

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM 10-K**

**ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934:**

For the fiscal year ended December 31, 2007

OR

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission File No. 1-10686

**MANPOWER INC.**

(Exact name of registrant as specified in its charter)

**WISCONSIN**  
(State or other jurisdiction of  
incorporation or organization)

**39-1672779**  
(I.R.S. 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

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of Exchange on which registered
Common Stock, \$.01 par value	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes  No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes  No

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 if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

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 definition 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

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

The aggregate market value of the voting stock held by nonaffiliates of the registrant was \$7,815,534,125 as of June 30, 2007. As of February 19, 2008, there were 79,690,410 of the registrant's shares of common stock outstanding.

**DOCUMENTS INCORPORATED BY REFERENCE**

Parts I and II incorporate information by reference from the Annual Report to Shareholders for the fiscal year ended December 31, 2007. Part III is incorporated by reference from the Proxy Statement for the Annual Meeting of Shareholders to be held on April 29, 2008.

## PART I

The terms “Manpower,” “we,” “our,” “us,” or “the Company” refer to Manpower Inc. or Manpower Inc. and its consolidated subsidiaries, as appropriate in the context.

### Item 1. Business

#### Introduction and History

Manpower Inc. is a world leader in the employment services industry. Our global network of nearly 4,500 offices in 80 countries and territories allows us to meet the needs of our clients in all industry segments, whether they are global, multinational or local companies. By offering a complete range of services, we can help any company – no matter where they are in their business evolution – raise productivity through improved strategy, quality, efficiency and cost reduction across their total workforce.

Manpower Inc.’s five major brands – Manpower, Manpower Professional, Elan, Jefferson Wells and Right Management – provide a comprehensive range of services for the entire employment and business cycle including:

- **Permanent, temporary and contract recruitment** – We find the best people for all types of jobs and industries at both the staff and professional levels under the Manpower, Manpower Professional and Elan brands.
- **Employee assessment and selection** – We provide a wide array of assessments to validate candidate skills and ensure a good fit between the client and the employee, which leads to higher employee retention rates.
- **Training** – We offer an extensive choice of training and development solutions that help our employees, associates, and clients’ workforces to improve their skills and gain qualifications that will help them to succeed in the ever-changing world of work.
- **Outplacement** – Our Right Management brand is the world’s largest outplacement provider, helping our clients to better manage the human side of change by providing a positive way for employees who no longer fit the organization to transition out and make the right choice for the next step in their career.
- **Outsourcing** – We are one of the largest providers of recruitment process outsourcing in the employment services industry, enabling our clients to outsource the entire recruitment process for permanent and contingent staff to us, so they can focus on other areas of human resources.
- **Consulting** – We are a leading global provider of integrated consulting solutions across the employment lifecycle. We help clients maximize the return on their human capital investments while assisting individuals to achieve their full potential. Our Right Management brand helps clients attract and assess top talent; develop and grow leaders; and engage and align people with strategy.
- **Professional Services** – Our Jefferson Wells brand is a high-value alternative to public accounting firms and other consulting groups, delivering professional services in the areas of internal controls, tax, technology risk management, and finance and accounting.

This comprehensive business mix allows us to mitigate the cyclical effects of the national economies in which we operate.

Our leadership position also allows us to be a center for quality employment opportunities for people at all points in their career paths. In 2007, we found permanent and temporary jobs for nearly five million people who work to help our more than 400,000 clients meet their business objectives. Seasoned professionals, skilled laborers, mothers returning to work, elderly persons wanting to supplement pensions and disabled individuals – all turn to the Manpower family of companies for employment. Similarly, governments of the nations in which we operate look to us to help reduce unemployment and train the unemployed with skills they need to enter the workforce. In this way, our company is a bridge to permanent employment for those who desire it.

We, and our predecessors, have been in business since 1948, with shares listed on the New York Stock Exchange since 1967.

Our Internet address is [www.manpower.com](http://www.manpower.com). We make available through our Internet website our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to those reports filed or furnished pursuant to Section 13(a) of the Securities Exchange Act of 1934 as soon as reasonably practicable after we electronically file such material with, or furnish it to, the Securities and Exchange Commission. In addition, we also make available through our Internet website:

- our articles of incorporation
- our bylaws
- our Manpower Code of Business Conduct and Ethics
- our Corporate Governance Guidelines
- the charters of the Audit, Executive Compensation and Nominating and Governance Committees of the Board of Directors
- our guidelines for selecting board candidates
- our categorical standards for relationships deemed not to impair independence of non-employee directors, and
- our policy on services provided by independent auditors.

Documents available on the website are also available in print for any shareholder who requests them. Requests may be made by writing to Mr. Kenneth C. Hunt, Secretary, Manpower Inc., 100 Manpower Place, Milwaukee, Wisconsin 53212. We are not including the information contained on or available through our website as a part of, or incorporating such information by reference into, this Annual Report on Form 10-K.

## Our Operations

### *United States*

In the United States, our operations under the Manpower and Manpower Professional brands are carried out through both branch and franchise offices. We had 555 branch and 282 stand-alone franchise offices in the United States as of December 31, 2007, as well as on-site locations at clients with significant permanent, temporary and contract recruitment requirements. We provide a number of central support services to our branches and franchises, which enable us to maintain consistent service quality throughout the United States regardless of whether an office is a branch or franchise. We provide client invoicing and payroll processing of our contingent workers for all branch offices and some of our franchise offices through our Milwaukee headquarters.

Our franchise agreements provide the franchisee with the right to use the Manpower® or Manpower Professional® service mark and associated marks in a specifically defined exclusive territory. In the United States, franchise fees range from 2-3% of franchise sales. Our franchise agreements provide that in the event of a proposed sale of a franchise to a third party, we have the right to repurchase the franchise at the same price and on the same terms as proposed by the third party. We frequently exercise this right and intend to continue to do so in the future if opportunities arise with appropriate prices and terms.

In the United States, our Manpower operations provide a variety of employment services, including permanent, temporary and contract recruitment, assessment and selection, training and outsourcing. During 2007, approximately 29% of our United States temporary and contract recruitment revenues were derived from placing office staff, including contact center staff, 52% from placing industrial staff and 19% from placing professional and technical staff.

We also conduct business in the United States under our Jefferson Wells and Right Management brands. These operations are discussed further in the following sections.

### *France*

We are a leading employment service provider in France. We conduct our operations in France and the surrounding region through 1,069 branch offices under the name of Manpower and 89 branch offices under the name Supply.

The employment services market in France calls for a wide range of our services including permanent, temporary and contract recruitment, assessment and selection, and training. The temporary recruitment market is predominately focused on recruitment for industrial positions. In 2007, we derived approximately 68% of our temporary recruitment revenues in France from the supply of industrial staff, 18% from the supply of construction workers and 14% from the supply of office staff.

We also conduct business in France under our Jefferson Wells, Elan and Right Management brands. These operations are discussed further in the following sections.

*Europe, Middle East and Africa (excluding France and Italy), or Other EMEA*

We are a leading provider of permanent, temporary and contract recruitment, assessment and selection, training and outsourcing services throughout Europe, the Middle East and Africa. Our largest operations are in Germany, the Netherlands, Norway, Spain, Sweden, and the United Kingdom. Collectively, we operate through 1,192 branch offices and 55 franchise offices in this region. Our franchise offices are primarily located in Switzerland, where we own 49% of the franchise.

Manpower UK, the largest operation in the Other EMEA segment, comprising 16% of Other EMEA revenues, is a leading provider of employment services in the United Kingdom. As of December 31, 2007, Manpower UK conducted operations in the United Kingdom under the Manpower and Manpower Professional brands through a network of 121 branch offices and also provided on-site services to clients who have significant permanent, temporary and contract recruitment requirements. During 2007, approximately 65% of Manpower UK's temporary recruitment revenues were derived from the supply of office staff, including contact center staff, 22% from the supply of industrial staff and 13% from the supply of technical staff.

We also own Brook Street Bureau PLC, or Brook Street, which operates through a total of 132 branch offices, separate from the Manpower and Manpower Professional brands in the United Kingdom. Its core business is secretarial, office and light industrial recruitment. Brook Street operates as a local network of branches supported by a national head office and competes primarily with local or regional independents. Brook Street's revenues are comprised of temporary and contract placements as well as permanent recruitment.

Also included in our Other EMEA operations is Elan, which is a leading IT and technical recruitment firm. In addition to IT and technical recruitment, Elan provides managed service solutions to clients, which enable them to recruit personnel efficiently and achieve ongoing cost savings. Elan provides services in 17 countries, with the largest operations in the United Kingdom.

During 2007 for our Other EMEA operations, approximately 40% of temporary and contract recruitment revenues were derived from placing office staff, 28% from placing industrial staff and 32% from placing professional and technical staff.

We also conduct business in Other EMEA under our Jefferson Wells and Right Management brands. These operations are discussed further in the following sections.

*Italy*

In Italy, we are a leading employment services provider and conduct our operations under the Manpower and Manpower Professional brands through a network of 435 branch offices. Our Manpower operations in Italy provide a comprehensive line of employment services including permanent, temporary and contract recruitment, assessment and selection, training and outsourcing. In 2007, approximately 3% of our temporary and contract recruitment revenues in Italy were derived from placing office staff, including contract center staff, 74% from placing industrial staff and 23% from placing professional and technical staff.

We also conduct business in Italy under our Elan, Jefferson Wells and Right Management brands. The latter two operations are discussed further in the following sections.

## *Jefferson Wells*

Jefferson Wells provides highly skilled project professionals along four primary solution areas – internal controls, tax, technology risk management, and finance and accounting. The company serves clients, including more than half of the Fortune 500, through highly experienced, salaried professionals working from offices across North America, Europe and Asia Pacific. Jefferson Wells' unique business model and flat organizational structure make it a high-value alternative to public accounting firms and other consulting groups. The company employs only seasoned professionals with public accounting and industry experience and fees charged to clients are typically more reasonable than those charged by the public accounting and consulting firms. In most cases, because the professionals sent to clients are local, travel and lodging expenses are nominal or non-existent. Since specialists are located throughout our office network, experts are nearby for clients. Services are currently provided through 56 offices, which include major United States metropolitan markets, as well as international offices in Toronto, London, Amsterdam, Milan, Frankfurt, Paris, Hong Kong and South Africa.

## *Right Management*

Right Management is the world's leading global provider of integrated consulting solutions across the employment lifecycle, operating from 285 branch offices in 52 countries across the Americas, Europe and Asia Pacific, and 11 franchise offices in the United States.

Transition services offer assistance to individuals or groups of employees displaced from employment. Services range from advising employers on severance packages to assisting displaced employees with resume writing, networking and interviewing skills. Services to displaced employees are provided in individual or group programs. Managerial-level employees generally receive longer-term, individual services, while less-senior employees receive shorter-term, group-based services. Programs frequently begin with the displaced employee receiving counseling immediately after the layoff notification, followed by a combination of classroom training, support services and web-based tools to guide them along the remainder of the outplacement process.

Organizational Consulting services help companies succeed in managing their evolving human capital needs. For most organizations around the globe, the development of current and future leaders is a top priority. Right Management's world-class and world-wide approach to individual coaching and leadership development focuses on improving the effectiveness of both leaders and teams to achieve real business results for their employer. Right Management assists organizations to evaluate their potential and current talent base through assessment and competency modeling processes that ensure the optimal organizational design and fit of individuals. In addition to assessing and developing talent, Right Management provides regional and global clients with consulting solutions that drive organizational effectiveness, employee engagement, and alignment of the workforce through customized tools, interventions, and workshops. Right Management's deep expertise helps organizations address the essential issues of assessing, developing, engaging and retaining the talent required to successfully drive their business strategy.

## *Other Operations*

We operate under the Manpower and Manpower Professional brands through 542 branch offices and 23 franchise offices in the other markets of the world. The largest of these operations are located in Australia, Japan, Mexico and Argentina, all of which operate through branch offices, and Canada, which operates through branch and franchise offices. Other operations are located throughout the Americas and Asia and operate through branch and franchise offices. In most of these countries, we primarily supply contingent workers to the office, industrial, and technical markets, which were 55%, 25%, and 20% of temporary and contract recruitment revenues, respectively.

## Competition

### *Introduction*

We compete in the employment services industry by offering a complete range of services, including permanent, temporary and contract recruitment, assessment and selection, training, outsourcing, consulting and professional services.

Our industry is large and fragmented, comprised of thousands of firms employing millions of people and generating billions of U.S. Dollars in annual revenues. It is also a highly competitive industry, reflecting several trends in the global marketplace, notably increasing demand for skilled people and consolidation among clients and in the employment services industry itself. We manage these trends by leveraging established strengths, including one of the employment services industry's best-recognized brands; geographic diversification; size and service scope; an innovative product mix; and a strong client base.

Client demand for employment services is dependent on the overall strength of the labor market and secular trends toward greater workforce flexibility within each of the countries and territories in which we operate. Improving economic growth typically results in increasing demand for labor, resulting in greater demand for our portfolio of recruitment services. Correspondingly, during periods of weak economic growth or economic contraction, the demand for our recruitment services typically declines, while demand for our outplacement services accelerates.

During the last several years, secular trends toward greater workforce flexibility have had a favorable impact on demand for our services in several markets. As companies attempt to increase the variability of their cost base, contemporary work solutions help them to effectively address the fluctuating demand for their products or services.

Our client mix consists of both small/medium size businesses, which are based upon a local or regional relationship with our office network in each market, and large national/multinational client relationships, which comprised approximately 42% of our revenues in 2007. These large national and multinational clients will frequently enter into non-exclusive arrangements with several firms, with the ultimate choice among them being left to the local managers. As a result, firms with a large network of offices compete most effectively for this business which generally has agreed-upon pricing or mark-up on services performed. Client relationships with small and medium size businesses tend to rely less upon longer-term contracts, and the competitors for this business are primarily locally-owned businesses.

#### *Recruitment Services Market*

Our portfolio of recruitment services includes permanent, temporary and contract recruitment of professionals, as well as administrative and industrial positions. It also includes our Recruitment Process Outsourcing (RPO) offering, where we take on the management of customized, large-scale recruiting and workforce productivity initiatives for clients in an exclusive outsourcing contract. All of these services are provided under the Manpower, Manpower Professional and Elan brands.

The temporary recruitment market throughout the world is large and highly fragmented with more than 15,000 firms competing throughout the world. The global RPO market was approximately \$3 billion in 2007 and is projected to more than double to \$7 billion by 2010. RPO accounts for about 4% of the overall Human Resource Outsourcing market. In addition to us, the largest publicly owned companies specializing in recruitment services are Adecco, S.A. (Switzerland), Randstad Holding N.V. (Netherlands) and Kelly Services, Inc. (U.S.).

Historically, in periods of economic prosperity, the number of firms providing recruitment services has increased significantly due to the combination of a favorable economic climate and low barriers to entry. Recessionary periods generally result in a reduction in the number of competitors through consolidation and closures; however, historically this reduction has proven to be for a limited time as the following periods of economic recovery have led to a return in growth in the number of competitors.

In most areas, no single company has a dominant share of the temporary and contract recruitment market.

Recruitment firms act as intermediaries in matching available permanent, temporary and contract workers to employer assignments. As a result, these firms compete both to recruit and retain a supply of permanent, temporary and contract workers and to attract clients to employ these workers. We recruit permanent, temporary and contract workers through a wide variety of means, including personal referrals, online resources and advertisements, and by providing an attractive compensation package in jurisdictions where such benefits are not otherwise required by law, including health insurance, vacation and holiday pay, incentive and pension plans and a recognition program.

Methods used to market recruitment services to clients vary depending on the client's need for permanent, temporary and RPO services, the local labor supply, the length of assignment and the number of workers required. Our full range of employment services enable us to cross-market to clients in order to leverage our relationships and expand our services provided, from outplacement services at Right to permanent recruitment services at Manpower Professional, to recruitment process outsourcing services, etc. We compete by means of quality of service provided, scope of service offered, ability to source the right talent and price. Success in providing high quality recruitment services is a function of the ability to access a supply of available workers, select suitable individuals for a particular assignment and, in some cases, train available workers in skills required for an assignment. For RPO services, success is defined primarily by the ability to perform the recruitment function more effectively and efficiently than the client could perform it via internal resources.

An important aspect in the selection of temporary and contract workers for an assignment is the ability of the recruitment firm to identify the skills, knowledge, abilities, and personal characteristics of a temporary worker and match their competencies or capabilities to an employer's requirements. We have a variety of proprietary programs for identifying and assessing the skill level of our associates, which are used in selecting a particular individual for a specific assignment. We believe that our assessment systems enable us to offer a higher quality service by increasing productivity, decreasing turnover and reducing absenteeism.

It is also important to be able to access a large network of skilled workers and to be able to "create" certain hard-to-find skills by offering training to available workers. Our competitive position is enhanced by our ability to offer a wide variety of skills, in some of the most important market segments, through the use of training systems. Our Manpower Direct Training<sup>SM</sup> online university provides over 5,000 hours of online courses that are accessible 24/7 and are free to our employees and associates to help them improve their skills. The courses cover a wide range of subjects in many languages and feature the latest information for a variety of fields, from learning the latest technology in the IT field, to brushing up on business management courses or software programs. This training can also enable students in any profession, including factory workers, to further their skills, thus be better able to be employed and at a higher rate.

#### *Outplacement and Human Resource Consulting Services Market*

Our outplacement and HR consulting services are primarily provided under the Right Management brand. The market for outplacement and Human Resource consulting services is highly competitive. In the market for services required by global clients, there are several barriers to entry, such as the global coverage, specialized local knowledge and technology required to provide outstanding services to corporations on a global scale.

Our competitors in the outplacement market include outplacement services firms such as Drake Beam Morin, Lee Hecht Harrison (owned by Adecco); and career service divisions of global employment services firms. Additionally, there are regional firms and numerous smaller boutiques operating in either limited geographic markets or providing limited services. Our competitors in the HR Consulting space include major firms that compete in serving the large employer worldwide, such as Mercer Delta, Towers Perrin, Watson Wyatt, DDI and Hewitt Associates; boutique firms comprised primarily of professionals formerly associated with the firms mentioned above; and newer to this market, some of the human resource IT firms that are starting to compete in the HR space (e.g. Kenexa). While public accounting and consulting firms such as PricewaterhouseCoopers and Deloitte & Touche have been competitors in the past, these firms represent less direct competition due to a reduction in their consulting businesses as a result of the Sarbanes-Oxley Act legislation.

Companies choose to provide outplacement services for several reasons. First, as the competition for attracting and retaining qualified employees increases, companies are increasingly attempting to distinguish themselves in the marketplace as attractive employers. Consequently, more companies are providing outplacement services as part of a comprehensive benefits package that provide for the well being of employees – not only during their period of employment, but also after their employment ceases. Additionally, when companies complete layoffs, many believe that providing outplacement services projects a positive corporate image and improves morale among the remaining employees. Finally, companies may provide outplacement services to reduce costs by preparing and assisting separated employees to find new employment, thereby diminishing employment-related litigation.

Companies choose Right Management for the high-tech, high-touch approach of our outplacement services and the flexibility of our solutions to meet specific organizational and candidate needs. Our technology solutions are integral to our outplacement services. We have made significant investments in technology to augment our core services with online, twenty-four hours a day, seven days a week access and support. In 2007, we introduced Right Navigator and RightChoice™. Other solutions include: RightTrack<sup>SM</sup>, Right-from-Home<sup>®</sup>, Right Connection<sup>®</sup>, Right FasTrack<sup>SM</sup>, and Right Access<sup>SM</sup> along with Job Banks and Resume Banks.

Companies augment their internal human resources professional staff with external consultants for many reasons. First, the growing importance and complexity of employee issues is creating an unprecedented theoretical and technical service expectation on human resources departments. Additionally, human resources departments have continued pressure to contain costs without minimizing the resources available to managers. Finally, companies increasingly choose to outsource non-core functions that can be addressed more effectively by outside professionals. These organizations look to Right Management for thought leadership and best practices on attracting and assessing organizational talent, leadership development and engaging and aligning the workforce.

#### *Professional Services*

Jefferson Wells competes in the professional services industry as a high-value alternative to public accounting firms and other consulting groups, serving clients through highly experienced professionals working from offices worldwide.

The professional services industry is highly competitive and comprised of public accounting firms, mid-level consulting firms and specialty consulting houses. The “Big Four” public accounting firms are Deloitte & Touche, Ernst & Young, PricewaterhouseCoopers and KPMG. Competitors in the professional services market include Protiviti, Grant Thornton, Parson Consulting, Robert Half International and Resources Global Professionals. Additionally, numerous smaller boutiques either operate in limited geographic markets or provide limited services. While public accounting and consulting firms can be primary competitors, these firms also frequently refer Jefferson Wells to assist clients with engagements where there are conflict-of-interest concerns. Jefferson Wells does not perform attestation work, enabling the firm to provide an objective review of a client’s business processes, and avoiding potential conflicts of interest.

In an evolving global marketplace, a variety of market trends affect the professional services industry, primary among them are: increasing demand for highly experienced people, global business expansion with a need for consistent methodology and service delivery, and the high cost of full-time professionals with specialized skills.

