u>\$ 106.9</u>

On April 27, 2010, the Board of Directors declared a cash dividend of \$0.37 per share, which was paid on June 15, 2010 to shareholders of record on June 3, 2010.

(11) Interest and Other Expenses

Interest and Other Expenses consisted of the following:

	3 Months Ended June 30,		6 Months Ended June 30,	
	2010	2009	2010	2009
Interest expense	\$ 12.5	\$ 13.9	\$ 23.6	\$ 27.0
Interest income	(1.4)	(3.2)	(3.0)	(7.6)
Foreign exchange losses	0.9	1.0	2.8	1.5
Miscellaneous (income) expense, net	(0.1)	(0.9)	1.4	1.8
Interest and other expenses	<u>\$ 11.9</u>	<u>\$ 10.8</u>	<u>\$ 24.8</u>	<u>\$ 22.7</u>

(12) Derivative Financial Instruments and Fair Value Measurements

We are exposed to various risks relating to our ongoing business operations. The primary risks, which are managed through the use of derivative instruments, are foreign currency exchange rate risk and interest rate risk. In certain circumstances, we enter into foreign currency forward exchange contracts (“forward contracts”) to reduce the effects of fluctuating foreign currency exchange rates on our cash flows denominated in foreign currencies. Our exposure to market risk for changes in interest rates relates primarily to our Long-Term Debt obligations. We have historically managed interest rate risk through the use of a combination of fixed and variable rate borrowings and interest rate swap agreements. In accordance with current accounting guidance on derivative instruments and hedging activities, we record all of our derivative instruments as either an asset or liability measured at their fair value.

Substantially all of the €300.0 (\$366.6) Notes and the €200.0 (\$244.1) Notes were designated as economic hedges of our net investment in our foreign subsidiaries with a Euro functional currency as of June 30, 2010.

For derivatives designated as an economic hedge of the foreign currency exposure of a net investment in a foreign operation, the gain or loss associated with foreign currency translation is recorded as a component of Accumulated Other Comprehensive (Loss) Income, net of taxes. As of June 30, 2010, we had a \$21.1 loss included in Accumulated Other Comprehensive Income, net of taxes, as the net investment hedge was deemed effective.

Our forward contracts are not designated as hedges. Consequently, any gain or loss resulting from the change in fair value is recognized in the current period earnings. These gains or losses are offset by the exposure related to receivables and payables with our foreign subsidiaries and to interest due on our Euro-denominated notes, which is paid annually in June. We recorded a loss of \$2.4 associated with our forward contracts in Interest and Other Expenses for the quarter ended June 30, 2010, which offset the gains recorded for the items noted above. We had a \$0.2 liability related to the forward contracts’ fair value included in Other Long-Term Liabilities as of June 30, 2010.

The fair value measurements of those items recorded in our Consolidated Balance Sheets were as follows:

	June 30, 2010	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Available-for-sale securities	\$ 0.4	\$ 0.4	\$ -	\$ -
Deferred compensation plan assets	35.0	35.0	-	-
	<u>\$ 35.4</u>	<u>\$ 35.4</u>	<u>\$ -</u>	<u>\$ -</u>
Liabilities				
Foreign currency forward contracts	\$ 0.2	\$ -	\$ 0.2	\$ -

	December 31, 2009	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Available-for-sale securities	\$ 0.3	\$ 0.3	\$ -	\$ -
Deferred compensation plan assets	34.0	34.0	-	-
	<u>\$ 34.3</u>	<u>\$ 34.3</u>	<u>\$ -</u>	<u>\$ -</u>
Liabilities				
Foreign currency forward contracts	\$ 0.5	\$ -	\$ 0.5	\$ -

The carrying value of Long-Term Debt approximates fair value, except for the Euro-denominated notes. The fair value of the Euro-denominated notes was \$616.1 and \$717.7 as of June 30, 2010 and December 31, 2009, respectively, compared to a carrying value of \$610.7 and \$714.6, respectively.

(13) Contingencies

In February 2009, the French Competition Council rendered its decision and levied a fine of €42.0 (\$55.9) related to the competition investigation that began in November 2004, conducted by France's Direction Generale de la concurrence, de la Consommation et de la Repression des Fraudes (DGCCRF"), a body of the French Finance Minister that investigates frauds and competition violations. We had accrued for this fine as of December 31, 2008, paid this fine in April 2009 and appealed the Competition Council's decision. In January 2010 we received notification that our appeal was denied and in March 2010, we again appealed the Competition Council's decision.

(14) Segment Data

	3 Months Ended June 30,		6 Months Ended June 30,	
	2010	2009	2010	2009
Revenues from Services:				
Americas:				
United States (a)	\$ 686.0	\$ 374.3	\$ 1,128.1	\$ 748.1
Other Americas	306.1	220.7	600.6	439.9
	<u>992.1</u>	<u>595.0</u>	<u>1,728.7</u>	<u>1,188.0</u>
France	1,255.9	1,100.1	2,363.4	2,057.0
EMEA:				
Italy	258.8	230.1	493.0	450.5
Other EMEA (b)	1,433.7	1,255.9	2,813.3	2,514.7
	<u>1,692.5</u>	<u>1,486.0</u>	<u>3,306.3</u>	<u>2,965.2</u>
Asia Pacific	505.7	406.2	1,003.2	831.4
Right Management	98.8	158.1	202.1	294.1
Jefferson Wells	40.6	48.1	81.2	100.8
Consolidated (c)	<u>\$ 4,585.6</u>	<u>\$ 3,793.5</u>	<u>\$ 8,684.9</u>	<u>\$ 7,436.5</u>
Operating Unit Profit: (d)				
Americas:				
United States	\$ 9.6	\$ (5.8)	\$ 1.2	\$ (20.3)
Other Americas	8.6	3.9	18.2	8.7
	<u>18.2</u>	<u>(1.9)</u>	<u>19.4</u>	<u>(11.6)</u>
France	9.9	4.2	10.1	5.2
EMEA:				
Italy	13.5	6.8	20.3	8.2
Other EMEA (b)	29.5	(6.9)	46.3	(10.3)
	<u>43.0</u>	<u>(0.1)</u>	<u>66.6</u>	<u>(2.1)</u>
Asia Pacific	12.0	3.5	24.5	15.6
Right Management	7.8	42.3	20.3	71.4
Jefferson Wells	(3.1)	(10.2)	(7.8)	(17.7)
	<u>87.8</u>	<u>37.8</u>	<u>133.1</u>	<u>60.8</u>
Corporate expenses	(25.1)	(18.8)	(51.5)	(40.4)
Reclassification of French business tax	16.4	-	30.1	-
Interest and other expenses	(11.9)	(10.8)	(24.8)	(22.7)
Earnings (loss) before income taxes	<u>\$ 67.2</u>	<u>\$ 8.2</u>	<u>\$ 86.9</u>	<u>\$ (2.3)</u>

The French Business Tax, as disclosed in Note 6 to the Consolidated Financial Statements, is reported in Provision for Income Taxes rather than in Cost of Services, in accordance with the current accounting guidance on income taxes. However, we view this tax as operational in nature. Accordingly, the financial information reviewed internally continues to include the French Business Tax within the Operating Unit Profit of our France reportable segment. Therefore, we have shown the amount of the French Business Tax above to be able to reconcile to our Earnings (Loss) before Income Taxes.

- (a) The United States results include the results of COMSYS, which was acquired on April 5, 2010. For the three and six months ended June 30, 2010, COMSYS recognized revenues of \$182.3 and Operating Unit Profit of \$(0.8). Included within Operating Unit Profit were amortization costs (\$6.9) and integration costs (\$4.7). In the United States, where a majority of our franchises operate, Revenues from Services include fees received from the related franchise offices of \$3.4 and \$2.4 for the three months ended June 30, 2010 and 2009, and \$5.9 and \$4.4 for the six months ended June 30, 2010 and 2009, respectively. These fees are primarily based on revenues generated by the franchise offices, which were \$155.8 and \$107.2 for the three months ended June 30, 2010 and 2009, respectively and \$288.0 and \$202.1 for the six months ended June 30, 2010 and 2009, respectively.
- (b) During the fourth quarter of 2009, we determined that our Other EMEA reportable segment prematurely recognized revenues related to a workforce solutions contract. These revenues were recorded on a cash-basis rather than being deferred and earned over the four-year performance period following the month the services were performed. Accordingly, we have restated our financial results for the three and six months ended June 30, 2009 to defer certain amounts of revenue to future periods, net of income taxes. The impact was a \$3.1 and \$7.2 reduction of Revenues from Services and Operating Unit Profit for the three and six months ended June 30, 2009, respectively. This restatement has no impact on cash flows under the contract and only affects the timing of when revenues are earned. The total revenues under this contract are expected to remain unchanged.
- (c) Our consolidated Revenues from Services include fees received from our franchise offices of \$5.8 for the three months ended June 30, 2010 and 2009 and \$10.4 and \$10.9 for the six months ended June 30, 2010 and 2009, respectively. These fees are primarily based on revenues generated by the franchise offices, which were \$237.3 and \$174.1 for the three months ended June 30, 2010 and 2009, respectively and \$431.2 and \$333.0 for the six months ended June 30, 2010 and 2009, respectively.
- (d) We evaluate segment performance based on Operating Unit Profit, which is equal to segment revenues less cost of services and branch and national headquarters operating costs. This profit measure does not include goodwill and intangible asset impairment charges or amortization of intangibles related to Corporate acquisitions, interest and other income and expense amounts or income taxes.

Item 2 – Management’s Discussion and Analysis of Financial Condition and Results of Operations

Management’s Discussion and Analysis has been revised for the effects of the restatement discussed in Note 1 to the Consolidated Financial Statements.

See financial measures on pages 26 and 27 for further information on constant currency and organic constant currency.

Operating Results - Three Months Ended June 30, 2010 and 2009

In the second quarter of 2010, we continued to see improvement in most of our markets. This allowed us to utilize our operating leverage and improve our operating results during the quarter over the prior year as well as sequentially. We also experienced a decline in our operating cash flows as our working capital needs increased as revenues grew. The improved operating leverage resulted from our being able to utilize excess capacity in the network to support the revenue growth without a similar increase in expenses. This leverage was possible due to the cost reduction efforts taken during the economic downturn to reduce the adverse impact of the economy during that period yet preserve capacity within our network to handle increased demand as experienced during the current year period.

Client demand for employment services is dependent on the overall strength of the labor market and secular trends towards greater workforce flexibility within each of the countries in which we operate. Improving economic growth typically results in increasing demand for labor, resulting in greater demand for our staffing services. During periods of increasing demand, we are able to improve our profitability and operating leverage as our current cost base can support some increase in business without a similar increase in selling and administrative expenses. During these periods, we generally see an increase in our working capital needs, resulting from an increase in our accounts receivable balance in line with the revenue growth, which may result in a decline in operating cash flows.

While we experienced growth in our businesses during the current period, the strength of this growth will be dependent on whether the underlying economies continue to improve. Given the uncertainties of predicting economic trends, however, it is not possible to predict when we will return to prior revenue and earnings levels.

On April 5, 2010, we completed our previously announced acquisition of COMSYS IT Partners, Inc. (“COMSYS”) from its existing shareholders. The value of the consideration for each outstanding share of COMSYS common stock was approximately \$17.65, for a total enterprise value of \$427.0 million, including debt of \$47.1 million, which we repaid upon closing. The consideration was approximately 50% Manpower common stock (3.2 million shares at a fair value of \$188.5 million) upon closing and approximately 50% cash (consideration of \$191.4 million). COMSYS’s operating results have been included within our consolidated results from April 5, 2010 and forward.

The following table presents selected consolidated financial data for the three months ended June 30, 2010 as compared to 2009.

(in millions, except per share data)	2010	2009	Variance	Constant Currency Variance
Revenues from services	\$ 4,585.6	\$ 3,793.5	20.9%	23.7%
Cost of services	3,788.6	3,101.2	22.2	25.1
Gross profit	797.0	692.3	15.1	17.4
<i>Gross profit margin</i>	17.4%	18.3%		
Selling and administrative expenses	717.9	673.3	6.6	8.6
Operating profit	79.1	19.0		
<i>Operating profit margin</i>	1.7%	0.5%		
Interest and other expenses	11.9	10.8	10.2	
Earnings before income taxes	67.2	8.2		
Provision for income taxes	34.5	(8.1)		
<i>Effective income tax rate</i>	51.5%	-97.3%		
Net earnings	\$ 32.7	\$ 16.3	99.7%	105.6%
Net earnings per share – diluted	\$ 0.40	\$ 0.21	90.5%	157.0%
Weighted average shares – diluted	82.5	78.8	4.7%	

We continued to see stabilization and improvements in most markets with regard to our staffing business during the second quarter of 2010 as economic conditions continued to improve globally. Offsetting this trend, however, was a decrease in business volumes for both Right Management and Jefferson Wells. At Right Management, we saw a decline in demand for the counter-cyclical outplacement services consistent with what we would expect to see with the improving economic conditions and growth in our staffing business. Jefferson Wells continues to show weak demand as companies remain hesitant to increase discretionary spend.

The year-over-year increase in Revenues from Services was primarily attributed to:

- o increased demand for services in most of our markets, including the Americas, France, EMEA and Asia Pacific, where revenues increased 63.9%, 22.6%, 18.4% and 15.4%, respectively, on a constant currency basis. Included in the Americas' results for second quarter were revenues of \$182.3 million associated with our acquisition of COMSYS during the period. Excluding COMSYS, our consolidated revenues increased 18.9% on an organic constant currency basis;
- o offset by the decreased demand for services for Right Management and Jefferson Wells, where revenues decreased 37.8% and 15.8%, respectively, on a constant currency basis; and
- o a 2.8% decrease due to the impact of currency exchange rates.

The year-over-year decrease in Gross Profit Margin was primarily attributed to:

- o a 130 basis point (-1.30%) decline from our specialty business, primarily due to the outplacement revenue decline of Right Management, where the gross profit margin was higher than our Company average;
- o a 50 basis point (-0.50%) decline from our temporary staffing business, excluding COMSYS, due to a changing business mix as more of our growth came from lower margin industrial business and our key accounts;
- o offset by a 40 basis point (0.40%) increase due to a change in French law resulting in a reclassification of the French Business Tax from Cost of Services to the Provision for Income Taxes, effective January 1, 2010;
- o a 30 basis point (0.30%) increase due to an improvement in our temporary staffing gross margins resulting from the acquisition of COMSYS; and

- o a 20 basis point (0.20%) increase due to the improvement in our permanent recruitment gross margins as revenues in this service line have increased 53.6% in constant currency.

The 6.6% increase in Selling and Administrative Expenses for the current quarter (8.6% increase in constant currency or 1.6% in organic constant currency) was attributed to:

- o the addition of COMSYS's recurring selling and administrative costs during the second quarter as well as \$4.7 million of integration costs and \$6.9 million of amortization expense;
- o an increase in our organic salary related costs as we have increased the number of our employees as well as an increase in our variable incentive-based costs due to our improved operating results;
- o offset by a reduction of reorganization costs of approximately \$11.9 million in the second quarter of 2010 as compared to 2009; and
- o a 2.0% decrease due to the impact of currency exchange rates.

Selling and Administrative Expenses as a percent of revenues decreased 2.0% (-200 basis points) in the second quarter of 2010 compared to 2009 due primarily to the leveraging of these expenses, as we experienced an increase in revenues of 20.9% (or 23.7% in constant currency) without a commensurate increase in these expenses during the second quarter of 2010 as compared to 2009.

Interest and Other Expenses were \$11.9 million for the second quarter of 2010 compared to \$10.8 million for the same period in 2009. Net Interest Expense increased \$0.4 million in the second quarter to \$11.1 million as we incurred \$2.2 million to write-off COMSYS's deferred financing costs and had a decline in interest income due to lower cash balances on-hand as a result of the COMSYS acquisition, offset by lower borrowings during the second quarter of 2010. Translation losses in the second quarter of 2010 were \$0.9 million compared to \$1.0 million in the second quarter of 2009.