Jefferson Wells has developed a variety of proprietary methodologies and tools, including a firm-wide Service Quality Process used on every engagement. Jefferson Wells identifies and confirms business needs and then employs proven approaches to provide client solutions. The firm’s competitive advantage resides in the combination of Jefferson Wells’ methodologies and highly experienced resources, which enables the firm to offer a higher level of service delivery to clients.

Jefferson Wells serves numerous industries, with the largest concentration in financial services, manufacturing, energy and utilities, and healthcare.

Jefferson Wells has operations in the United States, Canada, England, France, Germany, Italy, The Netherlands, South Africa, and Hong Kong, but has delivered services in more than 30 countries and markets worldwide.

## Regulation

The employment services industry is closely regulated in all of the major markets in which we operate, except the United States and Canada. Employment services firms are generally subject to one or more of the following types of government regulation:

- regulation of the employer/employee relationship between the firm and its temporary and contract employees,
- registration, licensing, record keeping and reporting requirements, and
- substantive limitations on the operations or the use of temporary and contract employees by clients.

In many markets, the existence or absence of collective bargaining agreements with labor organizations has a significant impact on our operations and the ability of clients to use our services. In some markets, labor agreements are structured on an industry-wide, rather than company-by-company, basis. Changes in these collective bargaining agreements have occurred in the past and are expected to occur in the future and may have a material impact on the operations of employment services firms, including us.

In many countries, including the United States and the United Kingdom, employment services firms are considered the legal employers of temporary and contract workers. Therefore, laws regulating the employer/employee relationship, such as tax withholding or reporting, social security or retirement, anti-discrimination and workers' compensation, govern the firm. In other countries, employment services firms, while not the direct legal employer of temporary and contract workers, are still responsible for collecting taxes and social security deductions and transmitting such amounts to the taxing authorities.

In many countries, particularly in continental Europe and Asia, entry into the employment services market is restricted by the requirement to register with, or obtain licenses from, a government agency. In addition, a wide variety of ministerial requirements may be imposed, such as record keeping, written contracts and reporting. The United States and Canada do not presently have any form of national registration or licensing requirement.

In addition to licensing or registration requirements, many countries impose substantive restrictions on the use of temporary and contract workers. Such restrictions include regulations affecting the types of work permitted, the maximum length of assignment, wage levels or reasons for which temporary and contract workers may be employed. In some countries special taxes, fees or costs are imposed in connection with the use of temporary and contract workers. For example, temporary and contract workers in France are entitled to a 10% allowance for the uncertain duration of employment, which is eliminated if a full-time position is offered to them within three days after assignment termination. In some countries, the contract of employment with temporary and contract employees must differ from the length of assignment.

Our outplacement and consulting services generally are not subjected to governmental regulation in the markets in which we operate.

In the United States, we are subject to various federal and state laws relating to franchising, principally the Federal Trade Commission's Franchise Rules and analogous state laws which impact our agreements with our franchised operations. These laws and related rules and regulations impose specific disclosure requirements. Virtually all states also regulate the termination of franchises.

Also see Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations—Legal Regulations."

## Trademarks

We maintain a number of registered trademarks, trade names and service marks in the United States and various other countries. We believe that many of these marks and trade names, including Manpower®, Manpower Professional®, Right Management Consultants®, Jefferson Wells®, Brook Street®, Elan®, Ultraskill®, and Skillware®, have significant value and are materially important to our business. In addition, we maintain other intangible property rights.

## Employees

We had approximately 33,000 full-time equivalent employees as of December 31, 2007. In addition, we estimate that we recruit on behalf of our clients approximately five million permanent, temporary and contract workers on a worldwide basis each year.

As described above, in most jurisdictions, we, as the employer of our temporary and contract workers or as otherwise required by applicable law, are responsible for employment administration. This administration includes collection of withholding taxes, employer contributions for social security or its equivalent outside the United States, unemployment tax, workers' compensation and fidelity and liability insurance, and other governmental requirements imposed on employers. In most jurisdictions where such benefits are not legally required, including the United States, we provide health and life insurance, paid holidays and paid vacations to qualifying temporary and contract employees.

## Financial Information about Foreign and Domestic Operations

Note 15 to our consolidated financial statements sets forth the information required for each segment and geographical area for the years ended December 31, 2007, 2006, and 2005. Such note is found in our 2007 Annual Report to Shareholders and is incorporated herein by reference.

### FORWARD-LOOKING STATEMENTS

Statements made in this 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. This section provides you with 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 forward-looking statements made in this report or otherwise made by us or on our behalf. You can identify these forward-looking statements by forward-looking words such as “expect”, “anticipate”, “intend”, “plan”, “may”, “will”, “believe”, “seek”, “estimate”, and similar expressions. You are cautioned not to place undue reliance on these forward-looking statements.

The following are some of the factors that could cause actual results to differ materially from estimates contained in our forward-looking statements:

- cost structure of subsidiaries;
- management turnover;
- reorganizations;
- material changes in the demand from larger clients, including clients with which we have national, multi-national, or sole-supplier arrangements;
- availability of workers with the skills required by clients;
- increases in the wages paid to our associates;
- competitive market pressures, including pricing pressures;
- inability to pass along direct cost increases to clients;
- changes in demand for our specialized services, including assisting companies in complying with the Sarbanes-Oxley Act legislation, and outplacement services;
- our ability to successfully expand into new markets or offer new service lines;
- our ability to successfully invest in and implement information systems;
- unanticipated technological changes, including obsolescence or impairment of information systems;
- changes in client attitudes toward the use of staffing services;
- government, tax or regulatory policies adverse to the employment services industry;
- general economic conditions in domestic and international markets;
- interest rate and exchange rate fluctuations;
- difficulties related to acquisitions, including integrating the acquired companies and achieving the expected benefits;
- impairments to the carrying value of acquisitions and other investments resulting from poor financial performance or other factors;
- the risk factors disclosed below; and
- other factors that may be disclosed from time to time in our SEC filings or otherwise.

Some or all of these factors may be beyond our control. We caution you 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 statement to reflect events or circumstances after the date on which the statement is made.

## RISK FACTORS

**Any significant economic downturn could result in our clients using fewer temporary and contract workers, which would materially adversely affect our business.**

Because demand for recruitment services is sensitive to changes in the level of economic activity, our business may suffer during economic downturns. As economic activity begins to slow down, companies tend to reduce their use of temporary and contract workers before undertaking layoffs of their regular employees, resulting in decreased demand for temporary and contract workers. Significant declines in demand, and thus in revenues, can result in expense de-leveraging, which would result in lower profit levels.

**The worldwide employment services industry is highly competitive with limited barriers to entry, which could limit our ability to maintain or increase our market share or profitability.**

The worldwide employment services market is highly competitive with limited barriers to entry, and in recent years has been undergoing significant consolidation. We compete in markets throughout North America, South America, Europe, Australia and Asia with full-service and specialized employment services agencies. Several of our competitors, including Adecco S.A., Randstad Holding N.V. and Kelly Services, Inc., have very substantial marketing and financial resources. Price competition in the staffing industry is intense and pricing pressures from competitors and clients are increasing. We expect that the level of competition will remain high in the future, which could limit our ability to maintain or increase our market share or our profitability.

**Government regulations may result in prohibition or restriction of certain types of employment services or the imposition of additional licensing or tax requirements that may reduce our future earnings.**

In many jurisdictions in which we operate, such as France and Germany, the employment services industry is heavily regulated. For example, governmental regulations in Germany restrict the length of contracts and the industries in which our associates may be used. In some countries, special taxes, fees or costs are imposed in connection with the use of our associates. For example, our associates in France are entitled to a 10% allowance for the uncertain duration of employment, which is eliminated if a full-time position is offered to them within three days. The countries in which we operate may, among other things:

- create additional regulations that prohibit or restrict the types of employment services that we currently provide;
- require new or additional benefits be paid to our associates;
- require us to obtain additional licensing to provide employment services; or
- increase taxes, such as sales or value-added taxes, payable by the providers of temporary and contract recruitment centers.

Any future regulations may have a material adverse effect on our financial condition, results of operations and liquidity because they may make it more difficult or expensive for us to continue to provide employment services.

**Our acquisition strategy may have a material adverse effect on our business due to unexpected or underestimated costs.**

From time to time, we acquire and invest in companies throughout the world, including franchises. The total cash consideration paid for acquisitions was \$122.8 million, primarily related to franchise acquisitions, \$13.0 million and \$12.9 million in 2007, 2006 and 2005, respectively.

We may make additional acquisitions in the future. Our acquisition strategy involves significant risks, including:

- difficulties in the assimilation of the operations, services and corporate culture of acquired companies;
- over-valuation by us of acquired companies;
- insufficient indemnification from the selling parties for legal liabilities incurred by the acquired companies prior to the acquisitions; and
- diversion of management's attention from other business concerns.

These risks could have a material adverse effect on our business because they may result in substantial costs to us and disrupt our business. In addition, future acquisitions could materially adversely effect our business, financial condition, results of operations and liquidity because they would likely result in the incurrence of additional debt or dilution, contingent liabilities, an increase in interest expense and amortization expenses related to separately identified intangible assets. Possible impairment losses on goodwill and intangible assets with an indefinite life, or restructuring charges could also occur.

**Intense competition may limit our ability to attract, train and retain the qualified personnel necessary for us to meet our clients' staffing needs.**

We depend on our ability to attract and retain qualified associates who possess the skills and experience necessary to meet the requirements of our clients. We must continually evaluate and upgrade our base of available qualified personnel through recruiting and training programs to keep pace with changing client needs and emerging technologies. Competition for individuals with proven professional skills, particularly employees with accounting and technological skills, is intense, and we expect demand for such individuals to remain very strong for the foreseeable future. Qualified personnel may not be available to us in sufficient numbers and on terms of employment acceptable to us. Developing and implementing training programs requires significant expenditures and may not result in the trainees developing effective or adequate skills. We may not be able to develop training programs to respond to our clients' changing needs or retain associates who we have trained. The failure to recruit, train and retain qualified associates could materially adversely affect our business because it may result in an inability to meet our clients' needs.

**We may be exposed to employment-related claims and costs and other litigation that could materially adversely affect our business, financial condition and results of operations.**

We are in the business of employing people and placing them in the workplaces of other businesses. Risks relating to these activities include:

- claims of misconduct or negligence on the part of our associates;
- claims by our associates of discrimination or harassment directed at them, including claims relating to actions of our clients;
- claims related to the employment of illegal aliens or unlicensed personnel;
- payment of workers' compensation claims and other similar claims;
- violations of wage and hour requirements;
- retroactive entitlement to employee benefits;
- errors and omissions of our associates, particularly in the case of professionals, such as accountants; and
- claims by our clients relating to our associates' misuse of clients' proprietary information, misappropriation of funds, other criminal activity or torts or other similar claims.

We may incur fines and other losses or negative publicity with respect to these problems. In addition, some or all of these claims may give rise to litigation, which could be time-consuming to our management team and costly and could have a negative impact on our business. We cannot assure you that we will not experience these problems in the future.

We cannot assure you that our insurance will be sufficient in amount or scope to cover all claims that may be asserted against us. Should the ultimate judgments or settlements exceed our insurance coverage, they could have a material effect on our results of operations, financial position and cash flows. We also cannot assure you that we will be able to obtain appropriate types or levels of insurance in the future or that adequate replacement policies will be available on acceptable terms, if at all.

**If we lose our key personnel, then our business may suffer.**

Our operations are dependent on the continued efforts of our officers and executive management and the performance and productivity of our local managers and field personnel. Our ability to attract and retain business is significantly affected by local relationships and the quality of service rendered. The loss of those key officers and members of management who have acquired significant experience in operating an employment services company on an international level may cause a significant disruption to our business. Moreover, the loss of our key managers and field personnel may jeopardize existing client relationships with businesses that continue to use our services based upon past relationships with these local managers and field personnel. The loss of such key personnel could materially adversely affect our operations, because it may result in an inability to establish and maintain client relationships and otherwise operate our business.

**Some of our subsidiaries might have significant clients, which if lost, could have a material adverse impact on their earnings.**

Jefferson Wells provides highly skilled project professionals along four primary solution areas – internal controls, tax, technology risk management, and finance and accounting. The company serves clients, including more than half of the Fortune 500, through highly experienced, salaried professionals working from offices across North America, Europe and Asia Pacific. From time to time, they have significant contracts with certain clients. In the first half of 2006, more than 10% of their revenue came from one client contract, which ended in the fourth quarter of 2006. If we are not able to quickly and efficiently react to these changes in client volumes, this would negatively impact our Jefferson Wells segment and overall profitability for us as a whole.

**Foreign currency fluctuations may have a material adverse effect on our operating results.**

We conduct our operations in 80 countries and territories and the results of our local operations are reported in the applicable foreign currencies and then translated into U.S. Dollars at the applicable foreign currency exchange rates for inclusion in our consolidated financial statements. During 2007, approximately 88% of our revenues were generated outside of the United States, the majority of which were generated in Europe. Furthermore, approximately \$914.2 million of our outstanding indebtedness as of December 31, 2007 was denominated in foreign currencies. Because of devaluations and fluctuations in currency exchange rates or the imposition of limitations on conversion of foreign currencies into U.S. Dollars, we are subject to currency translation exposure on the profits of our operations, in addition to economic exposure. This exposure could have a material adverse effect on our business, financial condition, cash flow and results of operations in the future because, among other things, it could cause our reported revenues and profitability to decline or debt levels and interest expense to increase.

**As of December 31, 2007, we had \$914.5 million of total debt. This level of debt could adversely affect our operating flexibility and put us at a competitive disadvantage.**

Our level of debt and the limitations imposed on us by our credit agreements could have important consequences for investors, including the following:

- we will have to use a portion of our cash flow from operations for debt service rather than for our operations;
- we may not be able to obtain additional debt financing for future working capital, capital expenditures or other corporate purposes or may have to pay more for such financing;
- some or all of the debt under our current or future revolving credit facilities may be at a variable interest rate, making us more vulnerable to increases in interest rates;
- we could be less able to take advantage of significant business opportunities, such as acquisition opportunities, and to react to changes in market or industry conditions;
- we will be more vulnerable to general adverse economic and industry conditions; and
- we may be disadvantaged compared to competitors with less leverage.

The terms of our revolving credit facility permit additional borrowings, subject to certain conditions. If new debt is added to our current debt levels, the related risks we now face could intensify.

We expect to obtain the money to pay our expenses, to repay borrowings under our credit facility and to repay our other debt primarily from our operations. Our ability to meet our expenses thus depends on our future performance, which will be affected by financial, business, economic and other factors. We are not able to control many of these factors, such as economic conditions in the markets where we operate and pressure from competitors. The money we earn may not be sufficient to allow us to pay principal and interest on our debt and to meet our other debt obligations. If we do not have enough money, we may be required to refinance all or part of our existing debt, sell assets or borrow additional funds. We may not be able to take such actions on terms that are acceptable to us, if at all. In addition, the terms of our existing or future debt agreements, including the revolving credit facilities and our indentures, may restrict us from adopting any of these alternatives.

**Our failure to comply with restrictive covenants under our revolving credit facilities and other debt instruments could trigger prepayment obligations.**

Our failure to comply with the restrictive covenants under our revolving credit facilities and other debt instruments could result in an event of default, which, if not cured or waived, could result in us being required to repay these borrowings before their due date. If we are forced to refinance these borrowings on less favorable terms, our results of operations and financial condition could be adversely affected by increased costs and rates.

**The performance of our subsidiaries may vary, negatively affecting our ability to service our debt.**

Since we conduct a significant portion of our operations through our subsidiaries, our cash flow and our consequent ability to service our debt depends in part upon the earnings of our subsidiaries and the distribution of those earnings, or upon loans or other payments of funds by those subsidiaries, to us. The payment of dividends and the making of loans and advances to us by our subsidiaries may be subject to statutory or contractual restrictions, depend upon the earnings of those subsidiaries and be subject to various business considerations.

**The price of our common stock may fluctuate significantly, which may result in losses for investors.**

The market price for our common stock has been and may continue to be volatile. For example, during the fiscal year ended December 31, 2007, the prices of our common stock as reported on the New York Stock Exchange ranged from a high of \$95.05 to a low of \$56.20. Our stock price can fluctuate as a result of a variety of factors, including factors listed in these "Risk Factors" and others, many of which are beyond our control. These factors include:

- actual or anticipated variations in our quarterly operating results;
- announcement of new services by us or our competitors;
- announcements relating to strategic relationships or acquisitions;
- changes in financial estimates or other statements by securities analysts; and
- changes in general economic conditions.

Because of this volatility, we may fail to meet the expectations of our shareholders or of securities analysts, and our stock price could decline as a result.

**Wisconsin law and our articles of incorporation and bylaws contain provisions that could make the takeover of us more difficult.**

Certain provisions of Wisconsin law and our articles of incorporation and bylaws could have the effect of delaying or preventing a third party from acquiring us, even if a change in control would be beneficial to our shareholders. These provisions of our articles of incorporation and bylaws include:

- providing for a classified board of directors with staggered, three-year terms;
- permitting removal of directors only for cause;
- providing that vacancies on the board of directors will be filled by the remaining directors then in office; and
- requiring advance notice for shareholder proposals and director nominees.

In addition, the Wisconsin control share acquisition statute and Wisconsin's "fair price" and "business combination" provisions limit the ability of an acquiring person to engage in certain transactions or to exercise the full voting power of acquired shares under certain circumstances. These provisions and other provisions of Wisconsin law could make it more difficult for a third party to acquire us, even if doing so would benefit our shareholders. As a result, offers to acquire us, which may represent a premium over the available market price of our common stock, may be withdrawn or otherwise fail to be realized. The provisions described above could cause our stock price to decline.

**Improper disclosure of employee and client data could result in liability and harm our reputation.**

Our business involves the use, storage and transmission of information about our employees, our clients and employees of our clients. We and our third party service providers have established policies and procedures to help protect the security and privacy of this information. It is possible that our security controls over personal data and other practices we and our third party service providers follow may not prevent the improper access to or disclosure of personally identifiable information. Such disclosure could harm our reputation and subject us to liability under our contracts and laws that protect personal data, resulting in increased costs or loss of revenue. Further, data privacy is subject to frequently changing rules and regulations, which sometimes conflict among the various jurisdictions and countries in which we provide services. Our failure to adhere to or successfully implement processes in response to changing regulatory requirements in this area could result in legal liability or impairment to our reputation in the marketplace.

**Outsourcing certain aspects of our business could result in disruption and increased costs.**

As of September 30, 2007, we have outsourced certain aspects of our business to third party vendors that subject us to risks, including disruptions in our business and increased costs. For example, we have engaged a third party to host and manage certain aspects of our data center information and technology infrastructure. Accordingly, we are subject to the risks associated with the vendor's ability to provide information technology services to meet our needs. Our operations will depend significantly upon their and our ability to make our servers, software applications and websites available and to protect our data from damage or interruption from human error, computer viruses, intentional acts of vandalism, labor disputes, natural disasters and similar events. If the cost of hosting and managing certain aspects of our data center information technology structure is more than expected, or if the vendor or we are unable to adequately protect our data and information is lost or our ability to deliver our services is interrupted, then our business and results of operations may be negatively impacted.

**Item 1B. Unresolved Staff Comments**

Not applicable.

**Item 2. Properties**

We own properties at various locations worldwide, none of which are material. Most of our operations are conducted from leased premises and we do not anticipate any difficulty in renewing these leases or in finding alternative sites in the ordinary course of business.

**Item 3. Legal Proceedings**

We are involved in litigation of a routine nature and various legal matters, which are being defended and handled in the ordinary course of business.

The information required by this Item is set forth in our Annual Report to Shareholders for the fiscal year ended December 31, 2007, under the heading "Significant Matters Affecting Results of Operations" (pages 28 to 31), which information is hereby incorporated herein by reference.

**Item 4. Submission of Matters to a Vote of Security Holders**

Not applicable.

**EXECUTIVE OFFICERS OF MANPOWER**  
**(as of February 20, 2008)**

<u>Name of Officer</u>	<u>Office</u>
Jeffrey A. Joerres Age 48	Chairman of Manpower since May, 2001, and President and Chief Executive Officer of Manpower since April, 1999. Senior Vice President – European Operations and Marketing and Major Account Development of Manpower from July, 1998 to April 1999. A director of Artisan Funds, Inc. and Johnson Controls, Inc. A director of Manpower for more than five years. An employee of Manpower since July, 1993.
Michael J. Van Handel Age 48	Executive Vice President, Chief Financial Officer of Manpower since January, 2008. Executive Vice President, Chief Financial Officer and Secretary of Manpower since April, 2002. Senior Vice President, Chief Financial Officer and Secretary of Manpower from August, 1999 to April, 2002. Senior Vice President, Chief Financial Officer, Treasurer and Secretary of Manpower from July, 1998 to August, 1999. An employee of Manpower since May, 1989.
Barbara J. Beck Age 47	Executive Vice President of Manpower, President – Europe, Middle East and Africa since January, 2006. Executive Vice President of Manpower – United States and Canadian Operations from January, 2002 to December, 2005. Independent consultant from August, 2000 to January, 2002. Area Vice President and General Manager of United States – West for Sprint Corporation from February, 1996 to August, 2000. An employee of Manpower since January, 2002.
Jonas Prising Age 43	Executive Vice President of Manpower, President – United States and Canadian Operations since January, 2006. Managing Director of Manpower Italy from July, 2002 to December, 2005. Director of Manpower Global Accounts – EMEA from June, 1999 to June, 2002. Prior to joining Manpower, held multiple international management positions with Electrolux from 1989 to May, 1999. An employee of Manpower since June, 1999.
Owen J. Sullivan Age 50	Executive Vice President of Manpower Inc., and CEO of Right Management and Jefferson Wells since January, 2005. Chief Executive Officer of Jefferson Wells International, Inc. from April, 2003 to January, 2005. Independent consultant from 2002 to 2003. President of the Financial Services Group – Metavante Corporation from 1999 to 2003. An employee of Manpower since April, 2003.
Francoise Gri Age 50	Executive Vice President of Manpower, President – France since February, 2007. Prior to joining Manpower, held various leadership roles with IBM from 1981 to February, 2007 including: regional general manager of France, Belgium and Luxembourg; vice president of marketing and channels software for IBM EMEA; and executive of e-business solutions for IBM EMEA. An employee of Manpower since February, 2007.
Darryl Green Age 47	Executive Vice President of Manpower, President –Asia and Pacific Operations since May, 2007. Prior to joining Manpower, Green served as CEO of Tata Teleservices. Previously, Green was CEO of Vodafone Japan, a publicly listed mobile services provider. From 1989 to 1998, Green held various management positions within AT&T, including three years as President and CEO of its Japanese operations. An employee of Manpower since May, 2007.
Kenneth C. Hunt Age 58	Senior Vice President, General Counsel and Secretary of Manpower since January 2008. Prior to joining Manpower, was a shareholder with the law firm of Godfrey & Kahn, S.C. from 1981 to 2007. An employee of Manpower since January 2008.

## 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, in 2007:

- (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;
- (e) advice regarding tax issues relating to our internal reorganizations;
- (f) 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;
- (g) reviews of the quarterly financial statements;
- (h) consultation regarding current, proposed and newly adopted accounting pronouncements;
- (i) training on U.S. GAAP topics for a foreign subsidiary;
- (j) audit of a foreign employee pension plan;
- (k) advice and assistance related to data privacy;
- (l) assessment of the risks and opportunities related to providing sole supplier services for a specific client business for a foreign subsidiary;
- (m) due diligence work on a potential acquisition;
- (n) auditor reports required as part of an internal restructuring and related to a government grant; and
- (o) review of accounting processes at a foreign subsidiary.

## PART II

### Item 5. Market for Registrant's Common Equity, Related Shareholder Matters and Issuer Purchases of Equity Securities

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 authorization permitted share repurchases from time to time 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 during the fourth quarter of 2007.

	<u>ISSUER PURCHASES OF EQUITY SECURITIES</u>			
	<u>Total number of shares purchased</u>	<u>Average price paid per share</u>	<u>Total number of shares purchased as part of publicly announced plan</u>	<u>Approximate number of shares that may yet be purchased</u>
October 1 - 31, 2007	20,000	\$ 66.72	20,000	4,441,300
November 1 - 30, 2007	400,000	62.36	400,000	4,041,300
December 1 - 31, 2007	783,200	57.32	783,200	3,258,100

The remaining information required by this Item is set forth in our Annual Report to Shareholders for the fiscal year ended December 31, 2007, under the heading "Note 16—Quarterly Data" (page 63) and "Corporate Information" (page 66) and in our Proxy Statement for the Annual Meeting of Shareholders to be held on April 29, 2008, under the caption "Equity Compensation Plan Information", which information is hereby incorporated herein by reference.

### Item 6. Selected Financial Data

The information required by this Item is set forth in our Annual Report to Shareholders for the fiscal year ended December 31, 2007, under the heading "Selected Financial Data" (page 64), which information is hereby incorporated herein by reference.

### Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

The information required by this Item is set forth in our Annual Report to Shareholders for the fiscal year ended December 31, 2007, under the headings "Management's Discussion and Analysis of Financial Condition and Results of Operations" (pages 13 to 31), which information is hereby incorporated herein by reference.

### Item 7A. Quantitative and Qualitative Disclosures about Market Risk

The information required by this Item is set forth in our Annual Report to Shareholders for the fiscal year ended December 31, 2007, under the heading "Significant Matters Affecting Results of Operations" (pages 28 to 31), which information is hereby incorporated herein by reference.

### Item 8. Financial Statements and Supplementary Data

The information required by this Item is set forth in the financial statements and the notes thereto (pages 34 to 63) contained in our Annual Report to Shareholders for the fiscal year ended December 31, 2007, which information is hereby incorporated herein by reference.

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**Item 9A. Controls and Procedures****Disclosure 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.

**Internal Control over Financial Reporting**

The Management Report on Internal Control Over Financial Reporting is set forth on page 31 in our Annual Report to Shareholders for the fiscal year ended December 31, 2007 which information is hereby incorporated herein by reference. The Independent Registered Public Accounting Firm's report with respect to the effectiveness of internal control over financial reporting is included on pages 32 and 33 of our Annual Report to Shareholders for the fiscal year ended December 31, 2007 which information is hereby incorporated herein by reference.

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 III

### Item 10. Directors and Executive Officers of the Registrant

- (a) Executive Officers. Reference is made to “Executive Officers of Manpower” in Part I after Item 4.
- (b) Directors. The information required by this Item is set forth in our Proxy Statement for the Annual Meeting of Shareholders to be held on April 29, 2008 under the caption “Election of Directors,” which information is hereby incorporated herein by reference.
- (c) The board of directors has determined that Edward J. Zore, chairman of the audit committee, is an “audit committee financial expert.” Mr. Zore is “independent” as that term is used in Item 7(d)(3)(iv) of Schedule 14A under the Securities Exchange Act of 1934.
- (d) Audit Committee. The information required by this Item is set forth in our Proxy Statement for the Annual Meeting of Shareholders to be held on April 29, 2008 under the caption “Meetings and Committees of the Board,” which information is hereby incorporated herein by reference.
- (e) Section 16 Compliance. The information required by this Item is set forth in our Proxy Statement for the Annual Meeting of Shareholders to be held on April 29, 2008 under the caption “Section 16(a) Beneficial Ownership Reporting Compliance,” which information is hereby incorporated herein by reference.
- (f) We have adopted a Code of Business Conduct and Ethics that applies to our directors, officers and employees, including our principal executive officer, principal financial officer, principal accounting officer and controller. We have posted the Code on our Internet website at [www.manpower.com](http://www.manpower.com).

### Item 11. Executive Compensation

The information required by this Item is set forth in our Proxy Statement for the Annual Meeting of Shareholders to be held on April 29, 2008, under the caption “Executive and Director Compensation”; under the caption “Executive Compensation Committee Interlocks and Insider Participation”; and under the caption “Report of the Executive Compensation Committee of the Board of Directors,” which information is hereby incorporated herein by reference.

### Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Shareholder Matters

The information required by this Item is set forth in our Proxy Statement for the Annual Meeting of Shareholders to be held on April 29, 2008, under the caption “Security Ownership of Certain Beneficial Owners” and under the caption “Security Ownership of Management”; and under the caption “Equity Compensation Plan Information,” which information is hereby incorporated herein by reference.

### Item 13. Certain Relationships and Related Transactions

None.

### Item 14. Principal Accountant Fees and Services

The information required by this Item is set forth in our Proxy Statement for the Annual Meeting of Shareholders to be held on April 29, 2008, under the caption “Audit Committee Report,” which information is hereby incorporated herein by reference.

**Item 15. Exhibits and Financial Statement Schedules.**

## (a)(1) Financial Statements.

	<u>Page Number(s) in Annual Report to Shareholders</u>
Consolidated Financial Statements (data incorporated by reference from the attached Annual Report to Shareholders):	
Reports of Independent Registered Public Accounting Firm	32-33
Consolidated Statements of Operations for the years ended December 31, 2007, 2006 and 2005	34
Consolidated Balance Sheets as of December 31, 2007 and 2006	35
Consolidated Statements of Cash Flows for the years ended December 31, 2007, 2006 and 2005	36
Consolidated Statements of Shareholders' Equity for the years ended December 31, 2007, 2006 and 2005	37
Notes to Consolidated Financial Statements	38-63

## (a)(2) Financial Statement Schedule.

Report of Independent Registered Public Accounting Firm on Financial Statement Schedule  
SCHEDULE II—Valuation and Qualifying Accounts

## (a)(3) Exhibits.

See (c) below.

Pursuant to Regulation S-K, Item 601(b)(4)(iii), Manpower hereby agrees to furnish to the Commission, upon request, a copy of each instrument and agreement with respect to long-term debt of Manpower and its consolidated subsidiaries which does not exceed 10 percent of the total assets of Manpower and its subsidiaries on a consolidated basis.

(c) Exhibits.

- 3.1 Articles of Incorporation of Manpower Inc. incorporated by reference to Annex C of the Prospectus, which is contained in Amendment No. 1 to Form S-4 (Registration No. 33-38684).
- 3.2 Amendment of Amended and Restated Articles of Incorporation of Manpower Inc., incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2001.
- 3.3 Amended and Restated By-laws of Manpower Inc., incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2004.
- 4.1 Fiscal and Paying Agency Agreement between Manpower Inc. and Citibank, N.A. as Fiscal Agent, Principal Paying Agent, Registrar and Transfer Agent and Citibank International PLC as Irish Paying Agent, dated as of June 1, 2005 (including the forms of Rule 144A Global Note and Regulation S Global Note, attached thereto as Exhibits A and B, respectively), incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2005.
- 4.2 Fiscal and Paying Agency Agreement between Manpower Inc. and Citibank, N.A. as Fiscal Agent, Principal Paying Agent, Registrar and Transfer Agent and Citibank International PLC as Irish Paying Agent, dated as of June 14, 2006 (including the form of Note attached thereto as Schedule 1), incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2006.
- 10.1 Amended and Restated Manpower Inc. Senior Management Performance-Based Deferred Compensation Plan, incorporated by reference to the Company's Annual Report on Form 10-K for the year ended December 31, 2005. \*\*
- 10.2(a) Five-Year Credit Agreement dated as of October 8, 2004 among Manpower Inc., the initial lenders named therein, Citibank N.A., Wachovia Bank, BNP Paribas, Bank One N.A., and The Royal Bank of Scotland, incorporated by reference to the Company's Current Report on Form 8-K dated October 14, 2004.
- 10.2(b) Amendment to Five-Year Credit Agreement dated as of March 14, 2005, incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2005.
- 10.2(c) Amendment No. 2 to the Credit Agreement dated as of January 10, 2006, incorporated by reference to the Company's Annual Report on Form 10-K for the year ended December 31, 2005.
- 10.2(d) Amendment No. 3 to the Credit Agreement dated as of November 16, 2007.
- 10.3 Amended and Restated Manpower 1991 Executive Stock Option and Restricted Stock Plan, incorporated by reference to Form 10-Q of Manpower Inc. dated September 30, 1996. \*\*
- 10.4 Manpower Savings Related Share Option Scheme, incorporated by reference to Amendment No. 1 to the Company's Registration Statement on Form S-4 (Registration No. 33-38684). \*\*
- 10.5 Manpower 1990 Employee Stock Purchase Plan (Amended and Restated effective April 26, 2005), incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2005.
- 10.6 Manpower Retirement Plan, as amended and restated effective as of March 1, 1989, incorporated by reference to Form 10-K of Manpower PLC, SEC File No. 0-9890, filed for the fiscal year ended October 31, 1989. \*\*
- 10.7(a) 1994 Executive Stock Option and Restricted Stock Plan of Manpower Inc. (Amended and Restated October 29, 2002), incorporated by reference to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2002. \*\*

- 10.7(b) Procedures Governing the Grant of Options to Non-Employee Directors under 1994 Executive Stock Option and Restricted Stock Plan of Manpower Inc. dated May 1, 2001, incorporated by reference to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2001. \*\*
- 10.8(a) Manpower Inc. 2002 Corporate Senior Management Incentive Program, incorporated by reference to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2001. \*\*
- 10.8(b) Amendment to Manpower Inc. 2002 Corporate Senior Management Incentive Program dated as of October 29, 2002, incorporated by reference to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2002. \*\*
- 10.8(c) Manpower Inc. 2007 Corporate Senior Management Incentive Program dated as of May 2, 2007, incorporated by reference to the Company's Current Report on Form 8-K dated May 2, 2007. \*\*
- 10.9 Amended and Restated Manpower 1991 Directors Stock Option Plan, incorporated by reference to the Company's Registration Statement on Form S-8 (Registration No. 333-31021). \*\*
- 10.11(a) Employment Agreement between Jeffrey A. Joerres and Manpower Inc. dated as of February 20, 2008. \*\*
- 10.11(b) Severance Agreement between Jeffrey A. Joerres and Manpower Inc. dated as of February 20, 2008. \*\*
- 10.12(a) Employment Agreement between Michael J. Van Handel and Manpower Inc. dated as of February 20, 2008. \*\*
- 10.12(b) Severance Agreement between Michael J. Van Handel and Manpower Inc. dated as of February 20, 2008. \*\*
- 10.13(a) Assignment Agreement by and among Manpower Inc., Manpower Holdings Limited and Barbara Beck dated as of December 20, 2005, incorporated by reference to the Company's Current Report on Form 8-K dated December 20, 2005. \*\*
- 10.13(b) Assignment Agreement by and among Manpower Inc. and Jonas Prising dated as of December 16, 2005. \*\*
- 10.13(c) Employment Agreement between Francoise Gri and Manpower Inc. dated as of February 15, 2007. \*\*
- 10.13(d) Letter Agreement between Darryl Green and Manpower Inc. dated as of April 4, 2007. \*\*
- 10.16(a) Terms and Conditions Regarding the Grant of Options in Lieu of Cash Directors Fees to Non-Employee Directors Under 2003 Equity Incentive Plan of Manpower Inc., incorporated by reference in the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2003. \*\*
- 10.16(b) Terms and Conditions Regarding the Grant of Awards to Non-Employee Directors under the 2003 Equity Incentive Plan of Manpower Inc. (Amended and Restated Effective January 1, 2006), incorporated by reference to the Company's Current Report on Form 8-K dated December 19, 2005. \*\*
- 10.16(c) Terms and Conditions Regarding the Grant of Awards to Non-Employee Directors under the 2003 Equity Incentive Plan of Manpower Inc. (Amended and Restated Effective January 1, 2008). \*\*
- 10.16(d) Manpower Inc. Compensation for Non-Employee Directors (Effective January 1, 2006), incorporated by reference to the Company's Current Report on Form 8-K dated December 19, 2005. \*\*
- 10.16(e) Form of Restricted Stock Agreement, incorporated by reference to the Company's Current Report on Form 8-K dated February 21, 2006. \*\*

- 10.16(f) Form of Nonstatutory Stock Option Agreement (for CEO/CFO), incorporated by reference to the Company's Current Report on Form 8-K dated February 21, 2006. \*\*
- 10.16(g) Form of Nonstatutory Stock Option Agreement (for Executive Officers, other than CEO/CFO), incorporated by reference to the Company's Current Report on Form 8-K dated February 21, 2006. \*\*
- 10.16(h) Form of Performance Share Unit Agreement, incorporated by reference to the Company's Current Report on Form 8-K dated February 21, 2006. \*\*
- 10.16(i) Change of Control Severance Agreement between Barbara Beck and Manpower Inc. dated as of May 12, 2006, incorporated by reference to the Company's Current Report on Form 8-K dated May 11, 2006. \*\*
- 10.16(j) Change of Control Severance Agreement between Jonas Prising and Manpower Inc. dated as of May 12, 2006, incorporated by reference to the Company's Current Report on Form 8-K dated May 11, 2006. \*\*
- 10.16(k) Change of Control Severance Agreement between Owen J. Sullivan and Manpower Inc. dated as of September 6, 2006, incorporated by reference to the Company's Current Report on Form 8-K dated September 6, 2006. \*\*
- 10.16(l) Change of Control Severance Agreement dated August 1, 2007 between Manpower Inc. and Darryl Green, incorporated by reference to the Company's Current Report on Form 8-K dated August 1, 2007. \*\*
- 10.16(m) Change of Control Severance Agreement dated February 15, 2007 between Manpower Inc. and Francoise Gri. \*\*
- 10.16(n) Change of Control Severance Agreement dated December 31, 2007 between Manpower Inc. and Kenneth C. Hunt. \*\*
- 10.16(o) 2003 Equity Incentive Plan of Manpower Inc. (Amended and Restated Effective October 31, 2006), incorporated by reference to the Company's Current Report on Form 8-K dated October 31, 2006. \*\*
- 10.16(p) Form of Indemnification Agreement, incorporated by reference to the Company's Current Report on Form 8-K dated October 31, 2006.
- 10.17(a) 2008 Form of Nonstatutory Stock Option Agreement. \*\*
- 10.17(b) 2008 Form of Performance Share Unit Agreement. \*\*
- 10.17(c) 2008 Form of Restricted Stock Agreement. \*\*
- 12.1 Statement Regarding Computation of Ratio of Earnings to Fixed Charges.
- 13 2007 Annual Report to Shareholders. Pursuant to Item 601(b)(13) of Regulation S-K, the portions of the Annual Report incorporated by reference in this Form 10-K are filed as an exhibit hereto.
- 14 Manpower Inc. Code of Business Conduct and Ethics (Amended and Restated Effective December 9, 2003) incorporated by reference to the Annual Report on Form 10-K for the year ended December 31, 2003.
- 21 Subsidiaries of Manpower Inc.
- 23.1 Consent of Deloitte & Touche LLP.
- 24 Powers of Attorney.
- 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.

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\*\* Management contract or compensatory plan or arrangement.

**SIGNATURES**

Pursuant to the requirements of Section 13 or 15(d) 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.

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

Date: February 25, 2008

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Name	Title	Date
<u>/s/ Jeffrey A. Joerres</u> Jeffrey A. Joerres	Chairman, President, Chief Executive Officer and a Director (Principal Executive Officer)	February 25, 2008
<u>/s/ Michael J. Van Handel</u> Michael J. Van Handel	Executive Vice President and Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)	February 25, 2008

Directors: J. Thomas Bouchard, Marc J. Bolland, Stephanie A. Burns, Willie D. Davis, Jack M. Greenberg, Terry A. Hueneke, Rozanne L. Ridgway, Dennis Stevenson, John R. Walter and Edward J. Zore

February 25, 2008

By: /s/ Michael J. Van Handel  
Michael J. Van Handel  
Attorney-In-Fact\*

\* Pursuant to authority granted by powers of attorney, copies of which are filed herewith.

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Board of Directors and Shareholders of Manpower Inc.:

We have audited the consolidated financial statements of Manpower Inc. and subsidiaries (the "Company") as of December 31, 2007 and 2006 and for each of the three years in the period ended December 31, 2007, and the Company's internal control over financial reporting as of December 31, 2007, and have issued our reports thereon dated February 21, 2008 (which report on the consolidated financial statements expresses an unqualified opinion and includes an explanatory paragraph relating to the Company's adoption of Statement of Financial Accounting Standards No. 123(R), *Share-Based Payment*, on January 1, 2006, as described in Note 3); such consolidated financial statements and reports are included in the 2007 Annual Report to Shareholders and are incorporated herein by reference. Our audits also included the consolidated financial statement schedule of the Company listed in Item 15. This consolidated financial statement schedule is the responsibility of the Company's management. Our responsibility is to express an opinion based on our audit. In our opinion, such consolidated financial statement schedule, when considered in relation to the basic consolidated financial statements taken as a whole, presents fairly, in all material respects, the information set forth therein.

/s/ Deloitte & Touche LLP

Deloitte & Touche LLP  
Milwaukee, Wisconsin  
February 21, 2008

**SCHEDULE II - VALUATION AND QUALIFYING ACCOUNTS**

For the years ended December 31, 2007, 2006 and 2005, in millions:

Allowance for Doubtful Accounts:

	<u>Balance at Beginning of Year</u>	<u>Provisions Charged to Earnings</u>	<u>Write- Offs</u>	<u>Translation Adjustments</u>	<u>Reclassifications and Other</u>	<u>Balance at End of Year</u>
2007	\$ 109.9	21.8	(20.8)	9.5	2.7	\$ 123.1
2006	\$ 86.5	27.4	(14.1)	9.7	0.4	\$ 109.9
2005	\$ 91.4	22.9	(18.3)	(9.2)	0.4	\$ 86.5

**AMENDMENT NO. 3 TO THE  
CREDIT AGREEMENT**

Dated as of November 16, 2007

**AMENDMENT NO. 3 TO THE CREDIT AGREEMENT** among MANPOWER INC., a Wisconsin corporation (the "Borrower"), the banks, financial institutions and other institutional lenders parties to the Credit Agreement referred to below (collectively, the "Lenders"), BNP PARIBAS, as syndication agent, JPMORGAN CHASE BANK, N.A., ROYAL BANK OF SCOTLAND PLC and ING BANK N.V., as documentation agents, CITIGROUP GLOBAL MARKETS INC. and BNP PARIBAS SECURITIES CORP., as joint lead arrangers and joint book managers, and CITIBANK, N.A., as administrative agent (the "Agent") for the Lenders.