We recorded income tax expense, at an effective rate of 51.5%, for the three months ended June 30, 2010, as compared to an income tax benefit, at an effective rate of -97.3%, for the three months ended June 30, 2009. The 2010 rate was favorably impacted by the overall mix of earnings, primarily an increase to non-U.S. income, but was unfavorably impacted by valuation allowances related to losses in certain non-U.S. entities and the repatriation of certain non-U.S. earnings. The 2010 rate was also unfavorably impacted by \$16.4 million related to a French Business Tax, which has been classified as a component of income tax beginning in January 2010, in accordance with the current accounting guidance on income taxes. Prior to January 2010, the French Business Tax had been presented as a non-income tax and included as a component of Cost of Services. The French government changed the business tax from an asset-based tax to an income-based tax, thereby requiring the classification of this tax as an income tax effective January 1, 2010. The 2009 rate was favorably impacted by a discrete tax benefit that reduced the amount of deferred taxes related to the French earnings that would likely be repatriated because of the payment of the fine for the French competition case, which is disclosed in Note 13 to the Consolidated Financial Statements.

This 51.5% rate was higher than the U.S. Federal statutory rate of 35%, and we currently expect an annual effective tax rate of approximately 55%, due primarily to valuation allowances, other permanent items and the French Business Tax. Excluding the impact of the French Business Tax, our tax rate would be approximately 40%, which is lower than the previous year, due to a favorable impact from changes in the mix of U.S. and non-U.S. earnings.

Net Earnings Per Share – Diluted increased to \$0.40 in the second quarter of 2010 compared to \$0.21 in the second quarter of 2009. Exchange rates had a negative impact of \$0.02 on Net Earnings Per Share – Diluted. Weighted Average Shares – Diluted were 82.5 million for the second quarter of 2010 as compared to 78.8 million in the second quarter of 2009, an increase of 4.7%, due primarily to the issuance of 3.2 million shares as part of the COMSYS acquisition on April 5, 2010.

Operating Results - Six Months Ended June 30, 2010 and 2009

The following table presents selected consolidated financial data for the six months ended June 30, 2010 as compared to 2009.

(in millions, except per share data)	2010	2009	Variance	Constant Currency Variance
Revenues from services	\$ 8,684.9	\$ 7,436.5	16.8%	14.6 %
Cost of services	7,186.4	6,078.5	18.2	16.0
Gross profit	1,498.5	1,358.0	10.3	8.2
<i>Gross profit margin</i>	<i>17.3%</i>	<i>18.3%</i>		
Selling and administrative expenses	1,386.8	1,337.6	3.7	1.6
Operating profit	111.7	20.4		
<i>Operating profit margin</i>	<i>1.3%</i>	<i>0.3%</i>		
Interest and other expenses	24.8	22.7	9.4	
Earnings before income taxes	86.9	(2.3)		
Provision for income taxes	51.4	(16.8)		
<i>Effective income tax rate</i>	<i>59.2%</i>	<i>(740.8)%</i>		
Net earnings	\$ 35.5	\$ 14.5	143.9%	140.0%
Net earnings per share – diluted	\$ 0.44	\$ 0.18	144.4%	264.9%
Weighted average shares – diluted	81.2	78.6	3.4%	

The year-over-year increase in Revenues from Services was primarily attributed to:

- o increased demand for services in most of our markets, including the Americas, France, EMEA and Asia Pacific, where revenues increased 41.9%, 16.4%, 9.4% and 10.2%, respectively, on a constant currency basis. Included in the Americas' results for second quarter were revenues of \$182.3 million associated with our acquisition of COMSYS during the period. Excluding COMSYS, our revenues increased 12.1% on an organic constant currency basis;
- o a 2.2% increase due to the impact of currency exchange rates; and
- o offset by decreased demand for services for Right Management and Jefferson Wells, where revenues decreased 33.2% and 19.5%, respectively on a constant currency basis.

The year-over-year decrease in Gross Profit Margin was primarily attributed to:

- o a 103 basis point (-1.03%) decline from our specialty business, primarily due to the outplacement revenue decline of Right Management, where the gross profit margin was higher than our Company average;
- o a 58 basis point (-0.58%) decline from our temporary staffing business, excluding COMSYS, as we are now feeling the full effect of the pricing pressures in most of our markets during all of 2009 because of the economic environment;
- o offset by a 37 basis point (0.37%) impact due to a change in French law resulting in a reclassification of the French Business Tax from Cost of Services to the Provision for Income Taxes, effective January 1, 2010;
- o a 17 basis point (0.17%) impact due to an increase in our temporary staffing gross margins resulting from the acquisition of COMSYS; and

- o a 7 basis point (0.07%) impact due to the increase in permanent recruitment revenues.

The 3.7% increase in Selling and Administrative Expenses for the first half of 2010 (1.6% increase in constant currency or 2.0% decrease in organic constant currency) was attributed to:

- o the addition of COMSYS's recurring selling and administrative costs during the second quarter as well as \$4.7 million of integration costs and \$6.9 million of amortization expense;
- o an increase in organic salary related costs as we have increased the number of our employees as well as an increase in our variable incentive-based costs due to improved operating results;
- o a 2.1% increase due to the impact of currency exchange rates; and
- o offset by a net decrease of \$17.4 million related to reorganization charges for severances and other office closure costs recorded in the first half of 2010 as compared to 2009.

Selling and Administrative Expenses as a percent of revenues decreased 2.0% (-200 basis points) in the six months ended June 30, 2010 compared to 2009 due primarily to the leveraging of these expenses, as we experienced an increase in revenues of 16.8% (or 14.6% in constant currency) without a commensurate increase in these expenses during the first half of 2010 as compared to 2009.

Interest and Other Expenses were \$24.8 million for the first half of 2010 compared to \$22.7 million for the same period in 2009. Net Interest Expense increased \$1.2 million in the first half of 2010 to \$20.6 million as we incurred \$2.2 million to write-off COMSYS's deferred financing costs and had a decline in interest income due to lower cash balances on-hand as a result of the COMSYS acquisition, offset by lower borrowings in the first half of 2010. Translation losses in the first half of 2010 were \$2.8 million compared to \$1.5 million in the 2009 period. This increase was primarily related to a translation loss of \$1.2 million for Venezuela, resulting from our Venezuelan reporting unit's currency (Bolivar Fuerte) being devalued in January 2010 as well as changing the functional currency to the U.S. Dollar because of its current economy being deemed hyperinflationary, effective January 1, 2010.

We recorded income tax expense, at an effective rate of 59.2%, for the first half of 2010, as compared to an income tax benefit, at an effective rate of -740.8%, for the first half of 2009. The 2010 rate was favorably impacted by the overall mix of earnings, primarily an increase to non-U.S. income, but was unfavorably impacted by valuation allowances related to losses in certain non-U.S. entities and the repatriation of certain non-U.S. earnings. The 2010 rate was also unfavorably impacted by \$30.1 million related to a French Business Tax, which has been classified as a component of income tax beginning in January 2010, in accordance with the current accounting guidance on income taxes. The 2009 rate was favorably impacted by a discrete tax benefit that reduced the amount of deferred taxes related to the French earnings that would likely be repatriated because of the payment of the fine for the French competition case and a valuation allowance reversal related to a European entity for prior net operating losses that would be utilized.

Net Earnings Per Share – Diluted increased to \$0.44 in the first half of 2010 compared to \$0.18 in the first half of 2009. Exchange rates had a positive impact of \$0.01 on Net Earnings Per Share – Diluted. Weighted Average Shares – Diluted were 81.2 million for the first half of 2010 as compared to 78.6 million in the first half of 2009, an increase of 3.4% primarily as a result of the issuance of 3.2 million shares as part of the COMSYS acquisition on April 5, 2010.

Segment Operating Results

Americas

In the Americas, Revenues from Services increased 66.7% (63.9% in constant currency) for the second quarter of 2010 compared to 2009. Excluding the acquisition of COMSYS during the second quarter of 2010, revenues increased 33.2% in organic constant currency. In the United States (which represented 69.1% of the Americas' revenues), Revenues from Services improved 83.3% (34.6% in organic growth) for the second quarter of 2010 as compared to 2009. The revenue improvements in the United States were primarily due to an increase in our staffing volumes in our core temporary staffing business, particularly in light industrial and professional. In the Americas, Revenues from Services increased 45.5% (41.9% in constant currency) for the first half of 2010 compared to 2009. In the United States (which represented 65.3% of the Americas' revenues), Revenues from Services improved 50.8% (26.4% in organic growth) in the first half of 2010. The COMSYS acquisition contributed \$182.3 million of Revenues from Services during both the second quarter and the first half of 2010.

Gross Profit Margin increased during the second quarter and the first half of 2010 as compared to 2009 due to an increase in temporary staffing margins, which was aided in part by the acquisition of COMSYS, and an increase in our permanent recruitment business during the current year periods.

Selling and Administrative Expenses increased during the second quarter and the first half of 2010 as compared to 2009, primarily due to our COMSYS acquisition. Included in Selling and Administrative Expenses was \$6.9 million of amortization expense associated with COMSYS's intangible assets as well as integration costs of \$4.7 million and \$5.8 million during the second quarter and the first half of 2010, respectively.

Operating Unit Profit ("OUP") Margin in the Americas was 1.8% and -0.3% for the second quarter of 2010 and 2009, respectively. This increase was primarily due to the improvement in the United States, where OUP Margin was 1.4% in the second quarter of 2010 compared to -1.5% in 2009. Other Americas OUP Margin was 2.8% in the second quarter of 2010 compared to 1.8% in the second quarter of 2009. These increases were due to the improved expense leveraging during the current year period as we were able to support the higher revenue levels without a similar increase in Selling and Administrative Expenses.

OUP Margin in the Americas was 1.1% and -1.0% for the first half of 2010 and 2009, respectively. The improvement was primarily due to the United States, where the OUP Margin improved to 0.1% in the first half of 2010 compared to -2.7% in the same period in 2009. Other Americas OUP Margin improved to 3.0% for the first half of 2010 compared to 2.0% in the same period in 2009.

France

In France, Revenues from Services increased 14.2% (22.6% in constant currency) during the second quarter of 2010 compared to 2009. Revenues from Services increased 14.9% (16.4% in constant currency) during the first half of 2010 compared to 2009. We had strong growth in our temporary staffing business throughout the quarter. Our permanent recruitment revenues also showed strong growth, of 90.7% and 80.0% in constant currency in the second quarter and the first half of 2010, respectively, due primarily to the Pole Emploi business.

Gross Profit Margin decreased in the second quarter and the first half of 2010 as compared to 2009, due primarily to the pricing pressures on our staffing business seen in the latter part of 2009 and continuing into 2010, and customer mix. Offsetting these unfavorable impacts was an improvement in our permanent recruitment gross profit margin driven by the increase in revenues.

Selling and Administrative Expenses increased during the second quarter of 2010 as compared to 2009 due primarily to an increase in salary related costs as we have increased the number of employees as well as our variable incentive-based costs. Selling and Administrative Expenses increased during the first half of 2010 as compared to 2009 due to an increase in incentive related costs, \$4.4 million (€3.3 million) of costs related to the relocation of our headquarters, and the reversal in 2009 of a \$3.9 million (€3.0 million) legal reserve related to the French competition investigation.

During the second quarter of 2010 and 2009, OUP Margin in France was 0.8% and 0.4%, respectively. For the first half of 2010 and 2009, OUP Margin in France was 0.4% and 0.3%, respectively.

EMEA

In EMEA, which includes operations throughout Europe (excluding France), the Middle East and Africa, Revenues from Services increased 13.9% (18.4% in constant currency) in the second quarter of 2010 as compared to the second quarter of 2009. Revenues in Other EMEA increased 14.2% (18.0% in constant currency) during the second quarter of 2010, while Italy had revenue improvements of 12.5% (20.6% in constant currency) during the second quarter of 2010. These improvements in our revenues were generated in both our temporary staffing business and permanent recruitment business. Revenues from Services in EMEA increased 11.5% (9.4% in constant currency) during the first half of 2010 as compared to 2009. Revenues from Services in Other EMEA increased 11.9% (9.2% in constant currency) during the first half of 2010 as compared to 2009, while Italy experienced an increase of 9.4% (10.7% in constant currency) during the first half of 2010 as compared to 2009. Both our temporary staffing and permanent recruitment businesses improved in the current period.

Gross Profit Margin decreased slightly in the second quarter of 2010 as compared to the second quarter of 2009 primarily due to the pricing pressures on the staffing business in the latter part of 2009 in many of our markets. Gross Profit Margin for the first half of 2010 as compared to 2009 was also impacted by the pricing pressures noted above.

Selling and Administrative Expenses decreased during the second quarter and first half of 2010 compared to the same periods in 2009 due primarily to a reduction in reorganization costs of \$5.0 million and \$7.8 million, respectively.

OUP Margin for EMEA was 2.5% and 0.0% for the second quarter of 2010 and 2009, respectively. The improvement was seen across the region, as OUP Margin for Other EMEA was 2.1% in the 2010 period compared to -0.5% in 2009, and was 5.2% in the second quarter of 2010 compared to 2.9% in 2009 for Italy. This was the result of gaining operating leverage during the second quarter of 2010 as we were able to support the higher revenue level without a similar increase in expenses.

OUP Margin for EMEA was 2.0% and -0.1% for the first half of 2010 and 2009, respectively. As previously noted, the improvement was seen throughout the region as Other EMEA's OUP Margin was 1.6% for the first half of 2010 compared to -0.4% in 2009. Italy's OUP Margin was 4.1% for the first half of 2010 compared to 1.8% in 2009.

Asia Pacific

Revenues from Services for Asia Pacific increased 24.5% (15.4% in constant currency) during the second quarter of 2010 as compared to 2009. Revenue increases for the second quarter of 2010 were experienced in most major markets except for Japan, where revenues declined 3.7% in constant currency. We experienced revenue increases in Australia, as a result of adding the Australian Defense Force contract during the current year period, as well as strong year-over-year growth in China, India and our ASEAN businesses. Revenues from Services increased 20.7% (10.2% in constant currency) during the first half of 2010 as compared to 2009.

Gross Profit Margin increased in both the second quarter and the first half of 2010 compared to the respective 2009 periods, primarily due to the growth in the permanent recruitment business, driven in part by the Australian Defense Force contract. Our staffing gross margins continued to show year-over-year declines in the second quarter and first half of 2010 due to changes in business mix.

Selling and Administrative Expenses increased in the second quarter of 2010 compared to 2009 primarily due to the support costs added in Australia as a result of adding the Australian Defense Force contract during the current year period. Selling and Administrative Expenses also increased during the first half of 2010 as compared to 2009 due to increased support costs as noted above and a \$4.3 million (¥392.4 million) gain recorded in the first quarter of 2009 related to the termination of our Japanese defined benefit pension plan.

OUP Margin for Asia Pacific was 2.3% in the second quarter of 2010 compared to 0.9% in the second quarter of 2009. OUP Margin for Asia Pacific was 2.4% in the first half of 2010 compared to 1.9% in the second quarter of 2009.

Right Management

Revenues from Services for Right Management in the second quarter of 2010 decreased 37.5% (37.8% in constant currency) compared to the second quarter of 2009, while revenues for Right Management in the first half of 2010 decreased 31.3% (33.2% in constant currency) compared to the first half of 2009. This decrease in constant currency was due primarily to a decline in the demand for the counter-cyclical outplacement services, where revenues generally decline as we begin to experience an economic recovery, as we saw during the first half of 2010. The decline in outplacement services was partially offset by an increase in the demand for our talent management business.

Gross Profit Margin decreased in both the second quarter and first half of 2010 compared to the 2009 periods as a result of a change in the mix of business, as we saw a decline in the outplacement services which have a relatively higher margin than the talent management business.

Selling and Administrative Expenses decreased in both the second quarter and the first half of 2010 compared to the 2009 periods, as costs were reduced in response to the lower 2010 volumes. However, as a percentage of revenue, expenses increased in the second quarter of 2010 compared to 2009, as we did not reduce costs to the same extent as the revenue decline.