**PRELIMINARY STATEMENTS:**

(1) The Borrower, the Lenders and the Agent have entered into a Five Year Credit Agreement dated as of October 8, 2004, and the letter amendment thereto dated as of March 14, 2005 and Amendment No. 2 dated as of January 10, 2006 (such Credit Agreement, as so amended, the "Credit Agreement"). Capitalized terms not otherwise defined in this Amendment have the same meanings as specified in the Credit Agreement.

(2) The Borrower and the Lenders have agreed to further amend the Credit Agreement as hereinafter set forth.

SECTION 1. Amendments to Credit Agreement. The Credit Agreement is, effective as of the date hereof and subject to the satisfaction of the conditions precedent set forth in Section 4, hereby amended as follows:

(a) The definitions of "Consolidated Interest Expense", "Revolving Credit Commitment" and "Termination Date" in Section 1.01 are amended in full to read as follows:

"Consolidated Interest Expense" means, for any period, the excess of (a) total interest expense, whether paid or accrued (including the interest component of Capitalized Leases), of the Borrower and its Consolidated Subsidiaries on a Consolidated basis, including, without limitation, all commissions, discounts and other fees and charges owed with respect to letters of credit and net costs under any agreements providing interest rate protection, but excluding however, amortization of discount, interest paid in property other than cash or any other interest expense not payable in cash over (b) total interest income, in each case as determined in conformity with GAAP.

"Revolving Commitment" means, with respect to any Lender at any time, the amount set forth opposite such Lender's name on Schedule I hereto under the caption "Revolving Commitment" or, if such Lender has entered into one or more Assignment and Acceptances, set forth for such Lender in the Register maintained by the Agent pursuant to Section 8.07(d) as such Lender's "Revolving Commitment", as such amount may be reduced at or prior to such time pursuant to Section 2.06.

“Termination Date” means the earlier of (a) November 16, 2012, and (b) the date of termination in whole of the Revolving Commitments and Letter of Credit Commitments pursuant to Section 2.06 or 6.01.

(b) Section 5.02(f) is amended by amending clause (ii) thereof in full to read as follows:

(ii) other Debt aggregating for all of the Borrower’s Subsidiaries not more than (A) \$300,000,000 at any one time drawn and outstanding during each fiscal quarter ending March 31, June 30 and December 31 in each calendar year and (B) \$600,000,000 at any one time drawn and outstanding during each fiscal quarter ending September 30 in each calendar year.

(c) Schedule I is amended in full to read as set forth on Schedule I to this Amendment.

SECTION 2. Conditions of Effectiveness. This Amendment shall become effective as of the date first above written (the “Amendment Effective Date”) when, and only when, the Agent shall have received counterparts of this Amendment executed by the Borrower and all of the Lenders or, as to any of the Lenders, advice satisfactory to the Agent that such Lender has executed this Amendment and the Agent shall have additionally received all of the following documents, each such document (unless otherwise specified) dated the date of receipt thereof by the Agent (unless otherwise specified) and in sufficient copies for each Lender, in form and substance satisfactory to the Agent (unless otherwise specified) and in sufficient copies for each Lender:

(a) A certificate signed by a duly authorized officer of the Borrower, dated the Amendment Effective Date, stating that:

(i) The representations and warranties contained in Section 4.01 of the Credit Agreement are correct on and as of the Amendment Effective Date, and

(ii) No event has occurred and is continuing that constitutes a Default.

(b) Certified copies of the resolutions of the Board of Directors of the Borrower approving this Amendment, and of all documents evidencing other necessary corporate action and governmental approvals, if any, with respect to this Amendment.

(c) A certificate of the Secretary or an Assistant Secretary of the Borrower certifying the names and true signatures of the officers of the Borrower authorized to sign this Amendment and the other documents to be delivered hereunder.

(d) A favorable opinion of Godfrey & Kahn, S.C., counsel for the Borrower, substantially in the form of Exhibit E to the Credit Agreement and as to such other matters as any Lender Party through the Agent may reasonably request.

SECTION 3. Representations and Warranties of the Borrower The Borrower represents and warrants as follows:

(a) The Borrower is a corporation duly organized, validly existing and in good standing under the laws of the State of Wisconsin.

(b) The execution, delivery and performance by the Borrower of this Amendment and the Credit Agreement, as amended hereby, are within the Borrower's corporate powers, have been duly authorized by all necessary corporate action and do not contravene (i) the Borrower's charter or by-laws or (ii) law or any contractual restriction binding on or affecting the Borrower.

(c) No authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body or any other third party is required for the due execution, delivery or performance by the Borrower of this Amendment or the Credit Agreement, as amended hereby, to which it is or is to be a party.

(d) This Amendment has been duly executed and delivered by the Borrower. This Amendment or the Credit Agreement, as amended hereby, are legal, valid and binding obligations of the Borrower, enforceable against the Borrower in accordance with their respective terms.

(e) There is no pending or, to the knowledge of the Borrower, threatened action, suit, investigation, litigation or proceeding, including, without limitation, any Environmental Action, affecting the Borrower or any of its Subsidiaries before any court, governmental agency or arbitrator that (i) is reasonably likely to have a Material Adverse Effect or (ii) purports to affect the legality, validity or enforceability of this Amendment or the Credit Agreement, as amended hereby.

SECTION 4. Reference to and Effect on the Credit Agreement and the Notes. (a) The parties to this Amendment acknowledge and agree that the Lenders parties to this Amendment are the only Lenders parties to the Credit Agreement after giving effect to this Amendment.

(b) On and after the effectiveness of this Amendment, each reference in the Credit Agreement to "this Agreement", "hereunder", "hereof" or words of like import referring to the Credit Agreement, and each reference in the Notes to "the Credit Agreement", "thereunder", "thereof" or words of like import referring to the Credit Agreement, shall mean and be a reference to the Credit Agreement, as amended by this Amendment.

(c) The Credit Agreement and the Notes, as specifically amended by this Amendment, are and shall continue to be in full force and effect and are hereby in all respects ratified and confirmed.

(d) The execution, delivery and effectiveness of this Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of any Lender or the Agent under the Credit Agreement, nor constitute a waiver of any provision of the Credit Agreement.

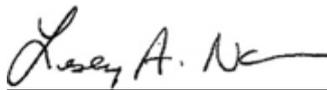
SECTION 5. Costs and Expenses. The Borrower agrees to pay on demand all costs and expenses of the Agent in connection with the preparation, execution, delivery and administration, modification and amendment of this Amendment and the other instruments and documents to be delivered hereunder (including, without limitation, the reasonable fees and expenses of counsel for the Agent) in accordance with the terms of Section 8.04 of the Credit Agreement.

SECTION 6. Execution in Counterparts. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute but one and the same agreement. Delivery of an executed counterpart of a signature page to this Amendment by telecopier shall be effective as delivery of a manually executed counterpart of this Amendment.

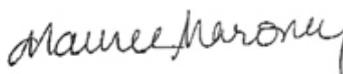
SECTION 7. Governing Law. This Amendment shall be governed by, and construed in accordance with, the laws of the State of New York.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their respective officers thereunto duly authorized, as of the date first above written.

MANPOWER INC.

By   
Title: Vice President & Treasurer

CITIBANK, N. A.,  
as Agent and as Lender

By   
Title: Director

BNP PARIBAS

By /s/ Jo Ellen Bender  
Jo Ellen Bender  
Title: Managing Director

By /s/ Fikret Durmus  
Fikret Durmus  
Title: Vice President

ING BANK N.V.



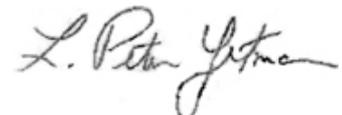
By \_\_\_\_\_  
Title: illegible

JPMORGAN CHASE BANK, N.A.



By \_\_\_\_\_  
Title: Vice President

THE ROYAL BANK OF SCOTLAND PLC



By \_\_\_\_\_  
Title: Senior Vice President

BANK OF AMERICA, N.A.



By \_\_\_\_\_  
Title: Vice President

BARCLAYS BANK PLC

By /s/ Vincent Muldoon  
Title: **Vincent Muldoon** Director – MCT,  
North America

THE BANK OF TOKYO-MITSUBISHI  
UFJ, LTD, formerly The Bank of Tokyo-Mitsubishi, Ltd.,  
Chicago Branch

By /s/ Victor Pierzchalski  
Victor Pierzchalski  
Title: Vice President & Manager

CALYON NEW YORK BRANCH

By /s/ JOSEPH A. PHILBIN

JOSEPH A. PHILBIN

Title: DIRECTOR

By 

Title: Director

MIZUHO CORPORATE BANK, LTD.

By /s/ Raymond Ventura

Raymond Ventura

Title: Deputy General Manager

SOCIETE GENERALE

By /s/ Anne-Marie Dumortier

Anne-Marie Dumortier

Title: Director

SUMITOMO MITSUI BANKING CORPORATION

By 

Title: General Manager

U.S. BANK NATIONAL ASSOCIATION

By /s/ Caroline V. Krider

Title: Caroline V. Krider, VP & Sr. Lender

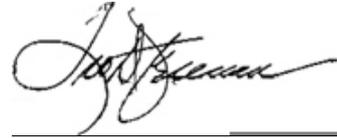
BAYERISCHE HYPO-UND  
VEREINSBANK AG, NEW YORK  
BRANCH

By /s/ Kimberly Sousa

Title: Kimberly Sousa, Director

By /s/ Fabienne Lelievre

Title: Fabienne Lelievre, Director



By \_\_\_\_\_  
Title: Vice President



By \_\_\_\_\_  
Title: Vice President

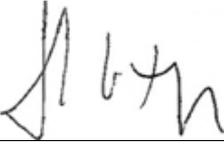
NORDEA BANK FINLAND PLC,  
NEW YORK BRANCH

By /s/ Gerald E. Chellus, Jr.  
Gerald E. Chellus, Jr.  
Title: SVP Credit

By /s/ Leena Parker  
Leena Parker  
Title: Vice President

The parties listed below acknowledge that Schedule I to the Credit Agreement is amended as set forth in the foregoing Amendment and that, after giving effect to the forgoing Amendment, each of the undersigned has no further Commitment under the Credit Agreement:

WACHOVIA BANK, NATIONAL ASSOCIATION

By  \_\_\_\_\_  
Title: Director

PNC BANK, NATIONAL ASSOCIATION

By /s/ Dorothy G. W. Brailer  
Title: Dorothy G. W. Brailer, Vice President

UNICREDITO ITALIANO

By /s/ Nicola Longo Dente  
Title: Nicola Longo Dente, F.V.P

By /s/ Charles Michael  
Title: Charles Michael, V.P.

WELLS FARGO BANK

By /s/ Mark H. Halldorson  
Title: Mark H. Halldorson  
Vice President

By \_\_\_\_\_  
Title:

WELLS FARGO BANK, NATIONAL ASSOCIATION

By /s/ Mark H. Halldorson  
Title: Mark H. Halldorson  
Vice President

By \_\_\_\_\_  
Title:

INTESA SANPAOLO S.p.A.

By /s/ John Michalisin  
Title: John Michalisin, First Vice President

By /s/ Francesco Di Mario  
Title: Francesco Di Mario, First Vice President

SCHEDULE I  
MANPOWER INC.  
FIVE YEAR CREDIT AGREEMENT  
APPLICABLE LENDING OFFICES

<u>Name of Initial Lender</u>	<u>Revolving Credit Commitment</u>	<u>Domestic Lending Office</u>	<u>Eurodollar Lending Office</u>
Bank of America, N.A.	\$ 33,000,000	100 Federal Street Boston, MA 02110 Attn: Vilma Tang T: 925 675-7336 F: 888 969-9285	100 Federal Street Boston, MA 02110 Attn: Vilma Tang T: 925 675-7336 F: 888 969-9285
Bank of Tokyo-Mitsubishi, LTD., Chicago Branch	\$ 33,000,000	Harborside Financial Center 500 Plaza III Jersey City, NJ 07311 Attn: Jimmy Yu T: 201 413-8566 F: 201 521-2335	Harborside Financial Center 500 Plaza III Jersey City, NJ 07311 Attn: Jimmy Yu T: 201 413-8566 F: 201 521-2335
Barclays Bank plc	\$ 33,000,000	1 Churchill Place London E14 5HP UK Attn: Wai Mum Lou T: +44 207 773 6450	1 Churchill Place London E14 5HP UK Attn: Wai Mum Lou T: +44 207 773 6450
Bayerische Hypo-und Vereinsbank AG, New York Branch (as successor to Unicredito Italiano)	\$ 22,000,000	150 East 42 <sup>nd</sup> Street New York, NY 10017 Attn: Tina Chung T: 212 672-5688 F: 212 672-5691	150 East 42 <sup>nd</sup> Street New York, NY 10017 Attn: Tina Chung T: 212 672-5688 F: 212 672-5691
BNP Paribas	\$ 72,500,000	209 S. LaSalle, Suite 500 Chicago, IL 60604 Attn: T: 312 977-2200 F: 312 977-1380	209 S. LaSalle, Suite 500 Chicago, IL 60604 Attn: T: 312 977-2200 F: 312 977-1380
Citibank, N.A.	\$ 72,500,000	Two Penns Way New Castle, DE 19720	Two Penns Way New Castle, DE 19720
Calyon New York Branch	\$ 33,000,000	227 W. Monroe Street, Suite 3800 Chicago, IL 60606 Attn: Joseph A. Philbin T: 312 220-7314 F: 312 804-2105	227 W. Monroe Street, Suite 3800 Chicago, IL 60606 Attn: Joseph A. Philbin T: 312 220-7314 F: 312 804-2105
ING Bank N.V.	\$ 50,000,000	P.O. Box 1800 1000 BV Amsterdam AMP D 02.046 Attn: Execution General Lending T: +31 20 5768412 / +31 20 5635393 F: + 31 20 5658231	P.O. Box 1800 1000 BV Amsterdam AMP D 02.046 Attn: Execution General Lending T: +31 20 5768412 / +31 20 5635393 F: + 31 20 5658231
JPMorgan Chase Bank, N.A. (as successor to Bank One,	\$ 50,000,000	10 South Dearborn Chicago, IL 60603 Attn: Cecily Roland	10 South Dearborn Chicago, IL 60603 Attn: Cecily Roland

NA)		T: 312 732-2016 F: 312 385-7098	T: 312 732-2016 F: 312 385-7098
M&I Marshall and Ilsley Bank	\$ 22,000,000	770 North Water Street; NW18 Milwaukee, WI 53202 Attn: Leo D. Freeman or Thomas Bickelhaupt T: 414 765-7439/7779 F: 414 765-7625	770 North Water Street; NW18 Milwaukee, WI 53202 Attn: Leo D. Freeman or Thomas Bickelhaupt T: 414 765-7439/7779 F: 414 765-7625
Mizuho Corporate Bank, Ltd.	\$ 33,000,000	1251 Avenue of the Americas New York, NY 10020 Attn: Mark Heberer T: 201 626-9105 F: 201 626-9941	1251 Avenue of the Americas New York, NY 10020 Attn: Mark Heberer T: 201 626-9105 F: 201 626-9941
Nordea Bank Finland Plc	\$ 22,000,000	437 Madison Avenue New York, NY 10022 Attn: Jacqueline Ng T: 212 318-9578 F: 212 750-9188	437 Madison Avenue New York, NY 10022 Attn: Jacqueline Ng T: 212 318-9578 F: 212 750-9188
The Royal Bank of Scotland plc	\$ 50,000,000	101 Park Avenue, 10 <sup>th</sup> Floor New York, NY 10178 Attn: Julian Dakin T: 212 401-3784 F: 212 401-3456	65 East 55 <sup>th</sup> Street, 21 <sup>st</sup> Floor New York, NY 10022
Societe Generale	\$ 33,000,000	560 Lexington Avenue New York, NY 10022 Attn: Arlene Tellerman F: 212 278-7490	560 Lexington Avenue New York, NY 10022 Attn: Arlene Tellerman F: 212 278-7490
Sumitomo Mitsui Banking Corporation	\$ 33,000,000	277 Park Avenue New York, NY 10172	277 Park Avenue New York, NY 10172
U.S. Bank, National Association	\$ 33,000,000	777 East Wisconsin Avenue MK-WI-T5CB Milwaukee, WI 53202 Attn: Connie Sweeney T: 920 237-7604 F: 920 237-7993	777 East Wisconsin Avenue MK-WI-T5CB Milwaukee, WI 53202 Attn: Connie Sweeney T: 920 237-7604 F: 920 237-7993
Total:	\$ 625,000,000		

Manpower Inc.  
100 Manpower Place  
Milwaukee, Wisconsin 53212

February 20, 2008

Mr. Jeffrey A. Joerres:

We have agreed as follows with respect to the compensation to be paid and the other benefits to be provided to you in connection with your continuing employment by Manpower Inc. (the "Corporation"):

1. Term. The "Term" will be a period beginning on the date of this letter indicated above and ending on the first to occur of the following: (a) the date two years after the occurrence of a Change of Control, as defined in the letter to you of even date regarding other rights and obligations on termination of your employment; (b) February 20, 2011, if no Change of Control occurs between the date of this letter indicated above and February 20, 2011; or (c) the Date of Termination, as defined in the letter from the Corporation to you of even date regarding other rights and obligations on termination of your employment.

2. Base Compensation. You will be paid a base salary for your services during the Term at the rate of One Million Dollars (\$1,000,000) per year, as may be increased from time to time by the Corporation. Your base compensation will be paid in accordance with the Corporation's regular payroll practices with respect to such compensation as in effect from time to time.

3. Incentive Bonus. You also will be entitled to receive incentive compensation for your services during the Term in accordance with an incentive compensation plan approved and administered by the Executive Compensation Committee of the Board of Directors of the Corporation. Such plan may be amended or replaced from time to time by such Committee, but without your agreement no such action will adversely affect any rights you may have under such plan as of the time of such action.

4. Benefits. During the entire Term, the Corporation will provide you with, and you will be eligible for, all benefits of employment generally made available to the senior executives of the Corporation from time to time (collectively, the "Benefits Plans"), subject to and on a basis consistent with the terms, conditions and overall administration of such Benefit Plans. You will be considered for participation in Benefit Plans which by the terms thereof are discretionary in nature (such as stock option plans) on the same basis as other executive personnel of the

Corporation of similar rank. You also will be entitled to vacations and perquisites in accordance with the Corporation's policies as in effect from time to time for senior executives of the Corporation.

5. Expenses. The Corporation will reimburse to you on a monthly basis for all traveling, hotel, entertainment and other expenses reasonably incurred by you in the proper performance of your duties during the Term, subject to your compliance with the guidelines and regulations concerning expense reimbursement issued by the Corporation.

6. Nondisclosure and Nonsolicitation.

(a) Nondisclosure.

(i) You will not, directly or indirectly, at any time during the term of your employment with the Corporation and its direct or indirect subsidiaries (collectively, the "Manpower Group"), or during the two-year period following your termination of employment with the Manpower Group, for whatever reason, use or possess for yourself or others, or disclose to others, except in the good faith performance of your duties for the Manpower Group any Confidential Information (as defined below), whether or not conceived, developed, or perfected by you and no matter how it became known to you, unless (a) you first secure written consent of the Corporation to such disclosure, possession or use, (b) the same shall have lawfully become a matter of public knowledge other than by your act or omission, or (c) you are ordered to disclose the same by a court of competent jurisdiction or are otherwise required to disclose the same by law, and you promptly notify the Corporation of such disclosure. "Confidential Information" shall mean all business information (whether or not in written form) which relates to any company in the Manpower Group and which is not known to the public generally (absent your disclosure), including but not limited to confidential knowledge, operating instructions, training materials and systems, customer lists, sales records and documents, marketing and sales strategies and plans, market surveys, cost and profitability analyses, pricing information, competitive strategies, personnel-related information, and supplier lists. This obligation will survive the termination of your employment for a period of two years and notwithstanding the foregoing, will not be construed to in any way limit the rights of the Manpower Group to protect Confidential Information which constitute trade secrets under applicable trade secrets law or privileged information even after such two-year period.

(ii) Upon your termination of employment, for whatever reason, with the Manpower Group, or at any other time upon request of the Corporation, you will promptly surrender to the Corporation, or with the permission of the Corporation destroy and certify such destruction to the Corporation, any documents, materials, or computer or electronic records containing any Confidential Information which are in your possession or under your control.

(b) Nonsolicitation of Employees. You agree that you will not, at any time during the term of your employment with the Manpower Group or during the one-year period following your termination, for whatever reason, of employment with the Manpower Group, either on your own account or in conjunction with or on behalf of any other person, company, business entity, or other organization whatsoever, directly or indirectly induce, solicit, entice or procure any person who is a managerial employee of any company in the Manpower Group (but in the event of your termination, any such managerial employee that you have had contact with in the two years prior to your termination) to terminate his or her employment with the Manpower Group so as to accept employment elsewhere or to diminish or curtail the services such person provides to the Manpower Group

(c) Injunction. You recognize that irreparable and incalculable injury will result to the Manpower Group and its businesses and properties in the event of your breach of any of the restrictions imposed by Sections 6(a)—(b), above. You therefore agree that, in the event of any such actual, impending or threatened breach, the Corporation will be entitled, in addition to any other remedies and damages available to, including, but not limited to, provisional or interim measures, including temporary and permanent injunctive relief, without the necessity of posting a bond or other security, from a court of competent jurisdiction restraining the violation, or further violation, of such restrictions by you and by any other person or entity for whom you may be acting or who is acting for you or in concert with you.

7. Successors; Binding Agreement. This letter agreement will be binding on the Corporation and its successors and will inure to the benefit of and be enforceable by your personal or legal representatives, heirs and successors.

8. Notice. Notices and all other communications provided for in this letter will be in writing and will be deemed to have been duly given when delivered in person, sent by telecopy, or two days after mailed by United States registered or certified mail, return receipt requested, postage prepaid, and properly addressed to the other party.

9. No Right to Remain Employed. Nothing contained in this letter will be construed as conferring upon you any right to remain employed by the Corporation or any member of the Manpower Group or affect the right of the Corporation or any member of the Manpower Group to terminate your employment at any time for any reason or no reason, subject to the obligations of the Corporation and the Manpower Group as set forth herein.

10. Modification. No provision of this letter may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing by you and the Corporation.

11. Withholding. The Corporation shall be entitled to withhold from amounts to be paid to you hereunder any federal, state, or local withholding or other taxes or charges which it is, from time to time, required to withhold under applicable law.

12. Applicable Law. This Agreement shall be governed by and interpreted in accordance with the laws of the State of New York, United States of America, without regard to its conflict of law provisions.

13. Previous Agreement. This letter, upon acceptance by you, expressly supersedes that certain letter agreement between you and the Corporation dated February 16, 2005, which primarily concerns your compensation and benefits, and such agreement shall, as of the date of your acceptance, have no further force or effect.

14. Dispute Resolution. Subsection 6(c) to the contrary notwithstanding, the parties shall, to the extent feasible, attempt in good faith to resolve promptly by negotiation any dispute arising out of or relating to your employment by the Manpower Group pursuant to this letter agreement. In the event any such dispute has not been resolved within 30 days after a party's request for negotiation, either party may initiate arbitration as hereinafter provided. For purposes of this Section 14, the party initiating arbitration shall be denominated the "Claimant" and the other party shall be denominated the "Respondent."

- (a) If your principal place of employment with the Manpower Group is outside the United States, any dispute arising out of or relating to this letter agreement, including the breach, termination or validity thereof, shall be finally resolved by arbitration before a sole arbitrator in accordance with the International Institute for Conflict Prevention and Resolution International Rules for Non-Administered Arbitration (the "CPR International Rules") as then in effect. If the parties are unable to select the arbitrator within 30 days after Respondent's receipt of Claimant's Notice of Arbitration and the 30-day deadline has not been extended by the parties' agreement, the arbitrator shall be selected by CPR as provided in CPR International Rule 6. The seat of the arbitration shall be the Borough of Manhattan in the City, County and State of New York, United States of America. The arbitration shall be conducted in the English language. Judgment upon the award rendered by the arbitrator may be entered by any court having jurisdiction thereof. Anything in the foregoing to the contrary notwithstanding, the parties expressly agree that at any time before the arbitrator has been selected and the initial pre-hearing conference provided for in International Rule 9.3 has been held, either of them shall have the right to apply to any court located in Milwaukee County, Wisconsin, United States of America, to whose jurisdiction they agree to submit, or to any other court that otherwise has jurisdiction over the parties, for provisional or interim measures including, but not limited to, temporary or permanent injunctive relief.
- (b) If your principal place of employment with the Manpower Group is within the United States, any dispute arising out of or relating to this letter agreement, including the breach, termination or validity thereof, shall be finally resolved by arbitration before a sole arbitrator in accordance with the International Institute for Conflict Prevention and Resolution Rules for Non-Administered Arbitration

(the "CPR Rules") as then in effect. If the parties are unable to select the arbitrator within 30 days after Respondent's receipt of Claimant's Notice of Arbitration and the 30-day deadline has not been extended by the parties' agreement, the arbitrator shall be selected by CPR as provided in Rule 6 of the CPR Rules. The seat of the arbitration shall be Milwaukee, Wisconsin, United States of America. The arbitration shall be governed by the Federal Arbitration Act, 9 U.S.C. §§ 1 *et seq.* Judgment upon the award rendered by the arbitrator may be entered by any court having jurisdiction thereof. Anything in the foregoing to the contrary notwithstanding, the parties expressly agree that at any time before the arbitrator has been selected and the initial pre-hearing conference has been held as provided in Rule 9.3 of the CPR Rules, either of them shall have the right to apply to any court located in Milwaukee County, Wisconsin, United States of America to whose jurisdiction they agree to submit, or to any other court that otherwise has jurisdiction over the parties, for provisional or interim measures, including, but not limited to, temporary or permanent injunctive relief.

15. Severability. The obligations imposed by Paragraph 6, above, of this agreement are severable and should be construed independently of each other. The invalidity of one such provision shall not affect the validity of any other such provision.

If you are in agreement with the foregoing, please sign and return one copy of this letter which will constitute our agreement with respect to the subject matter of this letter.

Sincerely,

MANPOWER INC.

By: /s/ Michael J. Van Handel  
Michael J. Van Handel, Executive Vice  
President and Chief Financial Officer

Agreed as of the 20th day of February, 2008.

/s/ Jeffrey A. Joerres  
Jeffrey A. Joerres

Manpower Inc.  
100 Manpower Place  
Milwaukee, Wisconsin 53212

February 20, 2008

Mr. Jeffrey A. Joerres:

Manpower Inc. (the "Corporation") desires to retain experienced, well-qualified executives, like you, to assure the continued growth and success of the Corporation and its direct and indirect subsidiaries (collectively, the "Manpower Group"). Accordingly, as an inducement for you to continue your employment in order to assure the continued availability of your services to the Manpower Group, we have agreed as follows:

1. Definitions. For purposes of this letter:

- (a) Cause. Termination by the Manpower Group of your employment with the Manpower Group for "Cause" will mean termination upon (i) your repeated failure to perform your duties with the Manpower Group in a competent, diligent and satisfactory manner as determined by the Executive Compensation Committee of the Board of Directors, (ii) failure or refusal to follow the reasonable instructions or direction of the Board of Directors, which failure or refusal remains uncured, if subject to cure, to the reasonable satisfaction of the Board of Directors for five (5) business days after receiving notice thereof from the Executive Compensation Committee, or repeated failure or refusal to follow the reasonable instructions or directions of the Board of Directors, (iii) any act by you of fraud, material dishonesty or material disloyalty involving the Manpower Group, (iv) any violation by you of a Manpower Group policy of material import, (v) any act by you of moral turpitude which is likely to result in discredit to or loss of business, reputation or goodwill of the Manpower Group, (vi) your chronic absence from work other than by reason of a serious health condition, (vii) your commission of a crime the circumstances of which substantially relate to your employment duties with the Manpower Group, or (viii) the willful engaging by you in conduct which is demonstrably and materially injurious to the Manpower Group. For purposes of this Subsection 1(a), no act, or failure to act, on your part will be deemed "willful" unless done, or omitted to be done, by you not in good faith.

- (b) Change of Control. A “Change of Control” shall mean the first to occur of any of the following:
- (i) the acquisition (other than from the Corporation), by any Person (as defined in Sections 13(d)(3) and 14(d)(2) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), directly or indirectly, of beneficial ownership (within the meaning of Exchange Act Rule 13d-3) of 50% or more of the then outstanding shares of common stock of the Corporation or voting securities representing 50% or more of the combined voting power of the Corporation’s then outstanding voting securities entitled to vote generally in the election of directors; provided, however, no Change of Control shall be deemed to have occurred as a result of an acquisition of shares of common stock or voting securities of the Corporation (A) by the Corporation, any of its subsidiaries, or any employee benefit plan (or related trust) sponsored or maintained by the Corporation or any of its subsidiaries or (B) by any other corporation or other entity with respect to which, following such acquisition, more than 60% of the outstanding shares of the common stock, and voting securities representing more than 60% of the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, of such other corporation or entity are then beneficially owned, directly or indirectly, by the persons who were the Corporation’s shareholders immediately prior to such acquisition in substantially the same proportions as their ownership, immediately prior to such acquisition, of the Corporation’s then outstanding common stock or then outstanding voting securities, as the case may be; or
  - (ii) the consummation of any merger or consolidation of the Corporation with any other corporation, other than a merger or consolidation which results in more than 60% of the outstanding shares of the common stock, and voting securities representing more than 60% of the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, of the surviving or consolidated corporation being then beneficially owned, directly or indirectly, by the persons who were the Corporation’s shareholders immediately prior to such merger or consolidation in substantially the same proportions as their ownership, immediately prior to such merger or consolidation, of the Corporation’s then outstanding common stock or then outstanding voting securities, as the case may be; or
  - (iii) the consummation of any liquidation or dissolution of the Corporation or a sale or other disposition of all or substantially all of the assets of the Corporation; or

- (iv) individuals who, as of the date of this letter, constitute the Board of Directors of the Corporation (as of such date, the “Incumbent Board”) cease for any reason to constitute at least a majority of such Board; provided, however, that any person becoming a director subsequent to the date of this letter whose election, or nomination for election by the shareholders of the Corporation, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board shall be, for purposes of this letter, considered as though such person were a member of the Incumbent Board but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest which was (or, if threatened, would have been) subject to Exchange Act Rule 14a-11; or
- (v) whether or not conditioned on shareholder approval, the issuance by the Corporation of common stock of the Corporation representing a majority of the outstanding common stock, or voting securities representing a majority of the combined voting power of the outstanding voting securities of the Corporation entitled to vote generally in the election of directors, after giving effect to such transaction.

Following the occurrence of an event which is not a Change of Control whereby there is a successor holding company to the Corporation, or, if there is no such successor, whereby the Corporation is not the surviving corporation in a merger or consolidation, the surviving corporation or successor holding company (as the case may be), for purposes of this letter, shall thereafter be referred to as the Corporation.

- (c) Good Reason. “Good Reason” will mean, without your consent, the occurrence of any one or more of the following during the Term:
  - (i) a material diminution in your authority, duties or responsibilities;
  - (ii) any material breach of this agreement by the Corporation or of any material obligation of any member of the Manpower Group for the payment or provision of compensation or other benefits to you;
  - (iii) a material diminution in your base salary or a failure by the Manpower Group to provide an arrangement for you for any fiscal year of the Manpower Group giving you the opportunity to earn an incentive bonus for such year;
  - (iv) your being required by the Corporation to materially change the location of your principal office; provided such new location is one in excess of fifty miles from the location of your principal office before such change; or

- (v) a material diminution in your annual target bonus opportunity for a given fiscal year within two years after the occurrence of a Change of Control, as compared to the annual target bonus opportunity for the fiscal year immediately preceding the fiscal year in which a Change of Control occurred.

Notwithstanding Subsections 1(c)(i) – (v) above, Good Reason does not exist unless (i) you object to any material diminution or breach described above by written notice to the Corporation within twenty (20) business days after such diminution or breach occurs, (ii) the Corporation fails to cure such diminution or breach within thirty (30) days after such notice is given and (iii) your employment with the Manpower Group is terminated by you within ninety (90) days after such diminution or breach occurs.

- (c) Notice of Termination. Any termination of your employment by the Corporation, or termination by you for Good Reason during the Term will be communicated by Notice of Termination to the other party hereto. A “Notice of Termination” will mean a written notice which specifies a Date of Termination (which date shall be on or after the date of the Notice of Termination) and, if applicable, indicates the provision in this letter applying to the termination and sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of your employment under the provision so indicated.
- (d) Date of Termination. “Date of Termination” will mean the date specified in the Notice of Termination where required (which date shall be on or after the date of the Notice of Termination) or in any other case upon your ceasing to perform services for the Manpower Group.
- (e) Term. The “Term” will be a period beginning on the date of this letter indicated above and ending on the first to occur of the following: (a) the date two years after the occurrence of a Change of Control; (b) February 20, 2011, if no Change of Control occurs between the date of this letter indicated above and February 20, 2011; and (c) the Date of Termination.
- (f) Benefit Plans. “Benefit Plans” means all benefits of employment generally made available to the executives of the Corporation from time to time.
- (g) Compensation Agreement. The “Compensation Agreement” means the letter of even date from the Corporation to you, as accepted by you, regarding your compensation and benefits.
- (h) Protected Period. The “Protected Period” shall be a period of time determined in accordance with the following:

- (i) if a Change of Control is triggered by an acquisition of shares of common stock of the Corporation pursuant to a tender offer, the Protected Period shall commence on the date of the initial tender offer and shall continue through and including the date of the Change of Control, provided that in no case will the Protected Period commence earlier than the date that is six months prior to the Change of Control;
- (ii) if a Change of Control is triggered by merger or consolidation of the Corporation with any other corporation, the Protected Period shall commence on the date that serious and substantial discussions first take place to effect the merger or consolidation and shall continue through and including the date of the Change of Control, provided that in no case will the Protected Period commence earlier than the date that is six months prior to the Change of Control; and
- (iii) in the case of any Change of Control not described in clauses (i) or (ii), above, the Protected Period shall commence on the date that is six months prior to the Change of Control and shall continue through and including the date of the Change of Control.

2. Compensation and Benefits on Termination.

- (a) Termination by the Corporation for Cause or by You Other Than for Good Reason. If your employment with the Manpower Group is terminated by the Corporation for Cause or by you other than for Good Reason, the Corporation will pay you or provide you with (i) your full base salary as then in effect through the Date of Termination, (ii) your unpaid bonus, if any, attributable to any complete fiscal year of the Manpower Group ended before the Date of Termination and (iii) all benefits to which you are entitled under any Benefit Plans in accordance with the terms of such plans. The Manpower Group will have no further obligations to you.
- (b) Termination of Reason of Disability or Death. If your employment with the Manpower Group terminates during the Term by reason of your disability or death, the Corporation will pay you or provide you with (i) your full base salary as then in effect through the Date of Termination, (ii) your unpaid bonus, if any, attributable to any complete fiscal year ended before the Date of Termination; (iii) a bonus for the fiscal year during which the Date of Termination occurs equal to your target annual bonus for the fiscal year in which the Date of Termination occurs, but prorated for the actual number of days you were employed during such fiscal year, payable within sixty days after the Date of Termination, and (iv) all benefits to which you are entitled under any Benefit Plans in accordance with the terms of such plans. For purposes of this letter, "disability" means that you (i) are unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to

result in death or can be expected to last for a continuous period of not less than twelve months, or (ii) are, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve months, receiving income replacement benefits for a period of not less than three months under an accident and health plan covering employees of the Corporation or the Manpower Group. The Manpower Group will have no further obligations to you.

(c) Termination for Any Other Reason.

- (i) If, during the Term and either during a Protected Period or within two years after the occurrence of a Change of Control, your employment with the Manpower Group is terminated for any reason not specified in Subsections 2(a) or (b), above, you will be entitled to the following:”
- (A) the Corporation will pay you your full base salary through the Date of Termination at the rate in effect at the time Notice of Termination is given;
  - (B) the Corporation will pay you your unpaid bonus, if any, attributable to any complete fiscal year of the Manpower Group ended before the Date of Termination;
  - (C) the Corporation will pay you, a bonus for the fiscal year during which the Date of Termination occurs equal in amount to your target annual bonus for the fiscal year in which the Change of Control occurs;
  - (D) the Corporation will pay as a severance benefit to you a lump-sum payment equal to three times the sum of (i) your annual base salary at the highest rate in effect during the Term and (ii) your target annual bonus for the fiscal year in which the Change of Control occurs; and
  - (E) for up to an eighteen-month period after the Date of Termination, the Corporation will arrange to provide you and your eligible dependents, at the Corporation’s expense, with Health Insurance Continuation (defined below) or other substantially similar coverage, in which you were participating on the Date of Termination; provided, however, that benefits otherwise receivable by you pursuant to this Subsection 2(c)(i)(E) will be reduced to the extent other comparable benefits are actually received by you during the eighteen-month period following your termination, and any such benefits actually received by you or your dependents will be reported to the Corporation; and

provided, further that any insurance continuation coverage that you may be entitled to receive under the Consolidated Omnibus Budget Reconciliation Act of 1986, as amended (“COBRA”), or similar foreign or state laws will commence on the Date of Termination.

For purposes of this Subsection 2(c)(i)(E), “Health Insurance Continuation” means that, if, and to the extent, you or any of your eligible dependents, following the Date of Termination, elect to continue coverage under the Corporation’s group medical and dental insurance plans, in accordance with the requirements of COBRA or similar foreign or state laws, the Manpower Group will pay the total cost of such COBRA coverage for the first eighteen months for which you and/or your eligible dependents are eligible for such coverage; provided, however, that if you, your spouse or any other eligible dependant commences new employment during such eighteen-month period and becomes eligible for health insurance benefits from such new employer, the Corporation’s obligation to provide such Corporation-subsidized COBRA coverage to you or such eligible dependant shall terminate as of the date you or such dependant becomes eligible to receive such health insurance benefits from such new employer. Immediately following this period of Corporation-subsidized COBRA coverage, you and/or your eligible dependents, as applicable, will be solely responsible for payment of the entire cost of COBRA coverage if such coverage remains available and you and/or your eligible dependents choose to continue such coverage. Within five calendar days of you or any of your eligible dependents becoming eligible to receive health insurance benefits from a new employer, you agree to inform the Corporation of such fact in writing. If the Manpower Group determines that the Corporation-subsidized COBRA payments provided by this Subsection 2(c)(i)(E) are taxable, the payments will be grossed-up so that the net amount received by you, after subtraction of all taxes applicable to the payments plus the gross-up amount, will equal the cost of such COBRA coverage

- (ii) If your employment with the Manpower Group is terminated during the Term for any reason not specified in Subsections 2(a) or (b), above, and Subsection 2(c)(i), above, does not apply to the termination, you will be entitled to the following:
  - (A) the Corporation will pay you your full base salary through the Date of Termination at the rate in effect at the time Notice of Termination is given;

- (B) the Corporation will pay you your unpaid bonus, if any, attributable to any complete fiscal year of the Manpower Group ended before the Date of Termination;
- (C) the Corporation will pay you, a bonus for the fiscal year during which the Date of Termination occurs equal in amount to the bonus you would have received for the full fiscal year had your employment not terminated, determined by the actual financial results of the Corporation at year-end towards any non-discretionary financial goals and by basing any discretionary component at the target level of such component; provided, however, that such bonus will be prorated for the actual number of days you were employed during the fiscal year during which the Date of Termination occurs
- (D) the Corporation will pay as a severance benefit to you a lump-sum payment equal to the amount of your annual base salary at the highest rate in effect during the Term plus your target annual bonus for the fiscal year in which the Date of Termination occurs, provided, however, that such payment will not exceed two and one-half times the amount of your base salary as then in effect; and
- (E) for up to a twelve—month period after the Date of Termination, the Corporation will arrange to provide you and your eligible dependents with Health Insurance Continuation (defined below); provided, however, that benefits otherwise receivable by you pursuant to this Subsection 2(c)(ii)(E) will be reduced to the extent other comparable benefits are actually received by you during the twelve-month period following your termination, and any such benefits actually received by you or your dependents will be reported to the Corporation; and provided, further that any insurance continuation coverage that you may be entitled to receive under COBRA or similar foreign or state laws will commence on the Date of Termination.

For purposes of this Subsection 2(c)(ii)(E), “Health Insurance Continuation” means that, if, and to the extent, you or any of your eligible dependents, following the Date of Termination, elect to continue coverage under the Corporation’s group medical and dental insurance plans, in accordance with the requirements of COBRA or similar foreign or state laws, the Manpower Group will pay the normal monthly employer’s cost of coverage under the Corporation’s group medical and dental insurance plans toward such COBRA coverage for the first twelve months for

which you and/or your eligible dependents are eligible for such coverage; provided, however, that if you, your spouse or any other eligible dependant commences new employment during such twelve-month period and becomes eligible for health insurance benefits from such new employer, the Corporation's obligation to provide such Corporation-subsidized COBRA coverage to you or such eligible dependant shall terminate as of the date you or such dependant becomes eligible to receive such health insurance benefits from such new employer. During this period of Corporation-subsidized COBRA coverage, you will be responsible for paying the balance of any costs not paid for by the Manpower Group under this Subsection 2(c)(ii)(E) which are associated with your participation in the Corporation's medical and dental insurance plans and your failure to pay such costs may result in the termination of your participation in such plans. The Corporation may deduct from any amounts payable to you under this Subsection 2(c)(ii) any amounts that you are responsible to pay for Health Insurance Continuation under this Subsection 2(c)(ii)(E). Immediately following this period of Corporation-subsidized COBRA coverage, you and/or your eligible dependents, as applicable, will be solely responsible for payment of the entire cost of COBRA coverage if such coverage remains available and you and/or your eligible dependents choose to continue such coverage. Within five calendar days of you or any of your eligible dependents becoming eligible to receive health insurance benefits from a new employer, you agree to inform the Corporation of such fact in writing. If the Manpower Group determines that the Corporation-subsidized COBRA payments provided by this Subsection 2(c)(ii)(E) are taxable, the payments will be grossed-up so that the net amount received by you, after subtraction of all taxes applicable to the payments plus the gross-up amount, will equal the cost of such COBRA coverage.