OUP Margin for Right Management was 7.9% in the second quarter of 2010 compared to 26.8% in the second quarter of 2009 due to the net impact of these volume and expense changes. The prior year margin was exceptionally high given the strong growth in the outplacement business in 2009 as a result of the economic downturn. OUP Margin for Right Management was 10.1% in the first half of 2010 compared to 24.3% in 2009.

Jefferson Wells

Revenues from Services for Jefferson Wells in the second quarter of 2010 declined 15.8% when compared to 2009. In the first half of 2010, Revenues from Services declined 19.5% compared to 2009. Revenues continued to be impacted by lower discretionary project spend in the marketplace.

The Gross Profit Margin in the second quarter and the first half of 2010 improved slightly compared to the 2009 periods. We are seeing some benefit of the reorganization done in 2009, where we transitioned a number of employees into project-based roles to reduce our fixed direct costs; however, we do not expect to see the full benefit of that change until revenue levels improve.

Selling and Administrative Expenses decreased during the second quarter and the first half of 2010 compared to the 2009 periods, reflecting the benefits of the reorganizations performed in 2009 and 2008 to realign the business in response to the lower revenue levels. As a percent of revenues, Selling and Administrative Expenses have decreased in both the second quarter and the first half of 2010 as compared to the 2009 periods.

OUP Margin for Jefferson Wells improved to -7.5% in the second quarter of 2010 compared to -21.2% in the second quarter of 2009 due to lower expense levels. OUP Margin for Jefferson Wells improved to -9.6% in the first half of 2010 compared to -17.6% in the first half of 2009.

Financial Measures

Constant Currency and Organic Constant Currency Reconciliation

Changes in our financial results include the impact of changes in foreign currency exchange rates and acquisitions. We provide “constant currency” and “organic constant currency” calculations in our quarterly report to remove the impact of these items. We express year-over-year variances that are calculated in constant currency and organic constant currency as a percentage.

When we use the term “constant currency,” it means that we have translated financial data for a period into U.S. Dollars using the same foreign currency exchange rates that we used to translate financial data for the previous period. We believe that this calculation is a useful measure, indicating the actual growth of our operations. We use constant currency results in our analysis of subsidiary or segment performance. We also use constant currency when analyzing our performance against that of our competitors. Substantially all of our subsidiaries derive revenues and incur expenses within a single country and, consequently, do not generally incur currency risks in connection with the conduct of their normal business operations. Changes in foreign currency exchange rates primarily impact only reported earnings and not our actual cash flow or economic condition.

When we use the term “organic constant currency,” it means that we have further removed the impact of acquisitions in the current period and dispositions from the prior period from our constant currency calculation. We believe that this calculation is useful because it allows us to show the actual growth of our pre-existing business.

A reconciliation to the percent variances calculated based on our financial results is provided below:

Three Months Ended June 30, 2010 Compared to 2009						
	Reported Amount (a)	Reported Variance	Impact of Currency	Variance in Constant Currency	Impact of Acquisitions/Dispositions (In Constant Currency)	Organic Constant Currency Variance
Revenues from Services:						
Americas:						
United States	\$ 686.0	83.3%	-%	83.3%	48.7%	34.6%
Other Americas	306.1	38.6	7.7	30.9	-	30.9
	<u>992.1</u>	66.7	2.8	63.9	30.7	33.2
France	1,255.9	14.2	(8.4)	22.6	-	22.6
EMEA:						
Italy	258.8	12.5	(8.1)	20.6	-	20.6
Other EMEA	1,433.7	14.2	(3.8)	18.0	-	18.0
	<u>1,692.5</u>	13.9	(4.5)	18.4	-	18.4
Asia Pacific	505.7	24.5	9.1	15.4	-	15.4
Right Management	98.8	(37.5)	0.3	(37.8)	-	(37.8)
Jefferson Wells	40.6	(15.8)	-	(15.8)	-	(15.8)
Manpower Inc.	<u>\$ 4,585.6</u>	20.9	(2.8)	23.7	4.8	18.9
Gross Profit	\$ 797.0	15.1	(2.3)	17.4	6.6	10.8
Selling and Administrative Expenses	\$ 717.9	6.6	(2.0)	8.6	7.0	1.6
Operating Profit	\$ 79.1	314.9	(16.1)	331.0	(4.4)	335.4

(a) In millions for the three months ended June 30, 2010.

Six Months Ended June 30, 2010 Compared to 2009

	Reported Amount (a)	Reported Variance	Impact of Currency	Variance in Constant Currency	Impact of Acquisitions/Dispositions (In Constant Currency)	Organic Constant Currency Variance
Revenues from Services:						
Americas:						
United States	\$ 1,128.1	50.8%	-%	50.8%	24.4%	26.4%
Other Americas	600.6	36.5	9.6	26.9	-	26.9
	<u>1,728.7</u>	45.5	3.6	41.9	15.3	26.6
France	2,363.4	14.9	(1.5)	16.4	-	16.4
EMEA:						
Italy	493.0	9.4	(1.3)	10.7	-	10.7
Other EMEA	2,813.3	11.9	2.7	9.2	-	9.2
	<u>3,306.3</u>	11.5	2.1	9.4	-	9.4
Asia Pacific	1,003.2	20.7	10.5	10.2	-	10.2
Right Management	202.1	(31.3)	1.9	(33.2)	-	(33.2)
Jefferson Wells	81.2	(19.5)	-	(19.5)	-	(19.5)
Manpower Inc.	\$ <u>8,684.9</u>	16.8	2.2	14.6	2.5	12.1
Gross Profit	\$ 1,498.5	10.3	2.1	8.2	3.4	4.8
Selling and Administrative Expenses	\$ 1,386.8	3.7	2.1	1.6	3.6	(2.0)
Operating Profit	\$ 111.7	447.6	6.2	441.4	(9.5)	450.9

(a) In millions for the six months ended June 30, 2010.

Liquidity and Capital Resources

Our operating activities resulted in a net cash decrease of \$65.7 million during the first half of 2010 compared to a net cash increase of \$379.3 million during the first half of 2009. This decrease was primarily attributable to increased working capital needs as a result of the growth in the business. Cash (used in) provided by changes in net operating assets decreased \$169.0 million during the first half of 2010 compared to a \$324.3 million increase during the same period in 2009. Cash provided by changes in net operating assets increased in 2009 primarily due to the drop in the accounts receivable given the impact of the economic slowdown on demand for our services.

Accounts receivable increased to \$3,415.7 million as of June 30, 2010 from \$3,070.8 million as of December 31, 2009. This increase was due to increased business volumes, offset by a lower DSO (Days Sales Outstanding) and changes in foreign currency exchange rates. Our DSO for the second quarter of 2010 improved by two days compared to the fourth quarter of 2009. At constant exchange rates as of December 31, 2009, the June 30, 2010 balance would have been approximately \$330.8 million higher than reported.

Capital expenditures were \$27.9 million in the first half of 2010 compared to \$16.9 million during the same period in 2009. These expenditures were primarily comprised of purchases of computer equipment, office furniture and other costs related to office openings and refurbishments and include \$9.5 million related to our new French headquarters.

From time to time, we acquire and invest in companies throughout the world, including franchises. The total cash consideration for acquisitions in the first half of 2010 was \$258.5 million, compared to \$21.7 million during the same period in 2009.

On April 5, 2010, we completed our previously announced acquisition of COMSYS from its existing shareholders. The value of the consideration for each outstanding share of COMSYS common stock was approximately \$17.65, for a total enterprise value of \$427.0 million, including the debt we repaid upon closing. The consideration was approximately 50% Manpower common stock and approximately 50% cash. See Note 4 in Notes to Consolidated Financial Statements for further information.

Excluding COMSYS, the total cash consideration paid for acquisitions, net of cash acquired, for the six months ended June 30 was \$20.8 and \$21.7 for 2010 and 2009, respectively.

Net debt repayments were \$4.9 million in the first half of 2010 compared to \$85.0 million in the first half of 2009.

Cash used to fund our operations is primarily generated through operating activities and our existing credit facilities. We believe that our available cash and our existing credit facilities are sufficient to cover our cash needs for the foreseeable future. We assess and monitor our liquidity and capital resources globally. We use a global cash pooling arrangement, intercompany lending, and local credit lines to meet funding needs and allocate our capital resources among our various entities.

Our €300.0 (\$366.6) million notes are due June 2012, our \$400.0 million revolving credit agreement expires in November 2012, and our €200.0 (\$244.1) million notes are due June 2013. When these facilities mature, we plan to repay these amounts with available cash or refinance them with new long-term facilities. In the event that the economy slows again and declines for an extended period of time, we may be unable to repay these amounts with available cash and, as such, may need to replace these borrowings with new long-term facilities. The credit terms, including interest rate and facility fees, of any replacement borrowings will be dependent upon the condition of the credit markets at that time. We currently do not anticipate any problems accessing the credit markets should we need to replace our facilities.

As of June 30, 2010, we had letters of credit totaling \$4.0 million issued under our \$400.0 million revolving credit agreement. Additional borrowings of \$396.0 million were available to us under the credit agreement as of June 30, 2010.

Our \$400.0 million revolving credit agreement requires that we comply with a maximum Debt-to-EBITDA ratio of 6.00 to 1 and a minimum fixed charge ratio of 1.25 to 1 for the quarter ended June 30, 2010. As defined in the agreement, we had a Debt-to-EBITDA ratio of 2.13 to 1 and a fixed charge ratio of 1.84 to 1 for the quarter. Based on our current forecast, we expect to be in compliance with our financial covenants for the next 12 months.

In addition to the previously mentioned facilities, we maintain separate bank credit lines with financial institutions to meet working capital needs of our subsidiary operations. As of June 30, 2010, such credit lines totaled \$381.7 million, of which \$346.4 million was unused. Under the revolving credit agreement, total subsidiary borrowings cannot exceed \$300.0 million in the first, second and fourth quarters, and \$600.0 million in the third quarter of each year. As of June 30, 2010, additional borrowings of \$346.4 million could be made under these lines.

On April 27, 2010, the Board of Directors declared a cash dividend of \$0.37 per share, which was paid in the amount of \$30.6 million on June 15, 2010 to shareholders of record on June 3, 2010.

We had aggregate commitments related to debt repayments, operating leases, severances and office closure costs and certain other commitments of \$1,491.2 million as of June 30, 2010 compared to \$1,758.6 million as of December 31, 2009. These balances exclude our liability for unrecognized tax benefits including related interest and penalties of \$31.6 million and \$31.0 million as of June 30, 2010 and December 31, 2009, respectively.

We recorded reorganization costs of \$2.5 million in the first half of 2010 in Selling and Administrative Expenses, related to severances and office closures and consolidations in several countries. We also made payments of \$10.9 million out of this and prior-year reserves relating to reorganization costs. Since 2007, we have recorded reorganization costs totaling \$81.6 million (including \$33.5 million, \$37.2 million and \$8.4 million recorded in 2009, 2008 and 2007, respectively). As of June 30, 2010, \$68.8 million has been paid out of these reserves. We expect a majority of the remaining \$12.8 million will be paid by the end of 2011 (see Note 5 to the Consolidated Financial Statements for further information).

We also have entered into guarantee contracts and stand-by letters of credit that total approximately \$162.4 million and \$163.3 million as of June 30, 2010 and December 31, 2009, respectively, consisting of \$123.9 million and \$120.3 million for guarantees, respectively, and \$38.5 million and \$43.0 million for stand-by letters of credit, respectively. Guarantees primarily relate to bank accounts, operating leases and indebtedness. The stand-by letters of credit relate to workers' compensation, operating leases and indebtedness. If certain conditions were met under these arrangements, we would be required to satisfy our obligations in cash. Due to the nature of these arrangements and our historical experience, we do not expect any significant payments under these arrangements. Therefore, they have been excluded from our aggregate commitments. The cost of these guarantees and letters of credit was \$1.0 million and \$0.5 million in the first six months of 2010 and 2009, respectively.

Legal Regulations

The employment services industry is closely regulated in all of the major markets in which we operate, except the U.S. and Canada. Many countries impose licensing or registration requirements and substantive restrictions on employment services, either on the provider of recruitment services or the ultimate client company, or minimum benefits to be paid to the temporary employee either during or following the temporary assignment. Regulations also may restrict the length of assignments, the type of work permitted or the occasions on which contingent workers may be used. Changes in applicable laws or regulations have occurred in the past and are expected in the future to affect the extent to which employment service firms may operate. These changes could impose additional costs, taxes, record keeping or reporting requirements; restrict the tasks to which contingent workers may be assigned; limit the duration of or otherwise impose restrictions on the nature of the relationship (with us or the client); or otherwise adversely affect the industry. All of our other service lines are currently not regulated.

In February 2009, the French Competition Council rendered its decision and levied a fine of €42.0 million (\$55.9 million) related to the competition investigation that began in November 2004, conducted by France's Direction Generale de la concurrence, de la Consommation et de la Repression des Fraudes ("DGCCRF"), a body of the French Finance Minister that investigates frauds and competition violations. We had accrued for this fine as of December 31, 2008, paid this fine in April 2009 and appealed the Competition Council's decision. In January 2010 we received notification that our appeal was denied and in March 2010, we again appealed the Competition Council's decision to the Cour de Cassation.

In March 2010, the United States government passed new Health Care Legislation, the Patient Protection and Affordable Care Act ('PPACA'). The provisions of PPACA having the greatest financial impact become effective in 2014. We are currently assessing the impact that this significant legislation will have on us and our clients with U.S.-based employees. We expect this legislation will increase the employment costs of our permanent employees and our associates, but we are currently unable to quantify the amount. Our intention is to pass on to our clients any cost increases related to our associates, however there is no assurance that we will be fully successful.

The DPJ government in Japan has proposed legislation which would place further restrictions on the job categories that we can supply. In May 2010, the Labor Minister announced a new policy that more narrowly defines the nature of work allowed within the 26 approved job categories. This will result in reclassifying jobs from the 26 job types into a liberalized category, which has a three-year time limit on assignments. At this time, we are unable to quantify the impact on operating results that this potential legislation could have on our Japan reporting unit, but we do not expect it to be material to our consolidated financial results.

The French government recently announced that it will be reviewing their social programs aimed at reducing the cost of labor and encouraging employment, potentially issuing new legislation in 2011 that might reduce the benefits from these programs. At this time we are unable to determine what the impact of this future legislation may be on our operating results.

Recently Issued Accounting Standards

See Note 2 to the Consolidated Financial Statements.

Forward-Looking Statements

Statements made in this quarterly report that are not statements of historical fact are forward-looking statements. In addition, from time to time, we and our representatives may make statements that are forward-looking. All forward-looking statements involve risks and uncertainties. The information in Item 1A. Risk Factors in our annual report on Form 10-K for the year ended December 31, 2009, which information is incorporated herein by reference, provides cautionary statements identifying, for purposes of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, important factors that could cause our actual results to differ materially from those contained in the forward-looking statements. Forward-looking statements can be identified by words such as “expect,” “antic ipate,” “intend,” “plan,” “may,” “believe,” “seek,” “estimate,” and similar expressions. Some or all of the factors identified in our annual report on Form 10-K may be beyond our control. We caution that any forward-looking statement reflects only our belief at the time the statement is made. We undertake no obligation to update any forward-looking statements to reflect subsequent events or circumstances.

Item 3 – Quantitative and Qualitative Disclosures About Market Risk

Our 2009 Annual Report on Form 10-K contains certain disclosures about market risks affecting us. There have been no material changes to the information provided which would require additional disclosures as of the date of this filing.

At this point in time, our liquidity has not been materially impacted by the current credit environment and we do not expect that it will be materially impacted in the near future. There can be no assurance, however, that the cost or availability of future borrowings, if any, under our credit facilities and other financing arrangements, will not be impacted by the ongoing credit market disruptions.

Item 4 – Controls and Procedures

We maintain a set of disclosure controls and procedures that are designed to ensure that information required to be disclosed by us in the reports filed by us under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms. We carried out an evaluation, under the supervision and with the participation of our management, including our Chairman and Chief Executive Officer and our Executive Vice President and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures pursuant to Rule 13a-15 of the Exchange Act. Based on that evaluation, our Chairman and Chief Executive Officer and our Executive Vice President and Chief Financial Officer concluded that our disclosure controls and procedures are effective as of the end of the period covered by this report.