The amounts paid to you pursuant to Subsections 2(c)(i)(D) or 2(c)(ii)(D) will not be included as compensation for purposes of any qualified or nonqualified pension or welfare benefit plan of the Manpower Group.

(d) Golden Parachute Tax.

- (i) Notwithstanding anything contained in this letter to the contrary, in the event that any payment or distribution to or for your benefit pursuant to the terms of this letter (the "Severance Payments"), after taking into any other "parachute payments" within the meaning of Section 280G of the Internal Revenue Code of 1986, as amended (the "Code") payable to you by the Corporation under any other plan, agreement or

otherwise as well (the "Other Payments"), would be subject to the excise tax imposed by Section 4999 of the Code, or any interest or penalties are incurred by you with respect to such excise tax (such excise tax on the Severance Payments and the Other Payments, together with any interest and penalties, are collectively referred to as the "Excise Tax"), then you shall be entitled to receive an additional payment (a "Gross-Up Payment") in an amount such that after payment by you of all taxes (including any interest or penalties imposed with respect to such taxes), including any Excise Tax, imposed upon the Gross-Up Payment, you retain an amount of the Gross-Up Payment equal to the Excise Tax imposed upon the Severance Payments and the Other Payments.

- (ii) A determination shall be made as to whether and when a Gross-Up Payment is required pursuant to this Subsection 2(d) and the amount of such Gross-Up Payment, such determination to be made within fifteen business days of the Date of Termination, or such other time as requested by the Corporation or by you (provided you reasonably believe that any of the Severance Payments may be subject to the Excise Tax). Such determination shall be made by a national independent accounting firm selected by you (the "Accounting Firm"). All fees, costs and expenses (including, but not limited to, the cost of retaining experts) of the Accounting Firm shall be borne by the Corporation and the Corporation shall pay such fees, costs and expenses as they become due. The Accounting Firm shall provide detailed supporting calculations, acceptable to you, both to the Corporation and you. The Gross-Up Payment, if any, as determined pursuant to this Subsection 2(d)(ii) shall be paid by the Corporation to you within five business days of the receipt of the Accounting Firm's determination. Any such initial determination by the Accounting Firm of whether or when a Gross-Up Payment is required and, if such a payment is required, the amount thereof shall be binding upon the Corporation and you subject to the application of Subsection 2(d)(iii).
- (iii) As a result of the uncertainty in the application of Sections 4999 and 280G of the Code, it is possible that a Gross-Up Payment (or a portion thereof) will be paid which should not have been paid (an "Overpayment") or a Gross-Up Payment (or a portion thereof) which should have been paid will not have been paid (an "Underpayment"). An Underpayment shall be deemed to have occurred upon notice (formal or informal) to you from any governmental taxing authority that your tax liability (whether in respect of your then current taxable year or in respect of any prior taxable year) may be increased by reason of the imposition of the Excise Tax on the Severance Payments or Other Payments with respect to which the Corporation has failed to

make a sufficient Gross-Up Payment. An Overpayment shall be deemed to have occurred upon a "Final Determination" (as hereinafter defined) that the Excise Tax shall not be imposed upon the Severance Payments or the Other Payments with respect to which you had previously received a Gross-Up Payment. A Final Determination shall be deemed to have occurred when you have received from the applicable governmental taxing authority a refund of taxes or other reduction in your tax liability by reason of the Overpayment and upon either (A) the date a determination is made by, or an agreement is entered into with, the applicable governmental taxing authority which finally and conclusively binds you and such taxing authority, or in the event that a claim is brought before a court of competent jurisdiction, the date upon which a final determination has been made by such court and either all appeals have been taken and finally resolved or the time for all appeals has expired or (B) the expiration of the statute of limitations with your applicable tax return. If an Underpayment occurs, you shall promptly notify the Corporation and the Corporation shall pay to you at least five business days prior to the date on which the applicable governmental taxing authority has requested payment, an additional Gross-Up Payment equal to the amount of the Underpayment plus any interest and penalties imposed on the Underpayment. If an Overpayment occurs, the amount of the Overpayment shall be treated as a loan by the Corporation to you and you shall, within ten business days of the occurrence of such Overpayment, pay to the Corporation the amount of the Overpayment plus interest at an annual rate equal to the rate provided for in Section 1274(b)(2)(B) of the Code from the date the Gross-Up Payment (to which the Overpayment relates) was paid to you.

- (iv) Notwithstanding anything contained in this letter to the contrary, in the event it is determined that an Excise Tax will be imposed on any of the Severance Payments or Other Payments, the Corporation shall pay to the applicable governmental taxing authorities as Excise Tax withholding, the amount of the Excise Tax that the Corporation has actually withheld from the Severance Payments or Other Payments.
- (e) Payment. The payments provided for in Subsection 2(c)(i)(A) or 2(c)(ii)(A), above, will be made no later than required by applicable law. The bonus payment provided for in Subsection 2(c)(i)(B) or 2(c)(ii)(B) will be made pursuant to the terms of the applicable bonus plan. The bonus payment provided for in Subsection 2(c)(i)(C) will be paid no later than thirty (30) days after the Date of Termination. The bonus payment provided for in Subsection 2(c)(ii)(C) will be between January 1 and March 15 of the calendar year following the Date of Termination. The severance benefit provided for in Subsection 2(c)(i)(D) or 2(c)(ii)(D) will be paid in one lump sum no later than thirty (30) days after the

Date of Termination. While the parties acknowledge that the payments in the previous two sentences are intended to be “short-term deferrals” and therefore are exempt from the application of Section 409A of the Code, to the extent (i) further guidance or interpretation is issued by the IRS after the date that of this letter agreements which would indicate that the payments do not qualify as “short-term deferrals,” and (ii) you are a “specified employee” within the meaning of Section 409A(a)(2)(B)(i) of the Code upon the Date of Termination, such payments shall be delayed and instead shall be paid in one lump sum on the date that is six months after the Date of Termination. If any of such payment is not made when due (hereinafter a “Delinquent Payment”), in addition to such principal sum, the Corporation will pay you interest on any and all such Delinquent Payments from the date due computed at the prime rate, compounded monthly. Such prime rate shall be the prime rate (currently the base rate on corporate loans posted by at least 75% of the 30 largest U.S. banks) in effect from time to time as reported in *The Wall Street Journal*, Midwest edition (or, if not so reported, as reported in such other similar source(s) as the Corporation shall select).

- (f) Release of Claims. Notwithstanding the foregoing, you shall have no right to receive any payment or benefit described in Subsections 2(c)(i)(C)-(E) or 2(c)(ii)(C)-(E), above, unless and until you execute, and there shall be effective following any statutory period for revocation, a release, in a form reasonably acceptable to the Corporation, that irrevocably and unconditionally releases, waives, and fully and forever discharges the Manpower Group and its past and current directors, officers, stockholders, members, partners, employees, and agents from and against any and all claims, liabilities, obligations, covenants, rights, demands and damages of any nature whatsoever, whether known or unknown, anticipated or unanticipated, relating to or arising out of your employment with the Manpower Group, including without limitation claims arising under the Age Discrimination in Employment Act of 1967, as amended, Title VII of the Civil Rights Act of 1964, as amended, and the Civil Rights Act of 1991, but excluding any claims covered under any applicable workers’ compensation act.
- (g) Forfeiture. Notwithstanding the foregoing, your right to receive the payments and benefits to be provided to you under this Section 2 beyond those described in Subsection 2(a), above, is conditioned upon your performance of the obligations stated in Section 3, below, and in Section 6 of the Compensation Agreement, and upon your breach of any such obligations, you will immediately return to the Corporation the amount of such payments and benefits and you will no longer have any right to receive any such payments or benefits.

3. Noncompetition Agreement.

- (a) Noncompetition. During the term of your employment with the Manpower Group, you will not assist any competitor of any company in the Manpower

Group in any capacity. During the one-year period which immediately follows the termination, for whatever reason, of your employment with the Manpower Group:

- (i) You will not, directly or indirectly, contact any customer or prospective customer of the Corporation with whom you have had contact on behalf of the Corporation during the two-year period preceding the Date of Termination or any customer or prospective customer about whom you obtained confidential information in connection with your employment by the Corporation during such two-year period so as to cause or attempt to cause such customer or prospective customer of the Corporation not to do business or to reduce such customer's business with the Corporation or divert any business from the Corporation.
  - (ii) You will not, directly or indirectly, provide services or assistance of a nature similar to the services you provided to the Manpower Group during the two-year period immediately preceding the Date of Termination to any entity engaged in the business of providing temporary staffing services anywhere in the United States or any other country in which the Manpower Group conducts business as of the Date of Termination which has, together with its affiliated entities, annual revenues from such business in excess of \$500,000,000 or (ii) engaged in the business of providing permanent placement, professional staffing, outplacement or human resources consulting services anywhere in the United States or any other country in which the Manpower Group conducts business as of the Date of Termination which has, together with its affiliated entities, annual revenues from such business in excess of US \$250,000,000. You acknowledge that the scope of this limitation is reasonable in that, among other things, providing any such services or assistance during such one-year period would permit you to use unfairly your close identification with the Manpower Group and the customer contacts you developed while employed by the Manpower Group and would involve the use or disclosure of confidential information pertaining to the Manpower Group.
- (b) Injunction. You recognize that irreparable and incalculable injury will result to the Manpower Group and its businesses and properties in the event of your breach of any of the restrictions imposed by Subsection 3(a), above. You therefore agree that, in the event of any such actual, impending or threatened breach, the Corporation will be entitled, in addition to the remedies set forth in Subsection 2(g), above (which the parties agree would not be an adequate remedy), and any other remedies and damages, to, including, but not limited to provisional or interim measures, including temporary and permanent injunctive relief, without the necessity of posting a bond or other security, from a court of competent jurisdiction restraining the violation, or further violation, of such restrictions by you and by any other person or entity for whom you may be acting or who is acting for you or in concert with you.

- (c) Equitable Extension. The duration of any restriction in Section 3(a) above will be extended by any period during which such restriction is violated by you.
- (d) Nonapplication. Notwithstanding the above, this Section 3 will not apply if your employment with the Corporation is terminated by you for Good Reason or by the Corporation without Cause either during a Protected Period or within two years after the occurrence of a Change of Control.
4. Unemployment Compensation. The severance benefits provided for in Subsection 2(c)(i)(D) will be assigned for unemployment compensation benefit purposes to the three-year period following the Date of Termination, and the severance benefits provided for in Subsection 2(c)(ii)(D) will be assigned for unemployment compensation purposes to the one-year period following the Date of Termination, and you will be ineligible to receive, and you agree not to apply for, unemployment compensation during such periods.
5. Nondisparagement. Upon your termination, for whatever reason, of employment with the Corporation, the Corporation agrees that its directors and officers, during their employment by or service to the Manpower Group, will refrain from making any statements that disparage or otherwise impair your reputation or commercial interests. Upon your termination, for whatever reason, of employment with the Manpower Group, you agree to refrain from making any statements that disparage or otherwise impair the reputation, goodwill, or commercial interests of the Manpower Group, or its officers, directors, or employees. However, the foregoing will not preclude the Corporation from providing truthful information about you concerning your employment or termination of employment with the Manpower Group in response to an inquiry from a prospective employer in connection with your possible employment, and will not preclude either party from providing truthful testimony pursuant to subpoena or other legal process or in the course of any proceeding that may be commenced for purposes of enforcing this letter agreement.
6. Successors; Binding Agreement. This letter agreement will be binding on the Corporation and its successors and will inure to the benefit of and be enforceable by your personal or legal representatives, heirs and successors.
7. Notice. Notices and all other communications provided for in this letter will be in writing and will be deemed to have been duly given when delivered in person, sent by telecopy, or two days after mailed by United States registered or certified mail, return receipt requested, postage prepaid, and properly addressed to the other party.
8. No Right to Remain Employed. Nothing contained in this letter will be construed as conferring upon you any right to remain employed by the Corporation or any member of

the Manpower Group or affect the right of the Corporation or any member of the Manpower Group to terminate your employment at any time for any reason or no reason, with or without cause, subject to the obligations of the Corporation and the Manpower Group as set forth herein.

9. Modification. No provision of this letter may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing by you and the Corporation.
10. Withholding. The Corporation shall be entitled to withhold from amounts to be paid to you hereunder any federal, state, or local withholding or other taxes or charges which it is, from time to time, required to withhold under applicable law.
11. Applicable Law. This Agreement shall be governed by and interpreted in accordance with the laws of the State of New York, United States of America, without regard to its conflict of law provisions.
12. Reduction of Amounts Due Under Law. You agree that any severance payment (*i.e.*, any payment other than a payment for salary through your Date of Termination or for a bonus earned in the prior fiscal year but not yet paid) to you pursuant to this agreement will be counted towards any severance type payments otherwise due you under law. By way of illustration, English law requires notice period of one (1) week for every year of service up to a maximum of twelve (12) weeks of notice. In the event you are terminated without notice and you would otherwise be entitled to a severance payment hereunder, such severance payment will be considered to be payment in lieu of such notice.
13. Previous Agreement. This letter, upon acceptance by you, expressly supersedes that certain letter agreement between you and the Corporation dated February 16, 2005, as amended, which primarily concerns rights and obligations upon your termination of employment, and such agreement shall, as of the date of your acceptance, have no further force or effect.
14. Dispute Resolution. Subsection 3(b) to the contrary notwithstanding, the parties shall, to the extent feasible, attempt in good faith to resolve promptly by negotiation any dispute arising out of or relating to your employment by the Manpower Group pursuant to this letter agreement. In the event any such dispute has not been resolved within 30 days after a party's request for negotiation, either party may initiate arbitration as hereinafter provided. For purposes of this Section 14, the party initiating arbitration shall be denominated the "Claimant" and the other party shall be denominated the "Respondent."
  - (a) If your principal place of employment with the Manpower Group is outside the United States, any dispute arising out of or relating to this letter agreement, including the breach, termination or validity thereof, shall be finally resolved by arbitration before a sole arbitrator in accordance with the International Institute for Conflict Prevention and Resolution International Rules for Non-Administered

Arbitration (the “CPR International Rules”) as then in effect. If the parties are unable to select the arbitrator within 30 days after Respondent’s receipt of Claimant’s Notice of Arbitration and the 30-day deadline has not been extended by the parties’ agreement, the arbitrator shall be selected by CPR as provided in CPR International Rule 6. The seat of the arbitration shall be the Borough of Manhattan in the City, County and State of New York, United States of America. The arbitration shall be conducted in the English language. Judgment upon the award rendered by the arbitrator may be entered by any court having jurisdiction thereof. Anything in the foregoing to the contrary notwithstanding, the parties expressly agree that at any time before the arbitrator has been selected and the initial pre-hearing conference provided for in International Rule 9.3 has been held, either of them shall have the right to apply to any court located in Milwaukee County, Wisconsin, United States of America, to whose jurisdiction they agree to submit, or to any other court that otherwise has jurisdiction over the parties, for provisional or interim measures including, but not limited to, temporary or permanent injunctive relief.

(b) If your principal place of employment with the Manpower Group is within the United States, any dispute arising out of or relating to this letter agreement, including the breach, termination or validity thereof, shall be finally resolved by arbitration before a sole arbitrator in accordance with the International Institute for Conflict Prevention and Resolution Rules for Non-Administered Arbitration (the “CPR Rules”) as then in effect. If the parties are unable to select the arbitrator within 30 days after Respondent’s receipt of Claimant’s Notice of Arbitration and the 30-day deadline has not been extended by the parties’ agreement, the arbitrator shall be selected by CPR as provided in Rule 6 of the CPR Rules. The seat of the arbitration shall be Milwaukee, Wisconsin, United States of America. The arbitration shall be governed by the Federal Arbitration Act, 9 U.S.C. §§ 1 *et seq.* Judgment upon the award rendered by the arbitrator may be entered by any court having jurisdiction thereof. Anything in the foregoing to the contrary notwithstanding, the parties expressly agree that at any time before the arbitrator has been selected and the initial pre-hearing conference has been held as provided in Rule 9.3 of the CPR Rules, either of them shall have the right to apply to any court located in Milwaukee County, Wisconsin, United States of America to whose jurisdiction they agree to submit, or to any other court that otherwise has jurisdiction over the parties, for provisional or interim measures, including, but not limited to, temporary or permanent injunctive relief.

15. Severability. The obligations imposed by Paragraph 3(a) above, of this agreement are severable and should be construed independently of each other. The invalidity of one such provision shall not affect the validity of any other such provision.

If you are in agreement with the foregoing, please sign and return one copy of this letter which will constitute our agreement with respect to the subject matter of this letter.

Sincerely,

MANPOWER INC.

By: /s/ Michael J. Van Handel  
Michael J. Van Handel, Executive Vice President and Chief  
Financial Officer

Agreed as of the 20th day of February, 2008.

/s/ Jeffrey A. Joerres  
Jeffrey A. Joerres

Manpower Inc.  
100 Manpower Place  
Milwaukee, Wisconsin 53212

February 20, 2008

Mr. Michael Van Handel:

We have agreed as follows with respect to the compensation to be paid and the other benefits to be provided to you in connection with your continuing employment by Manpower Inc. (the "Corporation"):

1. Term. The "Term" will be a period beginning on the date of this letter indicated above and ending on the first to occur of the following: (a) the date two years after the occurrence of a Change of Control, as defined in the letter to you of even date regarding other rights and obligations on termination of your employment; (b) February 20, 2011, if no Change of Control occurs between the date of this letter indicated above and February 20, 2011; or (c) the Date of Termination, as defined in the letter from the Corporation to you of even date regarding other rights and obligations on termination of your employment.

2. Base Compensation. You will be paid a base salary for your services during the Term at the rate of Five Hundred Thousand (\$500,000) per year, as may be increased from time to time by the Corporation. Your base compensation will be paid in accordance with the Corporation's regular payroll practices with respect to such compensation as in effect from time to time.

3. Incentive Bonus. You also will be entitled to receive incentive compensation for your services during the Term in accordance with an incentive compensation plan approved and administered by the Executive Compensation Committee of the Board of Directors of the Corporation. Such plan may be amended or replaced from time to time by such Committee, but without your agreement no such action will adversely affect any rights you may have under such plan as of the time of such action.

4. Benefits. During the entire Term, the Corporation will provide you with, and you will be eligible for, all benefits of employment generally made available to the executives of the Corporation from time to time (collectively, the "Benefits Plans"), subject to and on a basis consistent with the terms, conditions and overall administration of such Benefit Plans. You will be considered for participation in Benefit Plans which by the terms thereof are discretionary in nature (such as stock option plans) on the same basis as other executive personnel of the Corporation of similar rank. You also will be entitled to vacations and perquisites in accordance with the Corporation's policies as in effect from time to time for executives of the Corporation.

5. Expenses. The Corporation will reimburse to you on a monthly basis for all traveling, hotel, entertainment and other expenses reasonably incurred by you in the proper performance of your duties during the Term, subject to your compliance with the guidelines and regulations concerning expense reimbursement issued by the Corporation.

6. Nondisclosure and Nonsolicitation.

(a) Nondisclosure.

(i) You will not, directly or indirectly, at any time during the term of your employment with the Corporation and its direct or indirect subsidiaries (collectively, the "Manpower Group"), or during the two-year period following your termination of employment with the Manpower Group, for whatever reason, use or possess for yourself or others, or disclose to others, except in the good faith performance of your duties for the Manpower Group any Confidential Information (as defined below), whether or not conceived, developed, or perfected by you and no matter how it became known to you, unless (a) you first secure written consent of the Corporation to such disclosure, possession or use, (b) the same shall have lawfully become a matter of public knowledge other than by your act or omission, or (c) you are ordered to disclose the same by a court of competent jurisdiction or are otherwise required to disclose the same by law, and you promptly notify the Corporation of such disclosure. "Confidential Information" shall mean all business information (whether or not in written form) which relates to any company in the Manpower Group and which is not known to the public generally (absent your disclosure), including but not limited to confidential knowledge, operating instructions, training materials and systems, customer lists, sales records and documents, marketing and sales strategies and plans, market surveys, cost and profitability analyses, pricing information, competitive strategies, personnel-related information, and supplier lists. This obligation will survive the termination of your employment for a period of two years and notwithstanding the foregoing, will not be construed to in any way limit the rights of the Manpower Group to protect Confidential Information which constitute trade secrets under applicable trade secrets law or privileged information even after such two-year period.

(ii) Upon your termination of employment, for whatever reason, with the Manpower Group, or at any other time upon request of the Corporation, you will promptly surrender to the Corporation, or with the permission of the Corporation destroy and certify such destruction to the Corporation, any documents, materials, or computer or electronic records containing any Confidential Information which are in your possession or under your control.

(b) Nonsolicitation of Employees. You agree that you will not, at any time during the term of your employment with the Manpower Group or during the one-year period following your termination, for whatever reason, of employment with the Manpower Group, either on your own account or in conjunction with or on behalf of any other person, company, business entity, or other organization whatsoever, directly or indirectly induce, solicit, entice or procure any person who is a managerial employee of any company in the Manpower Group (but in the event of your termination, any such managerial employee that you have had contact with in the two years prior to your termination) to terminate his or her employment with the Manpower Group so as to accept employment elsewhere or to diminish or curtail the services such person provides to the Manpower Group

(c) Injunction. You recognize that irreparable and incalculable injury will result to the Manpower Group and its businesses and properties in the event of your breach of any of the restrictions imposed by Sections 6(a)—(b), above. You therefore agree that, in the event of any such actual, impending or threatened breach, the Corporation will be entitled, in addition to any other remedies and damages available to, including, but not limited to, provisional or interim measures, including temporary and permanent injunctive relief, without the necessity of posting a bond or other security, from a court of competent jurisdiction restraining the violation, or further violation, of such restrictions by you and by any other person or entity for whom you may be acting or who is acting for you or in concert with you.

7. Successors; Binding Agreement. This letter agreement will be binding on the Corporation and its successors and will inure to the benefit of and be enforceable by your personal or legal representatives, heirs and successors.

8. Notice. Notices and all other communications provided for in this letter will be in writing and will be deemed to have been duly given when delivered in person, sent by telecopy, or two days after mailed by United States registered or certified mail, return receipt requested, postage prepaid, and properly addressed to the other party.

9. No Right to Remain Employed. Nothing contained in this letter will be construed as conferring upon you any right to remain employed by the Corporation or any member of the Manpower Group or affect the right of the Corporation or any member of the Manpower Group to terminate your employment at any time for any reason or no reason, subject to the obligations of the Corporation and the Manpower Group as set forth herein.

10. Modification. No provision of this letter may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing by you and the Corporation.

11. Withholding. The Corporation shall be entitled to withhold from amounts to be paid to you hereunder any federal, state, or local withholding or other taxes or charges which it is, from time to time, required to withhold under applicable law.

12. Applicable Law. This Agreement shall be governed by and interpreted in accordance with the laws of the State of New York, United States of America, without regard to its conflict of law provisions.

13. Previous Agreement. This letter, upon acceptance by you, expressly supersedes that certain letter agreement between you and the Corporation dated February 16, 2005, which primarily concerns your compensation and benefits, and such agreement shall, as of the date of your acceptance, have no further force or effect.

14. Dispute Resolution. Subsection 6(c) to the contrary notwithstanding, the parties shall, to the extent feasible, attempt in good faith to resolve promptly by negotiation any dispute arising out of or relating to your employment by the Manpower Group pursuant to this letter agreement. In the event any such dispute has not been resolved within 30 days after a party's request for negotiation, either party may initiate arbitration as hereinafter provided. For purposes of this Section 14, the party initiating arbitration shall be denominated the "Claimant" and the other party shall be denominated the "Respondent."

- (a) If your principal place of employment with the Manpower Group is outside the United States, any dispute arising out of or relating to this letter agreement, including the breach, termination or validity thereof, shall be finally resolved by arbitration before a sole arbitrator in accordance with the International Institute for Conflict Prevention and Resolution International Rules for Non-Administered Arbitration (the "CPR International Rules") as then in effect. If the parties are unable to select the arbitrator within 30 days after Respondent's receipt of Claimant's Notice of Arbitration and the 30-day deadline has not been extended by the parties' agreement, the arbitrator shall be selected by CPR as provided in CPR International Rule 6. The seat of the arbitration shall be the Borough of Manhattan in the City, County and State of New York, United States of America. The arbitration shall be conducted in the English language. Judgment upon the award rendered by the arbitrator may be entered by any court having jurisdiction thereof. Anything in the foregoing to the contrary notwithstanding, the parties expressly agree that at any time before the arbitrator has been selected and the initial pre-hearing conference provided for in International Rule 9.3 has been held, either of them shall have the right to apply to any court located in Milwaukee County, Wisconsin, United States of America, to whose jurisdiction they agree to submit, or to any other court that otherwise has jurisdiction over the parties, for provisional or interim measures including, but not limited to, temporary or permanent injunctive relief.
- (b) If your principal place of employment with the Manpower Group is within the United States, any dispute arising out of or relating to this letter agreement, including the breach, termination or validity thereof, shall be finally resolved by arbitration before a sole arbitrator in accordance with the International Institute for Conflict Prevention and Resolution Rules for Non-Administered Arbitration (the "CPR Rules") as then in effect. If the parties are unable to select the arbitrator within 30 days after Respondent's receipt of Claimant's Notice of

Arbitration and the 30-day deadline has not been extended by the parties' agreement, the arbitrator shall be selected by CPR as provided in Rule 6 of the CPR Rules. The seat of the arbitration shall be Milwaukee, Wisconsin, United States of America. The arbitration shall be governed by the Federal Arbitration Act, 9 U.S.C. §§ 1 *et seq.* Judgment upon the award rendered by the arbitrator may be entered by any court having jurisdiction thereof. Anything in the foregoing to the contrary notwithstanding, the parties expressly agree that at any time before the arbitrator has been selected and the initial pre-hearing conference has been held as provided in Rule 9.3 of the CPR Rules, either of them shall have the right to apply to any court located in Milwaukee County, Wisconsin, United States of America to whose jurisdiction they agree to submit, or to any other court that otherwise has jurisdiction over the parties, for provisional or interim measures, including, but not limited to, temporary or permanent injunctive relief.

15. Severability. The obligations imposed by Paragraph 6, above, of this agreement are severable and should be construed independently of each other. The invalidity of one such provision shall not affect the validity of any other such provision.

If you are in agreement with the foregoing, please sign and return one copy of this letter which will constitute our agreement with respect to the subject matter of this letter.

Sincerely,

MANPOWER INC.

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

Agreed as of the 20th day of February, 2008.

/s/ Michael J. Van Handel

Michael J. Van Handel

Manpower Inc.  
100 Manpower Place  
Milwaukee, Wisconsin 53212

February 20, 2008

Mr. Michael J. Van Handel:

Manpower Inc. (the "Corporation") desires to retain experienced, well-qualified executives, like you, to assure the continued growth and success of the Corporation and its direct and indirect subsidiaries (collectively, the "Manpower Group"). Accordingly, as an inducement for you to continue your employment in order to assure the continued availability of your services to the Manpower Group, we have agreed as follows:

1. Definitions. For purposes of this letter:

- (a) Cause. Termination by the Manpower Group of your employment with the Manpower Group for "Cause" will mean termination upon (i) your repeated failure to perform your duties with the Manpower Group in a competent, diligent and satisfactory manner as determined by the Corporation's Chief Executive Officer in his reasonable judgment, (ii) failure or refusal to follow the reasonable instructions or direction of the Corporation's Chief Executive Officer, which failure or refusal remains uncured, if subject to cure, to the reasonable satisfaction of the Corporation's Chief Executive Officer for five (5) business days after receiving notice thereof from the Corporation's Chief Executive Officer, or repeated failure or refusal to follow the reasonable instructions or directions of the Corporation's Chief Executive Officer, (iii) any act by you of fraud, material dishonesty or material disloyalty involving the Manpower Group, (iv) any violation by you of a Manpower Group policy of material import, (v) any act by you of moral turpitude which is likely to result in discredit to or loss of business, reputation or goodwill of the Manpower Group, (vi) your chronic absence from work other than by reason of a serious health condition, (vii) your commission of a crime the circumstances of which substantially relate to your employment duties with the Manpower Group, or (viii) the willful engaging by you in conduct which is demonstrably and materially injurious to the Manpower Group. For purposes of this Subsection 1(a), no act, or failure to act, on your part will be deemed "willful" unless done, or omitted to be done, by you not in good faith.

- (b) Change of Control. A “Change of Control” shall mean the first to occur of any of the following:
- (i) the acquisition (other than from the Corporation), by any Person (as defined in Sections 13(d)(3) and 14(d)(2) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), directly or indirectly, of beneficial ownership (within the meaning of Exchange Act Rule 13d-3) of 50% or more of the then outstanding shares of common stock of the Corporation or voting securities representing 50% or more of the combined voting power of the Corporation’s then outstanding voting securities entitled to vote generally in the election of directors; provided, however, no Change of Control shall be deemed to have occurred as a result of an acquisition of shares of common stock or voting securities of the Corporation (A) by the Corporation, any of its subsidiaries, or any employee benefit plan (or related trust) sponsored or maintained by the Corporation or any of its subsidiaries or (B) by any other corporation or other entity with respect to which, following such acquisition, more than 60% of the outstanding shares of the common stock, and voting securities representing more than 60% of the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, of such other corporation or entity are then beneficially owned, directly or indirectly, by the persons who were the Corporation’s shareholders immediately prior to such acquisition in substantially the same proportions as their ownership, immediately prior to such acquisition, of the Corporation’s then outstanding common stock or then outstanding voting securities, as the case may be; or
  - (ii) the consummation of any merger or consolidation of the Corporation with any other corporation, other than a merger or consolidation which results in more than 60% of the outstanding shares of the common stock, and voting securities representing more than 60% of the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, of the surviving or consolidated corporation being then beneficially owned, directly or indirectly, by the persons who were the Corporation’s shareholders immediately prior to such merger or consolidation in substantially the same proportions as their ownership, immediately prior to such merger or consolidation, of the Corporation’s then outstanding common stock or then outstanding voting securities, as the case may be; or
  - (iii) the consummation of any liquidation or dissolution of the Corporation or a sale or other disposition of all or substantially all of the assets of the Corporation; or

- (iv) individuals who, as of the date of this letter, constitute the Board of Directors of the Corporation (as of such date, the “Incumbent Board”) cease for any reason to constitute at least a majority of such Board; provided, however, that any person becoming a director subsequent to the date of this letter whose election, or nomination for election by the shareholders of the Corporation, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board shall be, for purposes of this letter, considered as though such person were a member of the Incumbent Board but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest which was (or, if threatened, would have been) subject to Exchange Act Rule 14a-11; or
- (v) whether or not conditioned on shareholder approval, the issuance by the Corporation of common stock of the Corporation representing a majority of the outstanding common stock, or voting securities representing a majority of the combined voting power of the outstanding voting securities of the Corporation entitled to vote generally in the election of directors, after giving effect to such transaction.

Following the occurrence of an event which is not a Change of Control whereby there is a successor holding company to the Corporation, or, if there is no such successor, whereby the Corporation is not the surviving corporation in a merger or consolidation, the surviving corporation or successor holding company (as the case may be), for purposes of this letter, shall thereafter be referred to as the Corporation.

- (c) Good Reason. “Good Reason” will mean, without your consent, the occurrence of any one or more of the following during the Term:
  - (i) a material diminution in your authority, duties or responsibilities;
  - (ii) any material breach of this agreement by the Corporation or of any material obligation of any member of the Manpower Group for the payment or provision of compensation or other benefits to you;
  - (iii) a material diminution in your base salary or a failure by the Manpower Group to provide an arrangement for you for any fiscal year of the Manpower Group giving you the opportunity to earn an incentive bonus for such year;
  - (iv) your being required by the Corporation to materially change the location of your principal office; provided such new location is one in excess of fifty miles from the location of your principal office before such change; or

- (v) a material diminution in your annual target bonus opportunity for a given fiscal year within two years after the occurrence of a Change of Control, as compared to the annual target bonus opportunity for the fiscal year immediately preceding the fiscal year in which a Change of Control occurred.

Notwithstanding Subsections 1(c)(i) – (v) above, Good Reason does not exist unless (i) you object to any material diminution or breach described above by written notice to the Corporation within twenty (20) business days after such diminution or breach occurs, (ii) the Corporation fails to cure such diminution or breach within thirty (30) days after such notice is given and (iii) your employment with the Manpower Group is terminated by you within ninety (90) days after such diminution or breach occurs.

- (c) Notice of Termination. Any termination of your employment by the Corporation, or termination by you for Good Reason during the Term will be communicated by Notice of Termination to the other party hereto. A “Notice of Termination” will mean a written notice which specifies a Date of Termination (which date shall be on or after the date of the Notice of Termination) and, if applicable, indicates the provision in this letter applying to the termination and sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of your employment under the provision so indicated.
- (d) Date of Termination. “Date of Termination” will mean the date specified in the Notice of Termination where required (which date shall be on or after the date of the Notice of Termination) or in any other case upon your ceasing to perform services for the Manpower Group.
- (e) Term. The “Term” will be a period beginning on the date of this letter indicated above and ending on the first to occur of the following: (a) the date two years after the occurrence of a Change of Control; (b) February 20, 2011, if no Change of Control occurs between the date of this letter indicated above and February 20, 2011; and (c) the Date of Termination.
- (f) Benefit Plans. “Benefit Plans” means all benefits of employment generally made available to the executives of the Corporation from time to time.
- (g) Compensation Agreement. The “Compensation Agreement” means the letter of even date from the Corporation to you, as accepted by you, regarding your compensation and benefits.
- (h) Protected Period. The “Protected Period” shall be a period of time determined in accordance with the following:

- (i) if a Change of Control is triggered by an acquisition of shares of common stock of the Corporation pursuant to a tender offer, the Protected Period shall commence on the date of the initial tender offer and shall continue through and including the date of the Change of Control, provided that in no case will the Protected Period commence earlier than the date that is six months prior to the Change of Control;
- (ii) if a Change of Control is triggered by merger or consolidation of the Corporation with any other corporation, the Protected Period shall commence on the date that serious and substantial discussions first take place to effect the merger or consolidation and shall continue through and including the date of the Change of Control, provided that in no case will the Protected Period commence earlier than the date that is six months prior to the Change of Control; and
- (iii) in the case of any Change of Control not described in clauses (i) or (ii), above, the Protected Period shall commence on the date that is six months prior to the Change of Control and shall continue through and including the date of the Change of Control.

2. Compensation and Benefits on Termination.

- (a) Termination by the Corporation for Cause or by You Other Than for Good Reason. If your employment with the Manpower Group is terminated by the Corporation for Cause or by you other than for Good Reason, the Corporation will pay you or provide you with (i) your full base salary as then in effect through the Date of Termination, (ii) your unpaid bonus, if any, attributable to any complete fiscal year of the Manpower Group ended before the Date of Termination and (iii) all benefits to which you are entitled under any Benefit Plans in accordance with the terms of such plans. The Manpower Group will have no further obligations to you.
- (b) Termination of Reason of Disability or Death. If your employment with the Manpower Group terminates during the Term by reason of your disability or death, the Corporation will pay you or provide you with (i) your full base salary as then in effect through the Date of Termination, (ii) your unpaid bonus, if any, attributable to any complete fiscal year ended before the Date of Termination; (iii) a bonus for the fiscal year during which the Date of Termination occurs equal to your target annual bonus for the fiscal year in which the Date of Termination occurs, but prorated for the actual number of days you were employed during such fiscal year, payable within sixty days after the Date of Termination, and (iv) all benefits to which you are entitled under any Benefit Plans in accordance with the terms of such plans. For purposes of this letter, "disability" means that you (i) are unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to

result in death or can be expected to last for a continuous period of not less than twelve months, or (ii) are, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve months, receiving income replacement benefits for a period of not less than three months under an accident and health plan covering employees of the Corporation or the Manpower Group. The Manpower Group will have no further obligations to you.

(c) Termination for Any Other Reason.

- (i) If, during the Term and either during a Protected Period or within two years after the occurrence of a Change of Control, your employment with the Manpower Group is terminated for any reason not specified in Subsections 2(a) or (b), above, you will be entitled to the following:”
- (A) the Corporation will pay you your full base salary through the Date of Termination at the rate in effect at the time Notice of Termination is given;
  - (B) the Corporation will pay you your unpaid bonus, if any, attributable to any complete fiscal year of the Manpower Group ended before the Date of Termination;
  - (C) the Corporation will pay you, a bonus for the fiscal year during which the Date of Termination occurs equal in amount to your target annual bonus for the fiscal year in which the Change of Control occurs;
  - (D) the Corporation will pay as a severance benefit to you a lump-sum payment equal to three times the sum of (i) your annual base salary at the highest rate in effect during the Term and (ii) your target annual bonus for the fiscal year in which the Change of Control occurs; and
  - (E) for up to an eighteen-month period after the Date of Termination, the Corporation will arrange to provide you and your eligible dependents, at the Corporation’s expense, with Health Insurance Continuation (defined below) or other substantially similar coverage, in which you were participating on the Date of Termination; provided, however, that benefits otherwise receivable by you pursuant to this Subsection 2(c)(i)(E) will be reduced to the extent other comparable benefits are actually received by you during the eighteen-month period following your termination, and any such benefits actually received by you or your dependents will be reported to the Corporation; and

provided, further that any insurance continuation coverage that you may be entitled to receive under the Consolidated Omnibus Budget Reconciliation Act of 1986, as amended (“COBRA”), or similar foreign or state laws will commence on the Date of Termination.

For purposes of this Subsection 2(c)(i)(E), “Health Insurance Continuation” means that, if, and to the extent, you or any of your eligible dependents, following the Date of Termination, elect to continue coverage under the Corporation’s group medical and dental insurance plans, in accordance with the requirements of COBRA or similar foreign or state laws, the Manpower Group will pay the total cost of such COBRA coverage for the first eighteen months for which you and/or your eligible dependents are eligible for such coverage; provided, however, that if you, your spouse or any other eligible dependant commences new employment during such eighteen-month period and becomes eligible for health insurance benefits from such new employer, the Corporation’s obligation to provide such Corporation-subsidized COBRA coverage to you or such eligible dependant shall terminate as of the date you or such dependant becomes eligible to receive such health insurance benefits from such new employer. Immediately following this period of Corporation-subsidized COBRA coverage, you and/or your eligible dependents, as applicable, will be solely responsible for payment of the entire cost of COBRA coverage if such coverage remains available and you and/or your eligible dependents choose to continue such coverage. Within five calendar days of you or any of your eligible dependents becoming eligible to receive health insurance benefits from a new employer, you agree to inform the Corporation of such fact in writing. If the Manpower Group determines that the Corporation-subsidized COBRA payments provided by this Subsection 2(c)(i)(E) are taxable, the payments will be grossed-up so that the net amount received by you, after subtraction of all taxes applicable to the payments plus the gross-up amount, will equal the cost of such COBRA coverage

- (ii) If your employment with the Manpower Group is terminated during the Term for any reason not specified in Subsections 2(a) or (b), above, and Subsection 2(c)(i), above, does not apply to the termination, you will be entitled to the following:
  - (A) the Corporation will pay you your full base salary through the Date of Termination at the rate in effect at the time Notice of Termination is given;

- (B) the Corporation will pay you your unpaid bonus, if any, attributable to any complete fiscal year of the Manpower Group ended before the Date of Termination;
- (C) the Corporation will pay you, a bonus for the fiscal year during which the Date of Termination occurs equal in amount to the bonus you would have received for the full fiscal year had your employment not terminated, determined by the actual financial results of the Corporation at year-end towards any non-discretionary financial goals and by basing any discretionary component at the target level of such component; provided, however, that such bonus will be prorated for the actual number of days you were employed during the fiscal year during which the Date of Termination occurs
- (D) the Corporation will pay as a severance benefit to you a lump-sum payment equal to the amount of your annual base salary at the highest rate in effect during the Term plus your target annual bonus for the fiscal year in which the Date of Termination occurs, provided, however, that such payment will not exceed two times the amount of your base salary as then in effect; and
- (E) for up to a twelve—month period after the Date of Termination, the Corporation will arrange to provide you and your eligible dependents with Health Insurance Continuation (defined below); provided, however, that benefits otherwise receivable by you pursuant to this Subsection 2(c)(ii)(E) will be reduced to the extent other comparable benefits are actually received by you during the twelve-month period following your termination, and any such benefits actually received by you or your dependents will be reported to the Corporation; and provided, further that any insurance continuation coverage that you may be entitled to receive under COBRA or similar foreign or state laws will commence on the Date of Termination.