There have been no changes in our internal control over financial reporting identified in connection with the evaluation discussed above that occurred during our last fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 2 – Unregistered Sales of Equity Securities and Use of Proceeds

In August 2007, the Board of Directors authorized the repurchase of 5.0 million shares of our common stock, not to exceed a total purchase price of \$400.0 million. The plan was announced on August 27, 2007. Share repurchases may be made from time to time and may be implemented through a variety of methods, including open market purchases, block transactions, privately negotiated transactions, accelerated share repurchase programs, forward repurchase agreements or similar facilities. The following table shows the total amount of shares repurchased under this authorization.

ISSUER PURCHASES OF EQUITY SECURITIES

	Total number of shares purchased	Average price paid per share	Total number of shares purchased as part of publicly announced plan	Maximum number of shares that may yet be purchased
April 1- 30, 2010	-	\$ -	-	1,026,490
May 1 - 31, 2010	-	-	-	1,026,490
June 1 - 30, 2010	138 ⁽¹⁾	-	-	1,026,490 ⁽²⁾

(1) Shares of restricted stock delivered by a director to Manpower, upon vesting, to satisfy tax withholding requirements.

(2) Not to exceed a total purchase price of \$182.1 million.

Item 5 – Other Information

Audit Committee Approval of Audit-Related and Non-Audit Services

The Audit Committee of our Board of Directors has approved the following audit-related and non-audit services performed or to be performed for us by our independent registered public accounting firm, Deloitte & Touche LLP, to date in 2010:

- (a) preparation and/or review of tax returns, including sales and use tax, excise tax, income tax, local tax, property tax, and value-added tax;
- (b) consultation regarding appropriate handling of items on tax returns, required disclosures, elections and filing positions available to us;
- (c) assistance with tax audits and examinations, including providing technical advice on technical interpretations, applicable laws and regulations, tax accounting, foreign tax credits, foreign income tax, foreign earnings and profits, U.S. treatment of foreign subsidiary income, and value-added tax, excise tax or equivalent taxes in foreign jurisdictions;
- (d) advice and assistance with respect to transfer pricing matters, including the preparation of reports used by us to comply with taxing authority documentation requirements regarding royalties and inter-company pricing, and assistance with tax exemptions; and
- (e) assistance relating to reporting under and compliance with the federal securities laws and the rules and regulations promulgated thereunder, including the issuance of consents and comfort letters.

Director Appointment

On August 3, 2010, we appointed Libby Sartain to our Board of Directors. Ms. Sartain has not yet been appointed to any committees of our Board of Directors however, we do anticipate she will be appointed to one or more committees in the future.

As a non-employee director of the Manpower, Ms. Sartain will participate in the same compensation arrangement as the other non-employee directors of the Company, which consists of a cash retainer equal to \$60,000 per year, a fee of \$2,000 per Board of Directors or Committee meeting attended in person, a fee of \$1,000 per Board of Directors or Committee meeting attending telephonically and reimbursement for travel expenses incurred in connection with attending Board of Directors and Committee meetings. In addition, Ms. Sartain received a prorated annual grant of 843 shares of deferred stock upon her appointment to the Board of Directors. As permitted under the Terms and Conditions Regarding the Grant of Awards to Non-Employee Directors under the 2003 Equity Incentive Plan of the Company, Ms. Sartain elected to receive the prorated annual grant in restricted stock. This election will be effective October 1, 2010, at which time Ms. Sartain will receive a number of shares of restricted stock equal to the number of unvested shares of deferred stock then held by her, and such unvested shares of deferred stock will be forfeited. The restricted stock will vest on December 31, 2010.

The Company will also enter into an indemnification agreement with Ms. Sartain. The description of the indemnification agreement is contained in our Current Report on Form 8-K dated October 31, 2006 and is incorporated by reference herein.

Item 6 – Exhibits

- 3.1 Amended and Restated Articles of Incorporation of Manpower Inc. effective as of February 28, 1991, as amended on May 8, 2001 and April 28, 2010.
- 3.2 Amended and Restated By-laws of Manpower Inc. effective as of April 28, 2010.
- 12.1 Statement regarding Computation of Ratio of Earnings to Fixed Charges.
- 31.1 Certification of Jeffrey A. Joerres, Chairman and Chief Executive Officer, pursuant to Section 13a-14(a) of the Securities Exchange Act of 1934.
- 31.2 Certification of Michael J. Van Handel, Executive Vice President and Chief Financial Officer, pursuant to Section 13a-14(a) of the Securities Exchange Act of 1934.
- 32.1 Statement of Jeffrey A. Joerres, Chairman and Chief Executive Officer, pursuant to 18 U.S.C. ss. 1350.
- 32.2 Statement of Michael J. Van Handel, Executive Vice President and Chief Financial Officer, pursuant to 18 U.S.C. ss. 1350.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

MANPOWER INC.

(Registrant)

Date: August 5, 2010

/s/ Michael J. Van Handel

Michael J. Van Handel

Executive Vice President and Chief
Financial Officer

(Signing on behalf of the Registrant and
as the Principal Financial Officer and
Principal Accounting Officer)

EXHIBIT INDEX

Exhibit No.	Description
3.1	Amended and Restated Articles of Incorporation of Manpower Inc. effective as of February 28, 1991, as amended on May 8, 2001 and April 28, 2010.
3.2	Amended and Restated By-laws of Manpower Inc. effective as of April 28, 2010.
12.1	Statement Regarding Computation of Ratio of Earnings to Fixed Charges.
31.1	Certification of Jeffrey A. Joerres, Chairman and Chief Executive Officer, pursuant to Section 13a-14(a) of the Securities Exchange Act of 1934.
31.2	Certification of Michael J. Van Handel, Executive Vice President and Chief Financial Officer, pursuant to Section 13a-14(a) of the Securities Exchange Act of 1934.
32.1	Statement of Jeffrey A. Joerres, Chairman and Chief Executive Office, pursuant to 18 U.S.C. ss. 1350.
32.2	Statement of Michael J. Van Handel, Executive Vice President and Chief Financial Officer, pursuant to 18 U.S.C. ss. 1350.

AMENDMENT OF AMENDED AND RESTATED ARTICLES OF INCORPORATION

OF

MANPOWER INC.

The undersigned Senior Vice President, General Counsel and Secretary of Manpower Inc. (the "Corporation"), hereby certifies that in accordance with Section 180.1003 of the Wisconsin Business Corporation Law and Article IX of the Corporation's Amended and Restated Articles of Incorporation, as amended (the "Articles"), the following Amendment was duly adopted to change the voting requirement for shareholders with respect to the election of directors:

"Article VIII is hereby amended by inserting the following paragraph between the second and third paragraphs of Article VIII

'In a non-contested election, directors shall be elected by a majority of the votes cast by holders of shares of the corporation's common stock entitled to vote in the election at a shareholders meeting at which a quorum is present. In a contested election, directors shall be elected by a plurality of the votes cast by holders of shares of the corporation's common stock entitled to vote in the election at a shareholders meeting at which a quorum is present. For purposes of this Article VIII, (i) a "contested election" means that as of the record date for the meeting at which the election is held, there are more nominees for election than positions on the Board of Directors to be filled by election at the meeting and (ii) a "majority of the votes cast" means that the number of votes cast in favor of the election of a director exceeds the number of votes cast against the election of that director (with abstentions and broker non-votes not counted as votes cast). The shareholders of the corporation are hereby authorized to adopt or amend a by-law of the corporation that fixes the foregoing voting standard.'

The remainder of Article VIII of the Articles will remain unchanged."

This Amendment to the Articles was approved by the Board of Directors of the Corporation on October 27, 2009. This Amendment to the Articles was approved by the shareholders of the Corporation at the 2010 Annual Meeting of Shareholders on April 27, 2010 in accordance with Section 180.1003 of Wisconsin Business Corporation Law.

This Amendment to the Articles shall be effective as of 3:00 p.m. on April 28, 2010.

Executed in duplicate this 27th day of April, 2010.

MANPOWER INC.

By: /s/ Kenneth C. Hunt
Kenneth C. Hunt
Senior Vice President, General Counsel and Secretary

This instrument was drafted by:

Dennis Connolly
Godfrey & Kahn, S.C.
780 North Water Street
Milwaukee, Wisconsin 53202

AMENDMENT OF AMENDED AND RESTATED ARTICLES OF INCORPORATION

OF

MANPOWER INC.

The undersigned Chairman, President and Chief Executive Officer of Manpower Inc. (the "Corporation"), hereby certifies that in accordance with Section 180.1003 of the Wisconsin Business Corporation Law and Article IX of the Corporation's Amended and Restated Articles of Incorporation (the "Restated Articles"), the following Amendment was duly adopted to increase the permitted maximum size of the Board of Directors:

"Article VIII is hereby amended by deleting the first paragraph of Article VIII in its entirety and replacing it with the following:

'The number of directors (exclusive of directors, if any, elected by the holders of one or more series of Preferred Stock, voting separately as a series pursuant to the provisions of these Articles of Incorporation applicable thereto) shall not be less than 3 nor more than 15 directors, the exact number of directors to be determined from time to time by resolution adopted by the affirmative vote of a majority of the entire Board of Directors then in office.'

The remainder of Article VIII of the Articles will remain unchanged."

This Amendment to the Restated Articles was approved by the Board of Directors of the Corporation on February 20, 2001. This Amendment to the Restated Articles was approved by the shareholders of the Corporation at the 2001 Annual Meeting of Shareholders on May 1, 2001 in accordance with Section 180.1003 of Wisconsin Business Corporation Law.

This Amendment to the Restated Articles shall be effective as of 1:30 p.m. on May 8, 2001.

Executed in duplicate this 7th day of May, 2001.

MANPOWER INC.

By: /s/ Jeffrey A. Joerres
Jeffrey A. Joerres
Chairman, President and Chief Executive Officer

This instrument was drafted by:

Michelle M. Nelson
Godfrey & Kahn, S.C.
780 North Water Street
Milwaukee, Wisconsin 53202

AMENDED AND RESTATED ARTICLES OF INCORPORATION

OF

MANPOWER INC.

These amended and restated Articles of Incorporation are executed by the undersigned to supersede and replace the heretofore existing Articles of Incorporation of Manpower Inc., as amended, a corporation organized under Chapter 180 of the Wisconsin Statutes:

ARTICLE I

The name of the corporation is Manpower Inc.

ARTICLE II

The period of existence of the corporation shall be perpetual.

ARTICLE III

The corporation is authorized to engage in any lawful activity for which corporations may be organized under Chapter 180 of the Wisconsin Statutes and any successor provisions.

ARTICLE IV

The aggregate number of shares which the corporation shall have the authority to issue, the designation of each class of shares, the authorized number of shares of each class of par value and the par value thereof per share shall be as follows:

<u>Designation of Class</u>	<u>Par Value Per Share</u>	<u>Authorized Number of Shares</u>
Common Stock	\$.01	125,000,000
Preferred Stock	\$.01	25,000,000

The preferences, limitations and relative rights of shares of each class of stock shall be as follows:

A. *Common Stock.*

(1) *Voting.* Except as otherwise provided by law and except as may be determined by the Board of Directors with respect to shares of Preferred Stock as provided in subparagraph (b) of paragraph (1) of Section B, below, only the holders of shares of Common Stock shall be entitled to vote for the election of directors of the corporation and for all other corporate purposes. Except as otherwise provided by law, upon any such vote, each holder of Common Stock shall be entitled to one vote for each share of Common Stock held of record by such shareholder.

(2) *Dividends.* Subject to the provisions of paragraph (4) of Section B, below, the holders of Common Stock shall be entitled to receive such dividends as may be declared thereon from time to time by the Board of Directors, in its discretion, out of any funds of the corporation at the time legally available for payment of dividends on Common Stock.

(3) *Liquidation.* In the event of the voluntary or involuntary dissolution, liquidation or winding up of the corporation, after there have been paid to or set aside for the holders of shares of Preferred Stock the full preferential amounts to which they are entitled as provided in paragraph (5) of Section B, below, the holders of outstanding shares of Common Stock shall be entitled to share ratably, according to the number of shares held by each, in the remaining assets of the corporation available for distribution.

B. *Preferred Stock.*

(1) *Series and Variations Between Series.* The Preferred Stock may from time to time as hereinafter provided, be divided into and issued in one or more series, and the Board of Directors is hereby expressly authorized to establish one or more series, to fix and determine the variations as among series and to fix and determine, prior to the issuance of any shares of a particular series, the following designations, terms, limitations and relative rights and preferences of such series:

(a) The designations of such series and the number of shares which shall constitute such series, which number may at any time, or from time to time, be increased or decreased (but not below the number of shares thereof then outstanding) by the Board of Directors unless the Board of Directors shall have otherwise provided in establishing such series;

(b) Whether and to what extent the shares of that series shall have voting rights, in addition to the voting rights provided by law, which might include the right to elect a specified number of directors in any case or if dividends on such series were not paid for a specified period of time;

(c) The yearly rate of dividends, if any, on the shares of such series, the dates in each year upon which such dividend shall be payable and, the date or dates from which any such cumulative dividend shall be cumulative;

(d) The amount per share payable on the shares of such series in the event of the voluntary or involuntary liquidation, dissolution or winding up of the corporation;

(e) The terms, if any, on which the shares of such series shall be redeemable, and, if redeemable, the amount per share payable thereon in the case of the redemption thereof (which amount may vary for (i) shares redeemed on different dates; and (ii) shares redeemed through the operation of a sinking fund, if any, applicable to such shares, from the amount payable with respect to shares otherwise redeemed);

(f) The extent to and manner in which a sinking fund, if any, shall be applied to the redemption or purchase of the shares of such series, and the terms and provisions relative to the operation of such fund;

(g) The terms, if any, on which the shares of such series shall be convertible into shares of any other class or of any other series of the same or any other class and, if so convertible, the price or prices or the rate or rates of conversion, including the method, if any, for adjustments of such prices or rates, and any other terms and conditions applicable thereto; and

(h) Such other terms, limitations and relative rights and preferences, if any, of such series as the Board of Directors may lawfully fix and determine and as shall not be inconsistent with the laws of the State of Wisconsin or these Articles of Incorporation.

(2) *Redemption Right.* Shares of Preferred Stock may be issued which are redeemable by the corporation at the price determined by the Board of Directors for shares of each series as provided in subparagraph (e) of paragraph (1) of this Section B, above.

(3) *Conversion of Preferred Stock.* Shares of Preferred Stock may be issued which are convertible into shares of Common Stock or shares of any other series of Preferred Stock on the terms and conditions determined by the Board of Directors for shares of each series as provided in subparagraph (g) of paragraph (1) of this Section B, above.

(4) *Dividends.* Shares of Preferred Stock may be issued which entitle the holders thereof to cumulative, noncumulative or partially cumulative dividends. The holders of Preferred Stock shall be entitled to receive, when, as and if declared by the Board of Directors, out of funds legally available therefor, dividends at the annual rate fixed by the Board of Directors with respect to each series of shares and no more. Such dividends shall be payable on such dates and in respect of such periods in such year as may be fixed by the Board of Directors to the holders of record thereof on such date as may be determined by the Board of Directors. Such dividends shall be paid or declared and set apart for payment for each dividend period before any dividend (other than a dividend payable solely in Common Stock) for the same period shall be paid upon or set apart for payment on the Common Stock, and, if dividends on the Preferred Stock shall be cumulative or partially cumulative, all unpaid dividends thereon for any past dividend period shall be fully paid or declared and set apart for payment, but without interest, before any dividend (other than a dividend payable solely in Common Stock) shall be paid upon or set apart for payment in the Common Stock. The holders of Preferred Stock shall not, however, be entitled to participate in any other or additional earnings or profits of the corporation, except for such premiums, if any, as may be payable in case of redemption, liquidation, dissolution or winding up.

(5) *Liquidation.* In the event of liquidation, dissolution or winding up (whether voluntary or involuntary) of the corporation, the holders of shares of Preferred Stock shall be entitled to be paid the full amount payable on such shares upon the liquidation, dissolution or winding up of the corporation fixed by the Board of Directors with respect to such shares as provided in subparagraph (d) of paragraph (1) of this Section B, above, before any amount shall be paid to the holders of the Common Stock.

(6) *Reissue of Shares.* Shares of the Preferred Stock which shall have been converted, redeemed, purchased or otherwise acquired by the corporation, whether through the operation of a sinking fund or otherwise, shall be retired and restored to the status of authorized but unissued shares, but may be reissued only as a part of the Preferred Stock other than the series of which they were originally a part.

ARTICLE V

No holder of any stock of the corporation shall have any pre-emptive or subscription rights nor be entitled, as of right, to purchase or subscribe for any part of the unissued stock of this corporation or of any additional stock issued by reason of any increase of authorized capital stock of this corporation or other securities whether or not convertible into stock of this corporation.

ARTICLE VI

A dividend payable in shares of any class of stock of the corporation may be paid in shares of any other class without authorization by the shareholders of the class of stock to be issued.

ARTICLE VII

The address of the registered office of the corporation is 222 West Washington Avenue, Madison, Wisconsin 53703 in Dane County. The name of its registered agent at such address is CT Corporation System.

ARTICLE VIII

The number of directors (exclusive of directors, if any, elected by the holders of one or more series of Preferred Stock, voting separately as a series pursuant to the provisions of these Articles of Incorporation applicable thereto) shall not be less than 3 nor more than 11 directors, the exact number of directors to be determined from time to time by resolution adopted by the affirmative vote of a majority of the entire Board of Directors then in office except that the number of initial directors constituting the initial Board of Directors shall be 3 and names of the initial directors are as follows:

Mitchell S. Fromstein

Dudley J. Godfrey, Jr.

Gilbert Palay

The directors shall be divided into three classes, designated Class I, Class II and Class III, and the term of office of directors of each class shall be three years. Each class shall consist, as nearly as possible, of one-third of the total number of directors constituting the entire Board of Directors. If the number of directors is changed by resolution of the Board of Directors pursuant to this Article VIII, any increase or decrease shall be apportioned among the classes so as to maintain the number of directors in each class as nearly equal as possible, but in no case shall a decrease in the number of directors shorten the term of any incumbent director.

A director shall hold office until the annual meeting for the year in which his term expires and until his successor shall be elected and shall qualify. Any newly created directorship resulting from an increase in the number of directors and any other vacancy on the Board of Directors, however caused, shall be filled by the vote of a majority of the directors then in office, although less than a quorum, or by a sole remaining director. Any director so elected to fill any vacancy in the Board of Directors, including a vacancy created by an increase in the number of directors, shall hold office for the remaining term of directors of the class to which he has been elected and until his successor shall be elected and shall qualify.

Exclusive of directors, if any, elected by the holders of one or more series of Preferred Stock, no director of the corporation may be removed from office, except for Cause and by the affirmative vote of two-thirds of the outstanding shares of capital stock of the corporation entitled to vote at a meeting of shareholders duly called for such purpose. As used in this Article VIII, the term "Cause" shall mean solely malfeasance arising from the performance of a director's duties which has a materially adverse effect on the business of the corporation.

No person, except those nominated by or at the direction of the Board of Directors, shall be eligible for election as a director at any annual or special meeting of shareholders unless a written request, in the form established by the corporation's by-laws, that a person's name be placed in nomination is received from a shareholder of record by the Secretary of the corporation, together with the written consent of such person to serve as a director, (i) with respect to an election held at an annual meeting of shareholders, not less than 90 nor more than 150 days prior to the meeting date fixed pursuant to the corporation's by-laws, or (ii) with respect to an election held at a special meeting of shareholders for the election of directors, not less than the close of business on the eighth day following the date on which notice of such meeting is given to shareholders.

ARTICLE IX

Notwithstanding any provision of these Articles of Incorporation, these Articles of Incorporation may be amended, altered or repealed, and new Articles of Incorporation may be enacted, only by the affirmative vote of the holders of not less than two-thirds of the outstanding total shares of stock of the corporation entitled to vote at a meeting of shareholders duly called for such purpose and by the affirmative vote of the holders of not less than two-thirds of the shares of each class or series, if any, entitled to vote thereon at such meeting; provided, however, that this Article IX shall not limit the power of the corporation's Board of Directors to make certain amendments to the Articles of Incorporation under Chapter 180 of the Wisconsin Statutes and any successor provisions without shareholder approval.

ARTICLE X

Notwithstanding any other provision of these Articles of Incorporation or the corporation's By-Laws, the corporation's By-Laws may be amended, altered or repealed, and new By-Laws may be enacted, only by the affirmative vote of the holders of not less than two-thirds of the outstanding shares of stock of the corporation entitled to vote at a meeting of shareholders duly called for such purpose and by the affirmative vote of the holders of not less than two-thirds of the shares of each class or series, if any, entitled to vote thereon at such meeting, or by a vote of not less than three-quarters of the entire Board of Directors then in office.

ARTICLE XI

The name and address of the incorporator is Kenneth C. Hunt, Godfrey & Kahn, S.C., 780 North Water Street, Milwaukee, Wisconsin 53202.

AMENDED AND RESTATED BY-LAWS

OF

MANPOWER INC. (as of April 28, 2010)

ARTICLE I. OFFICES

SECTION 1.1. Principal and Other Offices. The principal office of the Corporation shall be located at any place either within or outside the State of Wisconsin as designated in the Corporation's most current Annual Report filed with the Wisconsin Secretary of State. The Corporation may have such other offices, either within or outside the State of Wisconsin as the Board of Directors may designate or as the business of the Corporation may require from time to time.

SECTION 1.2. Registered Office. The registered office of the Corporation required by the Wisconsin business corporation law to be maintained in the State of Wisconsin may, but need not, be the same as any of its places of business. The registered office may be changed from time to time.

SECTION 1.3. Registered Agent. The registered agent of the Corporation required by the Wisconsin business corporation law to maintain a business office in the State of Wisconsin may, but need not, be an officer or employee of the Corporation as long as such agent's business office is identical with the registered office. The registered agent may be changed from time to time.

ARTICLE II. SHAREHOLDERS

SECTION 2.1. Annual Meeting. The annual meeting of shareholders shall be held on the third Tuesday in the month of April for each year at 10:00 a.m. (local time) or at such other date and time as shall be fixed by, or at the direction of, the Board of Directors, for the purpose of electing directors for the class of directors whose term expires in such year and for the transaction of such other business as may have been properly brought before the meeting in compliance with the provisions of Section 2.5. If the day fixed for the annual meeting shall be a legal holiday in the State of Wisconsin, such meeting shall be held on the next succeeding business day.

SECTION 2.2. Special Meetings. Except as otherwise required by applicable law, special meetings of shareholders of the Corporation may only be called by the Chairman of the Board or the President and Chief Executive Officer pursuant to a resolution approved by not less than three-quarters of the Board of Directors; provided, however, that the Corporation shall hold a special meeting of shareholders of the Corporation if a signed and dated written demand or demands by the holders of at least 10% of all the votes entitled to be cast on any issue proposed to be considered at the proposed special meeting is delivered to the Corporation as required under the Wisconsin business corporation law, which demand or demands must describe one or more identical purposes for which the shareholders demand a meeting be called.

SECTION 2.3. Place of Meeting. The Board of Directors, the Chairman of the Board or the President and Chief Executive Officer may designate any place, within or outside the State of Wisconsin, as the place of meeting for the annual meeting or for any special meeting. If no designation is made the place of meeting shall be the principal office of the Corporation, but any meeting may be adjourned to reconvene at any place designated by vote of a majority of the shares represented thereat.

SECTION 2.4. Notice of Meeting. The Corporation shall notify shareholders of the date, time and place of each annual and special shareholders meeting. Notice of a special meeting shall include a description of each purpose for which the meeting is called. Notice of all meetings need be given only to shareholders entitled to vote, unless otherwise required by the Wisconsin business corporation law, and shall be given not less than ten nor more than sixty days before the meeting date. The Corporation may give notice in person, by mail or other method of delivery, by telephone, including voice mail, answering machine or answering service or by any other electronic means and, if these forms of personal notice are impracticable, notice may be communicated by a newspaper of general circulation in the area where published, or by radio, television or other form of public broadcast communication. Written notice, which includes notice by electronic transmission, shall be effective when mailed postpaid and addressed to the shareholder's address shown in the Corporation's current record of shareholders, or when electronically transmitted to the shareholder in a manner authorized by the shareholder. Oral notice shall be deemed to be effective when communicated. Notice by newspaper, radio, television or other form of public broadcast communication shall be deemed to be effective the date of publication or broadcast.

SECTION 2.5. Advance Notice Shareholder-Proposed Business at Annual Meeting. At an annual meeting of shareholders, only such business shall be conducted as shall have been properly brought before the meeting. To be properly brought before an annual meeting, business must be: (a) specified in the notice of meeting (or any amendment or supplement thereto) given in accordance with Section 2.4, (b) otherwise properly brought before the meeting by or at the direction of the Board of Directors, the Chairman of the Board or the President and Chief Executive Officer, or (c) otherwise properly brought before the meeting by a shareholder. In addition to any other requirements under applicable law, the Articles of Incorporation or the By-Laws for business to be properly brought before an annual meeting by a shareholder, the shareholder must have given timely notice thereof in writing to the Secretary of the Corporation. To be timely, a shareholder's notice must be delivered to or mailed and received at the principal office of the Corporation, not less than 90 days prior to the anniversary of the annual meeting of shareholders held in the prior year. A shareholder's notice to the Secretary shall set forth as to each matter the shareholder proposes to bring before the annual meeting (i) a brief description of the business desired to be brought before the annual meeting and the reasons for conducting such business at the annual meeting, (ii) the name and address, as they appear on the Corporation's books, of the shareholder proposing such business, (iii) (A) the class and number of shares of the Corporation which are owned of record and shares of the Corporation which are owned beneficially but not of record by such shareholder as well as by any Associated Person (as defined below), (B) any option, warrant, convertible security, stock appreciation right, or similar right with an exercise or conversion privilege or a settlement payment or mechanism at a price related to any class or series of shares of the Corporation or with a value derived in whole or in part from the value of any class or series of shares of the Corporation, whether or not such instrument or right is subject to settlement in the underlying class or series of capital stock of the Corporation or otherwise (a "Derivative Instrument") directly or indirectly owned beneficially by such shareholder as well as by any Associated Person and any other direct or indirect opportunity to profit or share in any profit derived from any increase or decrease in the value of shares of the Corporation, (C) any proxy, contract, arrangement, understanding, or relationship pursuant to which such shareholder as well as any Associated Person has a right to vote any shares of any security of the Corporation, (D) the extent to which the shareholder providing the notice, or any Associated Person, has entered into any transaction or series of transactions, including hedging, short selling, borrowing shares, or lending shares, with the effect or intent to mitigate loss or manage the risks of changes in share price or to profit or share in profit from any decrease in share price, or to increase or decrease the voting power of such shareholder or any Associated Person with respect to any shares of capital stock of the Corporation, (E) any rights to dividends on the shares of the Corporation owned beneficially by such shareholder that are separated or separable from the underlying shares of the Corporation, (F) any proportionate interest in shares of the Corporation or Derivative Instruments held, directly or indirectly, by a general or limited partnership in which such shareholder is a general partner or, directly or indirectly, beneficially owns an interest in a general partner, and (G) any performance-related fees (other than an asset-based fee) that such shareholder is entitled to based on any increase or decrease in the value of shares of the Corporation or Derivative Instruments, if any, as of the date of such notice, including without limitation any such interests held by members of such shareholder's immediate family sharing the same household (which information shall be supplemented by such shareholder and beneficial owner, if any, not later than ten days after the record date for the meeting to disclose such ownership as of the record date); (iv) any other information relating to such shareholder and beneficial owner, if any, that would be required to be disclosed in a proxy statement or other filings that would be required to be made in connection with solicitations of proxies for the proposal pursuant to Section 14 of the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder; (v) a representation that the shareholder is a holder of record of stock of the Corporation entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to present the proposed business specified in the notice; and (vi) any interest of the shareholder in such business. In addition, any such shareholder shall be required to provide such further information as may be requested by the Corporation. The Corporation may require evidence by any person giving notice under this Section 2.5 that such person is a bona fide beneficial owner of the Corporation's shares.

Notwithstanding anything in the By-Laws to the contrary, no business shall be conducted at the annual meeting except in accordance with the procedures set forth in this Section 2.5; provided, however, that nothing in this Section 2.5 shall be deemed to preclude discussion by any shareholder of any business properly brought before the annual meeting in accordance with said procedure.

The presiding officer at an annual meeting shall, if the facts warrant, determine and declare to the meeting that business was not properly brought before the meeting in accordance with the provisions of this Section 2.5, and if he should so determine, he shall so declare to the meeting and any such business not properly brought before the meeting shall not be transacted.

For purposes of Sections 2.5 and 2.6, "Associated Person" of any shareholder means any person controlling, directly or indirectly, or acting in concert with, such shareholder; any beneficial owner of shares of stock of the Corporation owned of record or beneficially by such shareholder; and any person controlling, controlled by, or under common control with such shareholder.

Notwithstanding anything contained in this Section 2.5, any shareholder-proposed business that relates to the nomination of directors may only be properly brought before a meeting of shareholders in accordance with the procedures set forth in Section 2.6.

SECTION 2.6. Procedure for Nomination of Directors. Only persons nominated in accordance with all of the procedures set forth in the Corporation's Articles of Incorporation and By-Laws shall be eligible for election as directors. Nominations of persons for election to the Board of Directors of the Corporation may be made at a meeting of shareholders by or at the direction of the Board of Directors, by any nominating committee or persons appointed by the Board, or by any shareholder of the Corporation entitled to vote for election of directors at the meeting who complies with all of the notice procedures set forth in this Section 2.6.

Nominations other than those made by or at the direction of the Board of Directors or any nominating committee or person appointed by the Board shall be made pursuant to timely notice in proper written form to the Secretary of the Corporation. To be timely, a shareholder's request to nominate a person for director, together with the written consent of such person to serve as a director, must be received by the Secretary of the Corporation at the Corporation's principal office (i) with respect to an election held at an annual meeting of shareholders, not less than 90 days nor more than 150 days prior to the anniversary of the annual meeting of shareholders held in the prior year, or (ii) with respect to an election held at a special meeting of shareholders for the election of directors, not later than the close of business on the eighth day following the date on which notice of such meeting is given to shareholders. To be in proper written form, such shareholder's notice shall set forth in writing (a) as to each person whom the shareholder proposes to nominate for election or reelection as a director (i) the name, age, business address and residence address of such person, (ii) the principal occupation or employment of such person, (iii) the class and number of shares of stock of the Corporation which are beneficially owned by such person, and (iv) such other information relating to such person as is required to be disclosed in solicitations of proxies for election of directors, or as otherwise required, in each case pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended, and any successor to such Regulation; and (b) as to the shareholder giving the notice (i) the name and address, as they appear on the Corporation's books, of such shareholder, (ii) (A) the class and number of shares of the Corporation which are owned of record and shares of the Corporation which are owned beneficially but not of record by such shareholder as well as by any Associated Person, (B) any option, warrant, convertible security, stock appreciation right, or similar right with an exercise or conversion privilege or a settlement payment or mechanism at a price related to any class or series of shares of the Corporation or with a value derived in whole or in part from the value of any class or series of shares of the Corporation, whether or not such instrument or right is subject to settlement in the underlying class or series of capital stock of the Corporation or otherwise (a "Derivative Instrument") directly or indirectly owned beneficially by such shareholder as well as by any Associated Person and any other direct or indirect opportunity to profit or share in any profit derived from any increase or decrease in the value of shares of the Corporation, (C) any proxy, contract, arrangement, understanding, or relationship pursuant to which such shareholder as well as any Associated Person has a right to vote any shares of any security of the Corporation, (D) the extent to which the shareholder providing the notice, or any Associated Person, has entered into any transaction or series of transactions, including hedging, short selling, borrowing shares, or lending shares, with the effect or intent to mitigate loss or manage the risks of changes in share price or to profit or share in profit from any decrease in share price, or to increase or decrease the voting power of such shareholder or any Associated Person with respect to any shares of capital stock of the Corporation, (E) any rights to dividends on the shares of the Corporation owned beneficially by such shareholder that are separated or separable from the underlying shares of the Corporation, (F) any proportionate interest in shares of the Corporation or Derivative Instruments held, directly or indirectly, by a general or limited partnership in which such shareholder is a general partner or, directly or indirectly, beneficially owns an interest in a general partner, and (G) any performance-related fees (other than an asset-based fee) that such shareholder is entitled to based on any increase or decrease in the value of shares of the Corporation or Derivative Instruments, if any, as of the date of such notice, including without limitation any such interests held by members of such shareholder's immediate family sharing the same household (which information shall be supplemented by such shareholder and beneficial owner, if any, not later than ten days after the record date for the meeting to disclose such ownership as of the record date); (iii) any other information relating to such shareholder and beneficial owner, if any, that would be required to be disclosed in a proxy statement or other filings that would be required to be made in connection with solicitations of proxies for the election of directors in a contested election pursuant to Section 14 of the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder; (iv) a representation that the shareholder is a holder of record of stock of the Corporation entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to nominate the person or persons specified in the notice; and (v) any interest of the shareholder in such nomination. The Corporation may require any proposed nominee to furnish such other information as may reasonably be required by the Corporation to determine the eligibility of such proposed nominee to serve as a director of the Corporation or the shareholder to nominate the proposed nominee. The presiding officer at the meeting shall, if the facts so warrant, determine and declare to the meeting that a nomination was not made in accordance with the procedures or other requirements prescribed by the Corporation's Articles of Incorporation and By-Laws; and if he should so determine, such presiding officer shall so declare to the meeting and the defective nomination(s) shall be disregarded.

SECTION 2.7. Fixing of Record Date. For the purpose of determining shareholders of any voting group entitled to notice of or to vote at any meeting of shareholders or any adjournment thereof, or shareholders entitled to receive payment of any distribution or dividend, or in order to make a determination of shareholders for any other proper purpose, the Board of Directors may fix in advance a date as the record date for any such determination of shareholders. Such record date shall not be more than 70 days prior to the date on which the particular action, requiring such determination of shareholders, is to be taken; provided that for the purpose of determining shareholders of any voting group entitled to notice of or to vote at the annual meeting of shareholders or any adjournment thereof, the record date shall be 70 days prior to the date of the annual meeting of shareholders, unless otherwise determined by the Board of Directors. If no record date is so fixed for the determination of shareholders entitled to notice of, or to vote at a meeting of shareholders, or shareholders entitled to receive a share dividend or distribution, the record date for determination of such shareholders shall be at the close of business on:

- (a) With respect to an annual shareholders meeting or any special shareholders meeting called by the Board of Directors or any person specifically authorized by the Board of Directors or these By-Laws to call a meeting, the day before the first notice is given to shareholders;
- (b) With respect to a special shareholders meeting demanded by the shareholders, the date the first shareholder signs the demand;
- (c) With respect to the payment of a share dividend, the date the Board of Directors authorizes the share dividend; and
- (d) With respect to a distribution to shareholders (other than one involving a repurchase or reacquisition of shares), the date the Board of Directors authorizes the distribution.

SECTION 2.8. Voting Lists. After fixing a record date for a meeting, the Corporation shall prepare a list of the names of all its shareholders who are entitled to notice of a shareholders meeting. The list shall be arranged by class or series of shares and show the address of and the number of shares held by each shareholder. The shareholders list must be available for inspection by any shareholder, beginning two business days after notice of the meeting is given for which the list was prepared and continuing to the date of the meeting. The list shall be available at the Corporation's principal office or at a place identified in the meeting notice in the city where the meeting is to be held. Subject to the provisions of the Wisconsin business corporation law, a shareholder or his or her agent or attorney may, on written demand, inspect and copy the list during regular business hours and at his or her expense, during the period it is available for inspection. The Corporation shall make the shareholders list available at the meeting, and any shareholder or his or her agent or attorney may inspect the list at any time during the meeting or any adjournment thereof. Refusal or failure to prepare or make available the shareholders list shall not affect the validity of any action taken at such meeting.

SECTION 2.9. Shareholder Quorum and Voting Requirements. Shares entitled to vote as a separate voting group may take action on a matter at a meeting only if a quorum of those shares exists with respect to that matter. Unless the Articles of Incorporation, By-Laws adopted under authority granted in the Articles of Incorporation or the Wisconsin business corporation law provide otherwise, a majority of the votes entitled to be cast on the matter by the voting group constitutes a quorum of that voting group for action on that matter.

If the Articles of Incorporation or the Wisconsin business corporation law provide for voting by two or more voting groups on a matter, action on that matter is taken only when voted upon by each of those voting groups counted separately. Action may be taken by one voting group on a matter even though no action is taken by another voting group entitled to vote on the matter.

Once a share is represented for any purpose at a meeting, other than for the purpose of objecting to holding the meeting or transacting business at the meeting, it is deemed present for purposes of determining whether a quorum exists, for the remainder of the meeting and for any adjournment of that meeting to the extent provided in Section 2.14.

If a quorum exists, action on a matter by a voting group is approved if the votes cast within the voting group favoring the action exceed the votes cast opposing the action, unless the Articles of Incorporation, the By-Laws or the Wisconsin business corporation law require a greater number of affirmative votes; provided, however, that the voting requirements for the election of directors shall be governed by Section 3.2(e) of these By-Laws.

SECTION 2.10. Proxies. For all meetings of shareholders, a shareholder may authorize another person to act for the shareholder by appointing the person as proxy. A shareholder or the shareholder's authorized officer, director, employee, agent or attorney-in-fact may use any of the following means to appoint a proxy:

- (a) In writing by signing or causing the shareholder's signature to be affixed to an appointment form by any reasonable means, including, but not limited to, by facsimile signature;
- (b) By transmitting or authorizing the transmission of an electronic transmission of the appointment to the person who will be appointed as proxy or to a proxy solicitation firm, proxy support service organization or like agent authorized to receive the transmission by the person who will be appointed as proxy; or
- (c) By any other means permitted by the Wisconsin business corporation law.

An appointment of a proxy shall be effective when a signed appointment form or an electronic transmission of the appointment is received by the inspector of election or the officer or agent authorized to tabulate votes. No appointment shall be valid after eleven months, unless otherwise provided in the appointment.

SECTION 2.11. Voting of Shares. Unless otherwise provided in the Articles of Incorporation, each outstanding share entitled to vote shall be entitled to one vote upon each matter submitted to a vote at a meeting of shareholders.

No shares in the Corporation held by another corporation may be voted if the Corporation owns, directly or indirectly, a sufficient number of shares entitled to elect a majority of the directors of such other corporation; provided, however, that the Corporation shall not be limited in its power to vote any shares, including its own shares, held by it in a fiduciary capacity.

SECTION 2.12. Voting Shares Owned by the Corporation. Shares of the Corporation belonging to it shall not be voted directly or indirectly at any meeting and shall not be counted in determining the total number of outstanding shares at any given time, but shares held by the Corporation in a fiduciary capacity may be voted and shall be counted in determining the total number of outstanding shares at any given time.

SECTION 2.13. Acceptance of Instruments Showing Shareholder Action.

- (a) If the name signed on a vote, consent, waiver or proxy appointment corresponds to the name of a shareholder, the Corporation, if acting in good faith, may accept the vote, consent, waiver or proxy appointment and give it effect as the act of the shareholder.
- (b) If the name signed on a vote, consent, waiver or proxy appointment does not correspond to the name of its shareholder, the Corporation, if acting in good faith, may accept the vote, consent, waiver or proxy appointment and give it effect as the act of the shareholder if any of the following apply:
 - (1) the shareholder is an entity, within the meaning of the Wisconsin business corporation law, and the name signed purports to be that of an officer or agent of the entity;
 - (2) the name signed purports to be that of a personal representative, administrator, executor, guardian or conservator representing the shareholder and, if the Corporation or its agent request, evidence of fiduciary status acceptable to the Corporation is presented with respect to the vote, consent, waiver or proxy appointment;
 - (3) the name signed purports to be that of a receiver or trustee in bankruptcy of the shareholder and, if the Corporation or its agent request, evidence of this status acceptable to the Corporation is presented with respect to the vote, consent, waiver or proxy appointment;

(4) the name signed purports to be that of a pledgee, beneficial owner, or attorney-in-fact of the shareholder and, if the Corporation or its agent request, evidence acceptable to the Corporation of the signatory's authority to sign for the shareholder is presented with respect to the vote, consent, waiver or proxy appointment; or

(5) two or more persons are the shareholders as cotenants or fiduciaries and the name signed purports to be the name of at least one of the co-owners and the persons signing appears to be acting on behalf of all co-owners.

(c) The Corporation may reject a vote, consent, waiver or proxy appointment if the Secretary or other officer or agent of the Corporation who is authorized to tabulate votes, acting in good faith, has reasonable basis for doubt about the validity of the signature on it or about the signatory's authority to sign for the shareholder.

SECTION 2.14. Adjournments. An annual or special meeting of shareholders may be adjourned at any time, including after action on one or more matters, by a majority of shares represented, even if less than a quorum. An annual or special meeting may also be adjourned at any time, including after action on one or more matters, by the Chairman of the Board, by the presiding officer of such meeting or by any duly authorized officer of the Corporation. The meeting may be adjourned for any purpose, including, but not limited to, allowing additional time to solicit votes on one or more matters, to disseminate additional information to shareholders or to count votes. Upon being reconvened, the adjourned meeting shall be deemed to be a continuation of the initial meeting.

(a) Quorum. Once a share is represented for any purpose at the original meeting, other than for the purpose of objecting to holding the meeting or transacting business at a meeting, it is considered present for purposes of determining if a quorum exists, for the remainder of the meeting and for any adjournment of that meeting unless a new record date is or must be set for that adjourned meeting.

(b) Record Date. When a determination of shareholders entitled to notice of or to vote at any meeting of shareholders has been made as provided in Section 2.7, such determination shall be applied to any adjournment thereof unless the Board of Directors fixes a new record date, which it shall do if the meeting is adjourned to a date more than 120 days after the date fixed for the original meeting.

(c) Notice. Unless a new record date for an adjourned meeting is or must be fixed pursuant to Section 2.14(b), the Corporation is not required to give notice of the new date, time or place if the new date, time or place is announced at the meeting before adjournment.

SECTION 2.15. Polling. In the sole discretion of the presiding officer of an annual or special meeting of shareholders, polls may be closed at any time after commencement of any annual or special meeting. When there are several matters to be considered at a meeting, the polls may remain open during the meeting as to any or all matters to be considered, as the presiding officer may declare. Polls will remain open as to matters to be considered at any adjournment of the meeting unless the presiding officer declares otherwise. At the sole discretion of the presiding officer, the polls may remain open after adjournment of a meeting for not more than 72 hours for the purpose of collecting proxies and counting votes. All votes submitted prior to the announcement of the results of the balloting shall be valid and counted. The results of balloting shall be final and binding after announcement of such results.

SECTION 2.16. Waiver of Notice by Shareholders. A shareholder may waive any notice required by the Wisconsin business corporation law, the Articles of Incorporation or the By-Laws before or after the date and time stated in the notice. The waiver shall be in writing and signed by the shareholder entitled to the notice, contain the same information that would have been required in the notice under any applicable provisions of the Wisconsin business corporation law, except that the time and place of the meeting need not be stated, and be delivered to the Corporation for inclusion in the Corporation's records. A shareholder's attendance at a meeting, in person or by proxy, waives objection to (i) lack of notice or defective notice of the meeting, unless the shareholder at the beginning of the meeting or promptly upon arrival objects to the holding of the meeting or transacting business at the meeting, and (ii) consideration of a particular matter at the meeting that is not within the purpose described in the meeting notice, unless the shareholder objects to considering the matter when it is presented.

SECTION 2.17. Unanimous Consent without Meeting. Any action required or permitted to be taken at a meeting of shareholders may be taken without a meeting only by unanimous written consent or consents signed by all of the shareholders of the Corporation and delivered to the Corporation for inclusion in the Corporation's records.

ARTICLE III. BOARD OF DIRECTORS

SECTION 3.1. General Powers. All corporate powers shall be exercised by or under the authority of, and the business and affairs of the Corporation managed under the direction of, its Board of Directors, subject to any limitations set forth in the Articles of Incorporation.

SECTION 3.2. Number, Classification, Tenure, Qualifications and Election.

(a) Number. Except as otherwise provided in the Articles of Incorporation, the number of directors (exclusive of directors, if any, elected by the holders of one or more series of preferred stock, voting separately as a series pursuant to the provisions of the Articles of Incorporation) shall be not less than 3 nor more than 15 directors, the exact number of directors to be determined from time to time by resolution adopted by affirmative vote of a majority of the entire Board of Directors then in office.

(b) Classification. The directors shall be divided into three classes, designated Class I, Class II, and Class III, and the term of directors of each class shall be three years. Each class shall consist, as nearly as possible, of one-third of the total number of directors constituting the entire Board of Directors. If the number of directors is changed by resolution of the Board of Directors pursuant to Section 3.2(a), any increase or decrease shall be apportioned among the classes so as to maintain the number of directors in each class as nearly equal as possible, but in no case shall a decrease in the number of directors shorten the term of any incumbent director.

(c) Tenure. A director shall hold office until the annual meeting for the year in which his term expires. Despite the expiration of a director's term, the director shall continue to serve following such expiration until his successor shall be duly elected and shall qualify, until he resigns or until there is a decrease in the number of directors.

(d) Qualifications. A director need not be a resident of the state of Wisconsin or a shareholder of the Corporation except if required by the Articles of Incorporation. The Board of Directors, at its discretion, may establish any qualifications for directors, which qualifications, if any, shall only be applied for determining qualifications of a nominee for director as of the date of the meeting at which such nominee is to be elected or appointed.

(e) Election. In a non-contested election, directors shall be elected by a majority of the votes cast by holders of shares of the Corporation's common stock entitled to vote in the election at a shareholders meeting at which a quorum is present. In a contested election, directors shall be elected by a plurality of the votes cast by holders of shares of the Corporation's common stock entitled to vote in the election at a shareholders meeting at which a quorum is present. For purposes of this Section 3.2(e), (i) a "contested election" means that, as of the record date for the meeting at which the election is held, there are more nominees for election than positions on the Board of Directors to be filled by election at the meeting and (ii) a "majority of the votes cast" means that the number of votes cast in favor of the election of a director exceeds the number of votes cast against the election of that director (with abstentions and broker non-votes not counted as votes cast).

If an incumbent director fails to receive the affirmative vote of a majority of the votes cast in a non-contested election, then following the announcement of the final results of balloting for the election, such director shall promptly tender his or her resignation to the Nominating and Governance Committee. Any such resignation shall be effective only upon its acceptance by the Board of Directors. The Nominating and Governance Committee shall recommend to the Board of Directors whether to accept or reject the tendered resignation, or whether other action should be taken. The Board of Directors shall act on the recommendation of the Nominating and Governance Committee and publicly disclose its decision, and the rationale behind its decision, within 90 days from the date of the announcement of the final results of balloting for the election.

The director who has tendered his or her resignation in accordance with this By-Law shall not participate in the Nominating and Governance Committee's or the Board of Directors' deliberations or decision with respect to the tendered resignation. If one or more directors' resignations are accepted by the Board, the Nominating and Governance Committee shall recommend to the Board of Directors whether to fill such vacancy or vacancies or to reduce the size of the Board.

In the event that a director does not promptly tender his or her resignation pursuant to the requirements of this Section, the Nominating and Governance Committee shall recommend to the Board of Directors whether to take such actions as may be necessary to reduce the size of the Board to eliminate such director's position, or whether other action should be taken. The Board of Directors shall act on the recommendation of the Nominating and Governance Committee and publicly disclose its decision, and the rationale behind its decision, within 90 days from the date of the announcement of the final results of balloting for the election. If all the members of the Nominating and Governance Committee are required under this By-Law to resign, then the Board of Directors shall make its decision with respect to the tendered resignations, the size of the Board or any vacancy, as the case may be, without the recommendation of the Nominating and Governance Committee.

Notwithstanding the foregoing, whenever the holders of any one or more classes or series of preferred stock issued by the Corporation shall have the right, voting separately by class or series, to elect directors at an annual or special meeting of shareholders, the election, term of office, filling of vacancies and other features of such directorships shall be governed by the terms of the Articles of Incorporation applicable thereto. Directors so elected shall not be divided into classes unless expressly provided by such Articles, and during the prescribed terms of office of such directors, the Board of Directors shall consist of such directors in addition to the number of directors determined as provided in Section 3.2(a).

SECTION 3.3. Removal. Exclusive of directors, if any, elected by the holders of one or more classes of preferred stock, no director of the Corporation may be removed from office except for Cause and by the affirmative vote of two-thirds of the outstanding shares of capital stock of the Corporation entitled to vote at a meeting of shareholders duly called for such purpose. As used in this Section 3.3, the term "Cause" shall mean solely malfeasance arising from the performance of a director's duties which has a materially adverse effect on the business of the Corporation.

SECTION 3.4. Resignation. A director may resign at any time by delivering written notice to the Board of Directors, the Chairman of the Board or to the Corporation (which shall be directed to the Secretary). Notwithstanding the foregoing, however, in the event of the tender of a resignation by a director pursuant to the requirements of Section 3.2(e), such director and the Board of Directors shall proceed in accordance with the requirements of Section 3.2(e) with respect to such resignation.

SECTION 3.5. Vacancies. Exclusive of a vacancy in directors, if any, elected by the holders of one or more classes of preferred stock, any vacancy on the Board of Directors, however caused, including, without limitation, any vacancy resulting from an increase in the number of directors, shall be filled by the vote of a majority of the directors then in office, although less than a quorum, or by a sole remaining director. Any director so elected to fill any vacancy in the Board of Directors, including a vacancy created by an increase in the number of directors, shall hold office for the remaining term of directors of the class to which he has been elected. A vacancy that will occur at a specific later date may be filled before the vacancy occurs, but the new director will not take office until the vacancy occurs.

SECTION 3.6. Committees. The Board of Directors by resolution adopted by the affirmative vote of a majority of the number of directors fixed by Section 3.2(a) then in office may create one or more committees, appoint members of the Board of Directors to serve on the committees and designate other members of the Board of Directors to serve as alternates. Each committee shall consist of one or more members of the Board of Directors. Unless otherwise provided by the Board of Directors, members of the committee shall serve at the pleasure of the Board of Directors. The committee may exercise those aspects of the authority of the Board of Directors which are within the scope of the committee's assigned responsibilities or which the Board of Directors otherwise confers upon such committee; provided, however, a committee may not do any of the following:

- (a) approve or recommend to shareholders for approval any action or matter expressly required by the Wisconsin business corporation law to be submitted to shareholders for approval; or
- (b) adopt, amend, or repeal any by-law of the Corporation.

Except as required or limited by the Articles of Incorporation, the By-Laws, the Wisconsin business corporation law, or resolution of the Board of Directors, each committee shall be authorized to fix its own rules governing the conduct of its activities. Each committee shall make such reports to the Board of Directors of its activities as the Board of Directors may request.

SECTION 3.7. Compensation. Except as provided in the Articles of Incorporation, the Board of Directors, irrespective of any personal interest of any of its members, may fix the compensation of directors.

SECTION 3.8. Regular Meeting. A regular meeting of the Board of Directors shall be held without other notice than this By-Law immediately after, and at the same place as, the annual meeting of shareholders, and each adjourned session thereof. A regular meeting of a committee, if any, shall be at such date, place, either within or outside the state of Wisconsin, and time as such committee determines. Other regular meetings of the Board of Directors shall be held at such dates, times and places, either within or without the State of Wisconsin, as the Board of Directors may provide by resolution, which resolution shall constitute exclusive notice of such meeting.

SECTION 3.9. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the Chairman of the Board, the President and Chief Executive Officer or three-quarters of the members of the Board of Directors. Special meetings of a committee may be called by or at the request of the Chairman of a committee or a majority of the committee members. The person or persons authorized to call special meetings of the Board of Directors or a committee may fix any date, time and place, either within or outside the State of Wisconsin, for any special meeting of the Board of Directors or committee called by them.

SECTION 3.10. Notice; Waiver. Notice of meetings, except for regular meetings, shall be given at least five days previously thereto and shall state the date, time and place of the meeting of the Board of Directors or committee. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors or committee need be specified in the notice of such meeting. Notice may be communicated in person, by mail or other method of delivery, by telephone, including voice mail, answering machine or answering service or by any other electronic means. Written notice, which includes notice by electronic transmission, is effective at the earliest of the following: (1) when received; (2) on the date shown on the return receipt, if sent by registered or certified mail, return receipt requested, and the receipt is signed by or on behalf of the addressee; (3) two days after it is deposited with a private carrier; or (4) when electronically transmitted. Oral notice is deemed effective when communicated. Facsimile notice is deemed effective when sent.

A director may waive any notice required by the Wisconsin business corporation law, the Articles of Incorporation or the By-Laws before or after the date and time stated in the notice. The waiver shall be in writing, signed by the director entitled to the notice and retained by the Corporation. Notwithstanding the foregoing, a director's attendance at or participation in a meeting waives any required notice to such director of the meeting unless the director at the beginning of the meeting or promptly upon such director's arrival objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

SECTION 3.11. Quorum; Voting. Unless otherwise provided in the Articles of Incorporation or the Wisconsin business corporation law, a majority of the number of directors fixed by Section 3.2(a) or appointed by the Board of Directors to a committee shall constitute a quorum for the transaction of business at any meeting of the Board of Directors or committee; provided, however, that even though less than such quorum is present at a meeting, a majority of the directors present may adjourn the meeting from time to time without further notice. Except as otherwise provided in the Articles of Incorporation, the By-Laws or the Wisconsin business corporation law, if a quorum is present when a vote is taken, the affirmative vote of a majority of directors present is the act of the Board of Directors or committee.

SECTION 3.12. Presumption of Assent. A director of the Corporation who is present and is announced as present at a meeting of the Board of Directors or a committee thereof at which action on any corporate matter is taken is deemed to have assented to the action taken unless (i) such director objects at the beginning of the meeting or promptly upon arrival to holding the meeting or transacting business at the meeting, (ii) such director dissents or abstains from an action taken and minutes of the meeting are prepared that show the director's dissent or abstention from the action taken, (iii) such director delivers written notice of his dissent or abstention to the presiding officer of the meeting before its adjournment or to the Corporation (directed to the Secretary) immediately after adjournment of the meeting, or (iv) such director dissents or abstains from an action taken, minutes of the meeting are prepared that fail to show the director's dissent or abstention from the action taken and the director delivers to the Corporation (directed to the Secretary) a written notice of that failure promptly after receiving the minutes. A director who votes in favor of action taken may not dissent or abstain from that action.

SECTION 3.13. Informal Action Without Meeting. Any action required or permitted by the Articles of Incorporation, the By-Laws or any provision of law to be taken by the Board of Directors or a committee at a meeting may be taken without a meeting if the action is taken by all of the directors or committee members then in office. The action shall be evidenced by one or more written consents describing the action taken, signed by each director and retained by the Corporation. Any such consent is effective when the last director signs the consent, unless the consent specifies a different effective date.

SECTION 3.14. Telephonic or Other Meetings. Unless the Articles of Incorporation provide otherwise, any or all directors may participate in a regular or special meeting of the Board of Directors or any committee thereof by, or conduct the meeting through the use of, any means of communication by which (i) all directors participating may simultaneously hear each other during the meeting, (ii) all communication during the meeting is immediately transmitted to each participating director and (iii) each participating director is able to immediately send messages to all other participating directors. If the meeting is to be conducted through the use of any such means of communication all participating directors shall be informed that a meeting is taking place at which official business may be transacted. A director participating in a meeting by this means is deemed to be present in person at the meeting. Notwithstanding the foregoing, the Chairman of the Board, or other presiding officer, shall, at any time, have the authority to deem any business or resolution not appropriate for meetings held pursuant to this Section 3.14.

SECTION 3.15. Chairman of the Board. The Board of Directors shall have a Chairman of the Board, who shall be one of its members, to serve as its leader with respect to its activities. The Chairman of the Board shall be elected by the Board of Directors. The Board of Directors may remove and replace the Chairman of the Board at any time with or without cause. The Chairman of the Board shall not be an officer or employee of the Corporation by virtue of such position. The Chairman of the Board shall preside at all annual and special meetings of shareholders and all regular and special meetings of the Board of Directors, in each case except as he delegates to the President and Chief Executive Officer or as otherwise may be determined by the Board of Directors.

ARTICLE IV. OFFICERS

SECTION 4.1. Number. The principal officers of the Corporation shall be a President and Chief Executive Officer, one or more Vice Presidents, any number of whom may be designated as Senior Executive Vice President, Executive Vice President or Senior Vice President, a Secretary and a Treasurer, each of whom shall be elected by the Board of Directors. Such other officers as may be deemed necessary may be elected or appointed by or under the authority of the Board of Directors. Such other assistant officers as may be deemed necessary may be appointed by the Board of Directors or the President and Chief Executive Officer for such term as is specified in the appointment. The same natural person may simultaneously hold more than one office in the Corporation.

SECTION 4.2. Election and Term of Office. The officers of the Corporation to be elected by the Board of Directors shall be elected annually by the Board of Directors at the first meeting of the Board of Directors held after the annual meeting of the shareholders. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as convenient. Each officer shall hold office until his successor shall have been duly elected or until his death or until he shall resign or shall have been removed in the manner hereinafter provided.

SECTION 4.3. Removal. The Board of Directors may remove any officer at any time with or without cause and notwithstanding the contract rights, if any, of the officer removed. The Board of Directors or the President and Chief Executive Officer may remove any assistant officer who was appointed by the Board or the President and Chief Executive Officer. The appointment of an officer or assistant officer does not itself create contract rights.

SECTION 4.4. Vacancies. A vacancy in any principal office because of death, resignation, removal, disqualification or otherwise, shall be filled by the Board of Directors for the unexpired portion of the term. A vacancy in any assistant office because of death, resignation, removal, disqualification or otherwise may be filled by the Board of Directors or the President and Chief Executive Officer.

SECTION 4.5. President and Chief Executive Officer. The President and Chief Executive Officer shall be the chief executive officer of the Corporation, shall have executive authority to see that all orders and resolutions of the Board of Directors are carried into effect and shall, subject to the control vested in the Board of Directors by the Wisconsin business corporation law, administer and be responsible for the management of the business and affairs of the Corporation. In the absence of the Chairman of the Board, the President and Chief Executive Officer shall preside at annual and special meetings of shareholders. The President and Chief Executive Officer shall have authority to sign, execute and acknowledge, on behalf of the Corporation, all deeds, mortgages, bonds, stock certificates, contracts, leases, reports and all other documents or instruments necessary or proper to be executed in the course of the Corporation's regular business or which shall be authorized by the Board of Directors; and, except as otherwise provided by law, or limited by the Board of Directors, he may authorize any Vice President or other officer or agent of the Corporation to sign, execute and acknowledge such documents or instruments in his place and stead. The President and Chief Executive Officer shall perform such other duties as are incident to the office of President and Chief Executive Officer or as may be prescribed from time to time by the Board of Directors.

SECTION 4.6. Vice Presidents. One or more of the Vice Presidents may be designated as Senior Executive Vice President, Executive Vice President or Senior Vice President. In the absence of the President and Chief Executive Officer or in the event of his death, inability or refusal to act, the Vice Presidents in the order designated at the time of their election, shall perform the duties of the President and Chief Executive Officer and when so acting shall have all the powers of and be subject to all the restrictions upon the President and Chief Executive Officer. Any Vice President may sign with the Secretary or Assistant Secretary certificates for shares of the Corporation. Any Vice President shall perform such other duties as are incident to the office of Vice President or as may be prescribed from time to time by the Board of Directors or the President and Chief Executive Officer.

SECTION 4.7. Secretary. The Secretary shall: (i) keep the minutes of the shareholders and Board of Directors meetings in one or more books provided for that purpose, (ii) see that all notices are duly given in accordance with the provisions of the By-Laws or as required by law, (iii) be custodian of the Corporation's records and of the seal of the Corporation, (iv) see that the seal of the Corporation is affixed to all appropriate documents the execution of which on behalf of the Corporation under its seal is duly authorized, (v) keep a register of the address of each shareholder which shall be furnished to the Secretary by such shareholder and (vi) perform all duties incident to the office of Secretary and such other duties as may be prescribed from time to time by the Board of Directors or the President and Chief Executive Officer.

SECTION 4.8. Treasurer. The Treasurer shall: (i) have charge and custody of and be responsible for all funds and securities of the Corporation, (ii) receive and give receipts for moneys due and payable to the Corporation from any source whatsoever, and deposit all such moneys in the name of the Corporation, and (iii) in general perform all of the duties incident to the office of Treasurer and have such other duties and exercise such other authority as from time to time may be delegated or assigned by the Board of Directors or the President and Chief Executive Officer.

SECTION 4.9. Assistant Secretaries and Assistant Treasurers. An Assistant Secretary, if any, when authorized by the Board of Directors, may sign with the President and Chief Executive Officer or any Vice President certificates for shares of the Corporation, the issuance of which shall have been authorized by a resolution of the Board of Directors. An Assistant Treasurer, if any, shall, if required by the Board of Directors, give bonds for the faithful discharge of his duties in such sums and with such sureties as the Board of Directors shall determine. The Assistant Secretaries and Assistant Treasurers, in general, shall perform such duties as shall be assigned to them by the Board of Directors, the President and Chief Executive Officer or the Secretary or the Treasurer, respectively.

SECTION 4.10. Salaries. The salaries of the officers shall be fixed from time to time by the Board of Directors or a committee authorized by the Board to fix the same, and no officer shall be prevented from receiving such salary by reason of the fact that he is also a director of the Corporation or a member of such committee.

ARTICLE V. CONTRACTS; VOTING OF STOCK IN OTHER CORPORATIONS

SECTION 5.1. Contracts. The Board of Directors may authorize any officer or officers, committee, or any agent or agents to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authorization may be general or confined to specific instances.

SECTION 5.2. Voting of Stock in Other Corporations. The Board of Directors by resolution shall from time to time designate one or more persons to vote all stock held by this Corporation in any other corporation or entity, may designate such persons in the alternative and may empower them to execute proxies to vote in their stead. In the absence of any such designation by the Board of Directors, the President and Chief Executive Officer shall be authorized to vote any stock held by the Corporation or execute proxies to vote such stock.

ARTICLE VI. CERTIFICATES FOR SHARES AND THEIR TRANSFER

SECTION 6.1. Certificates for Shares. Shares of the Corporation may be issued in certificated or uncertificated form. Such shares shall be in the form determined by, or under the authority of a resolution of, the Board of Directors, which shall be consistent with the requirements of the Wisconsin business corporation law.

(a) Certificated Shares. Shares represented by certificates shall be signed by the President and Chief Executive Officer or a Vice President and by the Secretary or an Assistant Secretary. The validity of a share certificate is not affected if a person who signed the certificate no longer holds office when the certificate is issued. All certificates for shares shall be consecutively numbered or otherwise identified. The name and address of the person to whom shares are issued, with the number of shares and date of issue, shall be entered on the stock transfer books of the Corporation. All certificates surrendered to the Corporation for transfer shall be canceled and no new certificate shall be issued until the former certificate for a like number of shares shall have been surrendered and canceled, except that in case of a lost, destroyed or mutilated certificate a new one may be issued upon such terms and indemnity to the Corporation as the Board of Directors may prescribe.

(b) Uncertificated Shares. Shares may also be issued in uncertificated form. Within a reasonable time after issuance or transfer of such shares, the Corporation shall send the shareholder a written statement of the information required on share certificates under the Wisconsin business corporation law, including: (1) the name of the Corporation; (2) the name of person to whom shares were issued; (3) the number and class of shares and the designation of the series, if any, of the shares issued; and (4) either a summary of the designations, relative rights, preferences and limitations, applicable to each class, and the variations in rights, preferences and limitations determined for each series and the authority of the Board of Directors to determine variations for future series, or a conspicuous statement that the Corporation will furnish the information specified in this subsection without charge upon the written request of the shareholder.

SECTION 6.2. Transfer of Shares. Transfer of shares of the Corporation shall be made only on the stock transfer books of the Corporation by the holder of record of such shares, or his or her legal representative, who shall furnish proper evidence of authority to transfer or by an attorney thereunto authorized by power of attorney duly executed and filed with the Secretary of the Corporation, and on surrender for cancellation of the certificate for such shares, if any. The person in whose name shares stand on the books and records of the Corporation shall be deemed by the Corporation to be the owner thereof for all purposes, except as otherwise required by the Wisconsin business corporation law.

SECTION 6.3. Stock Regulations. The Board of Directors shall have the power and authority to make all such further rules and regulations not inconsistent with the statutes of the State of Wisconsin as they may deem expedient concerning the issue, transfer and registration of shares of the Corporation represented in certificated or uncertificated form, including the appointment or designation of one or more stock transfer agents and one or more stock registrars.

ARTICLE VII. INDEMNIFICATION; INSURANCE

SECTION 7.1. Indemnity of Directors, Officers, Employees and Designated Agents.

(a) Definitions to Indemnification and Insurance Provisions.

(1) "Director, Officer, Employee or Agent" means any of the following: (i) A natural person who is or was a director, officer, employee or agent of the Corporation; (ii) A natural person who, while a director, officer, employee or agent of the Corporation, is or was serving either pursuant to the Corporation's specific request or as a result of the nature of such person's duties to the Corporation as a director, officer, partner, trustee, member of any governing or decision making committee, employee or agent of another corporation or foreign corporation, partnership, joint venture, trust or other enterprise; (iii) A natural person who, while a director, officer, employee or agent of the Corporation, is or was serving an employee benefit plan because his or her duties to the Corporation also impose duties on, or otherwise involve services by, the person to the plan or to participants in or beneficiaries of the plan; or (iv) Unless the context requires otherwise, the estate or personal representative of a director, officer, employee or agent. Notwithstanding the foregoing, an agent falls within the foregoing definition only upon a resolution of the Board of Directors or committee appointed thereby that such agent shall be entitled to the indemnification provided herein.

(2) "Liability" means the obligation to pay a judgment, penalty, assessment, forfeiture or fine, including an excise tax assessed with respect to an employee benefit plan, the agreement to pay any amount in settlement of a Proceeding (whether or not approved by a court order), and reasonable expenses and interest related to the foregoing.

(3) "Party" means a natural person who was or is, or who is threatened to be made, a named defendant or respondent in a Proceeding.

(4) "Proceeding" means any threatened, pending or completed civil, criminal, administrative or investigative action, suit, arbitration or other proceeding, whether formal or informal (including but not limited to any act or failure to act alleged or determined to have been negligent, to have violated the Employee Retirement Income Security Act of 1974, or to have violated Section 180.0833 of the Wisconsin Statutes, or any successor thereto, regarding improper dividends, distributions of assets, purchases of shares of the Corporation, or loans to officers), which involves foreign, federal, state or local law and which is brought by or in the right of the Corporation or by any other person or entity.

(5) "Expenses" means all reasonable fees, costs, charges, disbursements, attorneys' fees and any other expenses incurred in connection with a Proceeding.

(b) Indemnification of Officers, Directors, Employees and Agents.

(1) The Corporation shall indemnify a Director, Officer, Employee or Agent to the extent he or she has been successful on the merits or otherwise in the defense of any Proceeding, for all reasonable Expenses in a Proceeding if the Director, Officer, Employee or Agent was a Party because he or she is a Director, Officer, Employee or Agent of the Corporation.

(2) In cases not included under subsection (1), the Corporation shall indemnify a Director, Officer, Employee or Agent against Liability and Expenses incurred in a Proceeding to which the Director, Officer, Employee or Agent was a Party because he or she is a Director, Officer, Employee or Agent of the Corporation, unless it is determined by final judicial adjudication that such person breached or failed to perform a duty owed to the Corporation which constituted any of the following:

(i) A willful failure to deal fairly with the Corporation or its shareholders in connection with a matter in which the Director, Officer, Employee or Agent has a material conflict of interest;

(ii) A violation of criminal law, unless the Director, Officer, Employee or Agent had reasonable cause to believe his or her conduct was lawful or no reasonable cause to believe his or her conduct was unlawful;

(iii) A transaction from which the Director, Officer, Employee or Agent derived an improper personal profit; or

(iv) Willful misconduct.

(3) Indemnification under this Section 7.1 is not required to the extent the Director, Officer, Employee or Agent has previously received indemnification or allowance of expenses from any person or entity, including the Corporation, in connection with the same Proceeding.

(4) Indemnification required under subsection (b) (1) shall be made within 10 days of receipt of a written demand for indemnification. Indemnification required under subsection (b) (2) shall be made within 30 days of receipt of a written demand for indemnification.

(5) Upon written request by a Director, Officer, Employee or Agent who is a Party to a Proceeding, the Corporation shall pay or reimburse his or her reasonable Expenses as incurred if the Director, Officer, Employee or Agent provides the Corporation with all of the following:

(i) A written affirmation of his or her good faith belief that he or she is entitled to indemnification under Section 7.1; and

(ii) A written undertaking, executed personally or on his or her behalf, to repay all amounts advanced without interest to the extent that it is ultimately determined that indemnification under Section 7.1(b)(2) is prohibited. The undertaking under this subsection shall be accepted without reference to the ability of the Director, Officer, Employee or Agent to repay the allowance. The undertaking shall be unsecured.

(c) Determination that Indemnification is Proper.

(1) Unless provided otherwise by a written agreement between the Director, Officer, Employee or Agent and the Corporation, determination of whether indemnification is required under subsection (b) shall be made by one of the following methods, which in the case of a Director or Officer seeking indemnification shall be selected by such Director or Officer: (i) by a majority vote of a quorum of the Board of Directors consisting of directors who are not at the time parties to the same or related proceedings or, if a quorum of disinterested directors cannot be obtained, by a majority vote of a committee duly appointed by the Board of Directors (which appointment by the Board may be made by directors who are parties to the proceeding) consisting solely of two or more directors who are not at the time parties to the same or related proceedings, (ii) by a panel of three arbitrators consisting of (a) one arbitrator selected by a quorum of the Board of Directors or its committee constituted as required under (i), above, or, if unable to obtain such a quorum or committee, by a majority vote of the full Board of Directors, including directors who are parties to the same or related proceedings, (b) one arbitrator selected by the person seeking indemnification and (c) one arbitrator selected by the other two arbitrators, (iii) by an affirmative vote of shareholders as provided under Section 2.9, except that shares owned by, or voted under the control of, persons who are at the time parties to the same or related proceedings, whether as plaintiffs or defendants or in any other capacity, may not be voted in making the determination, or (iv) by a court of competent jurisdiction as permitted under the Wisconsin business corporation law; provided, however, that with respect to any additional right to indemnification permissible under the Wisconsin business corporation law and granted by the Corporation, the determination of whether such additional right of indemnification is required shall be made by any method permissible under the Wisconsin business corporation law, as such methods may be limited by the grant of such additional right to indemnification.

(2) A Director, Officer, Employee or Agent who seeks indemnification under this Section 7.1 shall make a written request to the Corporation. As a further precondition to any right to receive indemnification, the writing shall contain a declaration that the Corporation shall have the right to exercise all rights and remedies available to such Director, Officer, Employee or Agent against any other person, corporation, foreign corporation, partnership, joint venture, trust or other enterprise, arising out of, or related to, the Proceeding which resulted in the Liability and the Expense for which such Director, Officer, Employee or Agent is seeking indemnification, and that the Director, Officer, Employee or Agent is hereby deemed to have assigned to the Corporation all such rights and remedies.

(d) Insurance. The Corporation shall have the power to purchase and maintain insurance on behalf of any person who is a Director, Officer, Employee or Agent against any Liability asserted against or incurred by the individual in any such capacity or arising out of his or her status as such, regardless of whether the Corporation is required or authorized to indemnify or allow expenses to the individual under this Section 7.1.

(e) Severability. The provisions of this Section 7.1 shall not apply in any circumstance where a court of competent jurisdiction determines that indemnification would be invalid as against public policy, but such provisions shall not apply only to the extent that they are invalid as against public policy and shall otherwise remain in full force and effect.

(f) Limitation or Expansion of Indemnification. The right to indemnification under this Section 7.1 may be limited or reduced only by subsequent affirmative vote of not less than two-thirds of the Corporation's outstanding capital stock entitled to vote on such matters. Any limitation or reduction in the right to indemnification may only be prospective from the date of such vote. The Board of Directors, however, shall have the authority to expand the indemnification permitted under this Section 7.1 to the fullest extent permissible under the Wisconsin business corporation law as in effect on the date of any such resolution with or without further amendment to this Section 7.1.

ARTICLE VIII. AMENDMENTS

SECTION 8.1. Amendment by the Board of Directors. The Board of Directors may amend or repeal the By-Laws of the Corporation or adopt new by-laws except to the extent any of the following apply:

- (a) The Articles of Incorporation or the Wisconsin business corporation law reserve that power exclusively to the shareholders; or

(b) The shareholders in adopting, amending, or repealing a particular by-law provide expressly within the by-law that the Board of Directors may not amend, repeal or readopt that by-law.

Action by the Board of Directors to adopt or amend a by-law that changes the quorum or voting requirement for the Board of Directors must meet the same quorum requirement and be adopted by the same vote required to take action under the quorum and voting requirement then in effect.

SECTION 8.2 . Amendment by the Corporation's Shareholders. The Corporation's shareholders may amend or repeal the Corporation's By-Laws or adopt new by-laws even though the Board of Directors may also amend or repeal the Corporation's By-Laws or adopt new bylaws. The adoption or amendment of a by-law that adds, changes or deletes a greater or lower quorum requirement or a greater voting requirement for shareholders or the Board of Directors must meet the same quorum and voting requirement then in effect.

ARTICLE IX. CORPORATE SEAL

SECTION 9.1. Corporate Seal. The Board of Directors may provide for a corporate seal which may be circular in form and have inscribed thereon any designation including the name of the Corporation, Wisconsin as the state of incorporation, and the words "Corporate Seal." Any instrument executed in the corporate name by the proper officers of the Corporation under any seal, including the words "Seal," "Corporate Seal" or similar designation, is sealed even though the corporate seal is not used.

ARTICLE X. EMERGENCY BY-LAWS

SECTION 10.1. Emergency By-Laws. Unless the Articles of Incorporation provide otherwise, the following provisions of this Article X shall be effective during an "Emergency," which is defined as a catastrophic event that prevents a quorum of the Corporation's directors from being readily assembled.

SECTION 10.2. Notice of Board Meetings. During an Emergency, any one member of the Board of Directors or any one of the following officers: Chairman of the Board, President and Chief Executive Officer, any Vice-President or Secretary, may call a meeting of the Board of Directors. Notice of such meeting need be given only to those directors whom it is practicable to reach, and may be given in any practical manner, including by publication or radio. Such notice shall be given at least six hours prior to commencement of the meeting.

SECTION 10.3. Temporary Directors and Quorum. One or more officers of the Corporation present at the Emergency meeting of the Board of Directors, as is necessary to achieve a quorum, shall be considered to be directors for the meeting, and shall so serve in order of rank, and within the same rank, in order of seniority. In the event that less than a quorum (as determined by Section 3.11) of the directors are present (including any officers who are to serve as directors for the meeting), those directors present (including the officers serving as directors) shall constitute a quorum.

SECTION 10.4. Actions Permitted To Be Taken. The board as constituted in Section 10.3, and after notice as set forth in Section 10.2 may:

- (a) Officers' Powers. Prescribe emergency powers to any officers of the Corporation;
- (b) Delegation of Any Power. Delegate to any officer or director, any of the powers of the Board of Directors;
- (c) Lines of Succession. Designate lines of succession of officers and agents, in the event that any of them are unable to discharge their duties;
- (d) Relocate Principal Place of Business. Relocate the principal place of business, or designate successive or simultaneous principal places of business; and
- (e) All Other Action. Take any and all other action, convenient, helpful, or necessary to carry on the business of the Corporation.

Corporate action taken in good faith in accordance with the emergency by-laws binds the Corporation and may not be used to impose liability on any of the Corporation's directors, officers, employees or agents.

**STATEMENT REGARDING COMPUTATION
OF RATIO OF EARNINGS TO FIXED CHARGES**

MANPOWER INC.
(in millions)

	6 Months Ended June 30, 2010
Earnings:	
Earnings before income taxes	\$ 86.9
Fixed charges	83.8
	\$ 170.7
 Fixed charges:	
Interest (expensed or capitalized)	\$ 23.8
Estimated interest portion of rent expense	60.0
	\$ 83.8
Ratio of earnings to fixed charges	2.0

	2009	2008	2007	2006	2005
Earnings:					
Earnings before income taxes from continuing operations	\$ (22.9)	\$ 442.6	\$ 777.0	\$ 481.9	\$ 387.0
Fixed charges	183.9	200.9	185.2	162.8	153.2
	\$ 161.0	\$ 643.5	\$ 962.2	\$ 644.7	\$ 540.2
 Fixed charges:					
Interest (expensed or capitalized)	\$ 61.7	\$ 64.2	\$ 65.0	\$ 54.1	\$ 46.7
Estimated interest portion of rent expense	122.2	136.7	120.2	108.7	106.5
	\$ 183.9	\$ 200.9	\$ 185.2	\$ 162.8	\$ 153.2
Ratio of earnings to fixed charges	0.9	3.2	5.2	4.0	3.5

Note: The calculation of ratio of earnings to fixed charges set forth above is in accordance with Regulation S-K, Item 601(b)(12). This calculation is different than the fixed charge ratio that is required by our various borrowing facilities. Our 2008 and 2007 results have been restated as disclosed in Note 16 to the Consolidated Financial Statements included in our 2009 Annual Report to Shareholders.

CERTIFICATION

I, Jeffrey A. Joerres, Chairman and Chief Executive Officer of Manpower Inc., certify that:

1. I have reviewed this quarterly report on Form 10-Q of Manpower Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: August 5, 2010

/s/ Jeffrey A. Joerres

Jeffrey A. Joerres

Chairman, Chief Executive Officer

CERTIFICATION

I, Michael J. Van Handel, Executive Vice President and Chief Financial Officer of Manpower Inc., certify that:

1. I have reviewed this quarterly report on Form 10-Q of Manpower Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: August 5, 2010

/s/ Michael J. Van Handel

Michael J. Van Handel

Executive Vice President, Chief Financial Officer

STATEMENT

Pursuant to ss. 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. ss. 1350, the undersigned officer of Manpower Inc. (the "Company"), hereby certifies that to his knowledge:

- (1) the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2010 fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, and
- (2) the information contained in the report fairly presents, in all material respects, the financial condition and results of operations of the Company.

MANPOWER INC.

Dated: August 5, 2010

/s/ Jeffrey A. Joerres

Jeffrey A. Joerres

Chairman, Chief Executive Officer

This certification accompanies this Quarterly Report on Form 10-Q pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not be deemed filed by the Company for purposes of the Securities Exchange Act of 1934.

STATEMENT

Pursuant to ss. 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. ss. 1350, the undersigned officer of Manpower Inc. (the "Company"), hereby certifies that to his knowledge:

- (1) the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2010 fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, and
- (2) the information contained in the report fairly presents, in all material respects, the financial condition and results of operations of the Company.

MANPOWER INC.

Dated: August 5, 2010

/s/ Michael J. Van Handel

Michael J. Van Handel

Executive Vice President, Chief Financial Officer

This certification accompanies this Quarterly Report on Form 10-Q pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not be deemed filed by the Company for purposes of the Securities Exchange Act of 1934.