For purposes of this Subsection 2(c)(ii)(E), “Health Insurance Continuation” means that, if, and to the extent, you or any of your eligible dependents, following the Date of Termination, elect to continue coverage under the Corporation’s group medical and dental insurance plans, in accordance with the requirements of COBRA or similar foreign or state laws, the Manpower Group will pay the normal monthly employer’s cost of coverage under the Corporation’s group medical and dental insurance plans toward such COBRA coverage for the first twelve months for

which you and/or your eligible dependents are eligible for such coverage; provided, however, that if you, your spouse or any other eligible dependant commences new employment during such twelve-month period and becomes eligible for health insurance benefits from such new employer, the Corporation's obligation to provide such Corporation-subsidized COBRA coverage to you or such eligible dependant shall terminate as of the date you or such dependant becomes eligible to receive such health insurance benefits from such new employer. During this period of Corporation-subsidized COBRA coverage, you will be responsible for paying the balance of any costs not paid for by the Manpower Group under this Subsection 2(c)(ii)(E) which are associated with your participation in the Corporation's medical and dental insurance plans and your failure to pay such costs may result in the termination of your participation in such plans. The Corporation may deduct from any amounts payable to you under this Subsection 2(c)(ii) any amounts that you are responsible to pay for Health Insurance Continuation under this Subsection 2(c)(ii)(E). Immediately following this period of Corporation-subsidized COBRA coverage, you and/or your eligible dependents, as applicable, will be solely responsible for payment of the entire cost of COBRA coverage if such coverage remains available and you and/or your eligible dependents choose to continue such coverage. Within five calendar days of you or any of your eligible dependents becoming eligible to receive health insurance benefits from a new employer, you agree to inform the Corporation of such fact in writing. If the Manpower Group determines that the Corporation-subsidized COBRA payments provided by this Subsection 2(c)(ii)(E) are taxable, the payments will be grossed-up so that the net amount received by you, after subtraction of all taxes applicable to the payments plus the gross-up amount, will equal the cost of such COBRA coverage.

The amounts paid to you pursuant to Subsections 2(c)(i)(D) or 2(c)(ii)(D) will not be included as compensation for purposes of any qualified or nonqualified pension or welfare benefit plan of the Manpower Group.

(d) Golden Parachute Tax.

- (i) Notwithstanding anything contained in this letter to the contrary, in the event that any payment or distribution to or for your benefit pursuant to the terms of this letter (the "Severance Payments"), after taking into any other "parachute payments" within the meaning of Section 280G of the Internal Revenue Code of 1986, as amended (the "Code") payable to you by the Corporation under any other plan, agreement or

otherwise as well (the "Other Payments"), would be subject to the excise tax imposed by Section 4999 of the Code, or any interest or penalties are incurred by you with respect to such excise tax (such excise tax on the Severance Payments and the Other Payments, together with any interest and penalties, are collectively referred to as the "Excise Tax"), then you shall be entitled to receive an additional payment (a "Gross-Up Payment") in an amount such that after payment by you of all taxes (including any interest or penalties imposed with respect to such taxes), including any Excise Tax, imposed upon the Gross-Up Payment, you retain an amount of the Gross-Up Payment equal to the Excise Tax imposed upon the Severance Payments and the Other Payments.

- (ii) A determination shall be made as to whether and when a Gross-Up Payment is required pursuant to this Subsection 2(d) and the amount of such Gross-Up Payment, such determination to be made within fifteen business days of the Date of Termination, or such other time as requested by the Corporation or by you (provided you reasonably believe that any of the Severance Payments may be subject to the Excise Tax). Such determination shall be made by a national independent accounting firm selected by you (the "Accounting Firm"). All fees, costs and expenses (including, but not limited to, the cost of retaining experts) of the Accounting Firm shall be borne by the Corporation and the Corporation shall pay such fees, costs and expenses as they become due. The Accounting Firm shall provide detailed supporting calculations, acceptable to you, both to the Corporation and you. The Gross-Up Payment, if any, as determined pursuant to this Subsection 2(d)(ii) shall be paid by the Corporation to you within five business days of the receipt of the Accounting Firm's determination. Any such initial determination by the Accounting Firm of whether or when a Gross-Up Payment is required and, if such a payment is required, the amount thereof shall be binding upon the Corporation and you subject to the application of Subsection 2(d)(iii).
- (iii) As a result of the uncertainty in the application of Sections 4999 and 280G of the Code, it is possible that a Gross-Up Payment (or a portion thereof) will be paid which should not have been paid (an "Overpayment") or a Gross-Up Payment (or a portion thereof) which should have been paid will not have been paid (an "Underpayment"). An Underpayment shall be deemed to have occurred upon notice (formal or informal) to you from any governmental taxing authority that your tax liability (whether in respect of your then current taxable year or in respect of any prior taxable year) may be increased by reason of the imposition of the Excise Tax on the Severance Payments or Other Payments with respect to which the Corporation has failed to

make a sufficient Gross-Up Payment. An Overpayment shall be deemed to have occurred upon a "Final Determination" (as hereinafter defined) that the Excise Tax shall not be imposed upon the Severance Payments or the Other Payments with respect to which you had previously received a Gross-Up Payment. A Final Determination shall be deemed to have occurred when you have received from the applicable governmental taxing authority a refund of taxes or other reduction in your tax liability by reason of the Overpayment and upon either (A) the date a determination is made by, or an agreement is entered into with, the applicable governmental taxing authority which finally and conclusively binds you and such taxing authority, or in the event that a claim is brought before a court of competent jurisdiction, the date upon which a final determination has been made by such court and either all appeals have been taken and finally resolved or the time for all appeals has expired or (B) the expiration of the statute of limitations with your applicable tax return. If an Underpayment occurs, you shall promptly notify the Corporation and the Corporation shall pay to you at least five business days prior to the date on which the applicable governmental taxing authority has requested payment, an additional Gross-Up Payment equal to the amount of the Underpayment plus any interest and penalties imposed on the Underpayment. If an Overpayment occurs, the amount of the Overpayment shall be treated as a loan by the Corporation to you and you shall, within ten business days of the occurrence of such Overpayment, pay to the Corporation the amount of the Overpayment plus interest at an annual rate equal to the rate provided for in Section 1274(b)(2)(B) of the Code from the date the Gross-Up Payment (to which the Overpayment relates) was paid to you.

- (iv) Notwithstanding anything contained in this letter to the contrary, in the event it is determined that an Excise Tax will be imposed on any of the Severance Payments or Other Payments, the Corporation shall pay to the applicable governmental taxing authorities as Excise Tax withholding, the amount of the Excise Tax that the Corporation has actually withheld from the Severance Payments or Other Payments.
- (e) Payment. The payments provided for in Subsection 2(c)(i)(A) or 2(c)(ii)(A), above, will be made no later than required by applicable law. The bonus payment provided for in Subsection 2(c)(i)(B) or 2(c)(ii)(B) will be made pursuant to the terms of the applicable bonus plan. The bonus payment provided for in Subsection 2(c)(i)(C) will be paid no later than thirty (30) days after the Date of Termination. The bonus payment provided for in Subsection 2(c)(ii)(C) will be between January 1 and March 15 of the calendar year following the Date of Termination. The severance benefit provided for in Subsection 2(c)(i)(D) or 2(c)(ii)(D) will be paid in one lump sum no later than thirty (30) days after the

Date of Termination. While the parties acknowledge that the payments in the previous two sentences are intended to be “short-term deferrals” and therefore are exempt from the application of Section 409A of the Code, to the extent (i) further guidance or interpretation is issued by the IRS after the date that of this letter agreements which would indicate that the payments do not qualify as “short-term deferrals,” and (ii) you are a “specified employee” within the meaning of Section 409A(a)(2)(B)(i) of the Code upon the Date of Termination, such payments shall be delayed and instead shall be paid in one lump sum on the date that is six months after the Date of Termination. If any of such payment is not made when due (hereinafter a “Delinquent Payment”), in addition to such principal sum, the Corporation will pay you interest on any and all such Delinquent Payments from the date due computed at the prime rate, compounded monthly. Such prime rate shall be the prime rate (currently the base rate on corporate loans posted by at least 75% of the 30 largest U.S. banks) in effect from time to time as reported in *The Wall Street Journal*, Midwest edition (or, if not so reported, as reported in such other similar source(s) as the Corporation shall select).

- (f) Release of Claims. Notwithstanding the foregoing, you shall have no right to receive any payment or benefit described in Subsections 2(c)(i)(C)-(E) or 2(c)(ii)(C)-(E), above, unless and until you execute, and there shall be effective following any statutory period for revocation, a release, in a form reasonably acceptable to the Corporation, that irrevocably and unconditionally releases, waives, and fully and forever discharges the Manpower Group and its past and current directors, officers, stockholders, members, partners, employees, and agents from and against any and all claims, liabilities, obligations, covenants, rights, demands and damages of any nature whatsoever, whether known or unknown, anticipated or unanticipated, relating to or arising out of your employment with the Manpower Group, including without limitation claims arising under the Age Discrimination in Employment Act of 1967, as amended, Title VII of the Civil Rights Act of 1964, as amended, and the Civil Rights Act of 1991, but excluding any claims covered under any applicable workers’ compensation act.
- (g) Forfeiture. Notwithstanding the foregoing, your right to receive the payments and benefits to be provided to you under this Section 2 beyond those described in Subsection 2(a), above, is conditioned upon your performance of the obligations stated in Section 3, below, and in Section 6 of the Compensation Agreement, and upon your breach of any such obligations, you will immediately return to the Corporation the amount of such payments and benefits and you will no longer have any right to receive any such payments or benefits.

3. Noncompetition Agreement.

- (a) Noncompetition. During the term of your employment with the Manpower Group, you will not assist any competitor of any company in the Manpower

Group in any capacity. During the one-year period which immediately follows the termination, for whatever reason, of your employment with the Manpower Group, you will not, directly or indirectly, provide services or assistance of a nature similar to the services you provided to the Manpower Group during the two-year period immediately preceding the Date of Termination to any entity engaged in the business of providing temporary staffing services anywhere in the United States or any other country in which the Manpower Group conducts business as of the Date of Termination which has, together with its affiliated entities, annual revenues from such business in excess of \$500,000,000 or (ii) engaged in the business of providing permanent placement, professional staffing, outplacement or human resources consulting services anywhere in the United States or any other country in which the Manpower Group conducts business as of the Date of Termination which has, together with its affiliated entities, annual revenues from such business in excess of US \$250,000,000. You acknowledge that the scope of this limitation is reasonable in that, among other things, providing any such services or assistance during such one-year period would permit you to use unfairly your close identification with the Manpower Group and the customer contacts you developed while employed by the Manpower Group and would involve the use or disclosure of confidential information pertaining to the Manpower Group.

- (b) Injunction. You recognize that irreparable and incalculable injury will result to the Manpower Group and its businesses and properties in the event of your breach of any of the restrictions imposed by Subsection 3(a), above. You therefore agree that, in the event of any such actual, impending or threatened breach, the Corporation will be entitled, in addition to the remedies set forth in Subsection 2(g), above (which the parties agree would not be an adequate remedy), and any other remedies and damages, to, including, but not limited to provisional or interim measures, including temporary and permanent injunctive relief, without the necessity of posting a bond or other security, from a court of competent jurisdiction restraining the violation, or further violation, of such restrictions by you and by any other person or entity for whom you may be acting or who is acting for you or in concert with you.
  - (c) Equitable Extension. The duration of any restriction in Section 3(a) above will be extended by any period during which such restriction is violated by you.
  - (d) Nonapplication. Notwithstanding the above, this Section 3 will not apply if your employment with the Corporation is terminated by you for Good Reason or by the Corporation without Cause either during a Protected Period or within two years after the occurrence of a Change of Control.
4. Unemployment Compensation. The severance benefits provided for in Subsection 2(c)(i)(D) will be assigned for unemployment compensation benefit purposes to the three-year period following the Date of Termination, and the severance benefits

provided for in Subsection 2(c)(ii)(D) will be assigned for unemployment compensation purposes to the one-year period following the Date of Termination, and you will be ineligible to receive, and you agree not to apply for, unemployment compensation during such periods.

5. Nondisparagement. Upon your termination, for whatever reason, of employment with the Corporation, the Corporation agrees that its directors and officers, during their employment by or service to the Manpower Group, will refrain from making any statements that disparage or otherwise impair your reputation or commercial interests. Upon your termination, for whatever reason, of employment with the Manpower Group, you agree to refrain from making any statements that disparage or otherwise impair the reputation, goodwill, or commercial interests of the Manpower Group, or its officers, directors, or employees. However, the foregoing will not preclude the Corporation from providing truthful information about you concerning your employment or termination of employment with the Manpower Group in response to an inquiry from a prospective employer in connection with your possible employment, and will not preclude either party from providing truthful testimony pursuant to subpoena or other legal process or in the course of any proceeding that may be commenced for purposes of enforcing this letter agreement.
6. Successors; Binding Agreement. This letter agreement will be binding on the Corporation and its successors and will inure to the benefit of and be enforceable by your personal or legal representatives, heirs and successors.
7. Notice. Notices and all other communications provided for in this letter will be in writing and will be deemed to have been duly given when delivered in person, sent by telecopy, or two days after mailed by United States registered or certified mail, return receipt requested, postage prepaid, and properly addressed to the other party.
8. No Right to Remain Employed. Nothing contained in this letter will be construed as conferring upon you any right to remain employed by the Corporation or any member of the Manpower Group or affect the right of the Corporation or any member of the Manpower Group to terminate your employment at any time for any reason or no reason, with or without cause, subject to the obligations of the Corporation and the Manpower Group as set forth herein.
9. Modification. No provision of this letter may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing by you and the Corporation.
10. Withholding. The Corporation shall be entitled to withhold from amounts to be paid to you hereunder any federal, state, or local withholding or other taxes or charges which it is, from time to time, required to withhold under applicable law.
11. Applicable Law. This Agreement shall be governed by and interpreted in accordance with the laws of the State of New York, United States of America, without regard to its conflict of law provisions.

12. Reduction of Amounts Due Under Law. You agree that any severance payment (*i.e.*, any payment other than a payment for salary through your Date of Termination or for a bonus earned in the prior fiscal year but not yet paid) to you pursuant to this agreement will be counted towards any severance type payments otherwise due you under law. By way of illustration, English law requires notice period of one (1) week for every year of service up to a maximum of twelve (12) weeks of notice. In the event you are terminated without notice and you would otherwise be entitled to a severance payment hereunder, such severance payment will be considered to be payment in lieu of such notice.
13. Previous Agreement. This letter, upon acceptance by you, expressly supersedes that certain letter agreement between you and the Corporation dated February 16, 2005, as amended, which primarily concerns rights and obligations upon your termination of employment, and such agreement shall, as of the date of your acceptance, have no further force or effect.
14. Dispute Resolution. Subsection 3(b) to the contrary notwithstanding, the parties shall, to the extent feasible, attempt in good faith to resolve promptly by negotiation any dispute arising out of or relating to your employment by the Manpower Group pursuant to this letter agreement. In the event any such dispute has not been resolved within 30 days after a party's request for negotiation, either party may initiate arbitration as hereinafter provided. For purposes of this Section 14, the party initiating arbitration shall be denominated the "Claimant" and the other party shall be denominated the "Respondent."
  - (a) If your principal place of employment with the Manpower Group is outside the United States, any dispute arising out of or relating to this letter agreement, including the breach, termination or validity thereof, shall be finally resolved by arbitration before a sole arbitrator in accordance with the International Institute for Conflict Prevention and Resolution International Rules for Non-Administered Arbitration (the "CPR International Rules") as then in effect. If the parties are unable to select the arbitrator within 30 days after Respondent's receipt of Claimant's Notice of Arbitration and the 30-day deadline has not been extended by the parties' agreement, the arbitrator shall be selected by CPR as provided in CPR International Rule 6. The seat of the arbitration shall be the Borough of Manhattan in the City, County and State of New York, United States of America. The arbitration shall be conducted in the English language. Judgment upon the award rendered by the arbitrator may be entered by any court having jurisdiction thereof. Anything in the foregoing to the contrary notwithstanding, the parties expressly agree that at any time before the arbitrator has been selected and the initial pre-hearing conference provided for in International Rule 9.3 has been held, either of them shall have the right to apply to any court located in Milwaukee County, Wisconsin, United States of America, to whose jurisdiction they agree to submit, or to any other court that otherwise has jurisdiction over the parties, for provisional or interim measures including, but not limited to, temporary or permanent injunctive relief.

- (b) If your principal place of employment with the Manpower Group is within the United States, any dispute arising out of or relating to this letter agreement, including the breach, termination or validity thereof, shall be finally resolved by arbitration before a sole arbitrator in accordance with the International Institute for Conflict Prevention and Resolution Rules for Non-Administered Arbitration (the "CPR Rules") as then in effect. If the parties are unable to select the arbitrator within 30 days after Respondent's receipt of Claimant's Notice of Arbitration and the 30-day deadline has not been extended by the parties' agreement, the arbitrator shall be selected by CPR as provided in Rule 6 of the CPR Rules. The seat of the arbitration shall be Milwaukee, Wisconsin, United States of America. The arbitration shall be governed by the Federal Arbitration Act, 9 U.S.C. §§ 1 *et seq.* Judgment upon the award rendered by the arbitrator may be entered by any court having jurisdiction thereof. Anything in the foregoing to the contrary notwithstanding, the parties expressly agree that at any time before the arbitrator has been selected and the initial pre-hearing conference has been held as provided in Rule 9.3 of the CPR Rules, either of them shall have the right to apply to any court located in Milwaukee County, Wisconsin, United States of America to whose jurisdiction they agree to submit, or to any other court that otherwise has jurisdiction over the parties, for provisional or interim measures, including, but not limited to, temporary or permanent injunctive relief.
15. Severability. The obligations imposed by Paragraph 3(a) above, of this agreement are severable and should be construed independently of each other. The invalidity of one such provision shall not affect the validity of any other such provision.

If you are in agreement with the foregoing, please sign and return one copy of this letter which will constitute our agreement with respect to the subject matter of this letter.

Sincerely,

MANPOWER INC.

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

Agreed as of the 20th day of February, 2008.

/s/ Michael J. Van Handel  
Michael J. Van Handel

Manpower Inc.  
5301 North Ironwood Road  
Milwaukee, Wisconsin 53217

December 16, 2005

Mr. Jonas Prising:

We have agreed as follows with respect to the compensation to be paid and the other benefits to be provided to you in connection with your employment relocation by Manpower Inc. (the "Corporation"):

1. Position. In connection with your relocation by the Corporation, your employment during the Term will be with the Corporation as Executive Vice President, United States and Canadian Operations ("EVP U.S. & Canada"). As EVP U.S. & Canada, you will perform such duties as may be assigned to you from time to time, and as may be consistent with the position of EVP U.S. & Canada, as determined by the Corporation's Chief Executive Officer. You agree to devote your best efforts and full business time to the performance of the duties assigned to you. Your base of operations for the performance of your duties to the Corporation will be Milwaukee, Wisconsin.

2. Term. The "Term" will be a period beginning on January 1, 2006 and ending approximately three years from such date; or, if earlier, the date you are either relocated by the Corporation or your employment with the Corporation is terminated. You shall remain an at will employee of the Corporation during the Term.

3. Benefits. During the Term, to the extent permitted by law, the Corporation will provide you with, and you will be eligible for, all benefits of employment generally made available to senior executives of the Corporation from time to time (collectively, the "Benefit Plans"), subject to and on a basis consistent with the terms, conditions and overall administration of such Benefit Plans. You will be considered for participation in Benefit Plans which by the terms thereof are discretionary in nature (such as stock option plans) on the same basis as other senior executives of the Corporation. You also will be entitled to vacations and perquisites during the Term in accordance with the Corporation's policies as in effect from time to time for senior executives of the Corporation.

4. Automobile. During the Term and for a reasonable time period prior to commencement of the Term, you shall be eligible to participate in the Corporation's automobile program on the same basis as other senior executives of the Corporation.

5. Housing. During the Term and for the months of November and December in the 2005 calendar year, the Corporation will pay you \$6,086 per month to cover your housing expenses in the Milwaukee area.

6. Tuition. The Corporation will pay the tuition cost you incur during the Term for your two school-aged children at the University School of Milwaukee.

7. Tax Preparation. Your income tax returns for any year or partial year included during the Term for income earned during the Term, as well as for the year immediately prior to the Term for any benefits or reimbursements provided to you under this agreement, shall be prepared by a nationally recognized accounting firm of the Corporation's choice, and the Corporation agrees to pay the fees charged by such firm to prepare such tax returns.

8. Moving Expenses. The Corporation shall provide you or reimburse you for any reasonable out-of-pocket costs you and your family incur for packing, transporting and unpacking your household goods in connection with your move from Italy to Milwaukee. In addition, the Corporation shall provide you or reimburse you for any additional reasonable out-of-pocket costs you and your family incur for relocation services for your move from Italy to Milwaukee in an amount up to Twenty-Five Thousand Dollars (\$25,000.00).

9. Return Visits. During the Term, the Corporation will reimburse you for the cost of one round-trip business class airline ticket for each year during the Term for you and each member of your immediate family to return to Europe.

10. Tax Equalization. The Corporation will reimburse you for the total United States (state and federal) and foreign taxes incurred by you as a result of receiving payments of your base salary and any incentive bonuses earned during the Term, as well as payments pursuant to paragraph 3 above, in excess of the total UK and Italian (local and federal) taxes you would have incurred as a result of receiving such payments if your current tax residency status had not changed, assuming the same allocations of your time were made as in the year prior to the Term. As noted, the Corporation's obligation to reimburse you for such excess taxes relates only to items of income and benefits you receive from the Corporation for services rendered to the Corporation. The Corporation's obligation to reimburse you for excess taxes shall not apply to any severance payments under the letter agreement to be entered into between you and the Corporation or any successor agreement thereto. In addition, the Corporation will reimburse you for all United States (state and federal) and foreign taxes incurred by you as a result of receiving the benefits described in paragraphs 4 through 9, above. These reimbursements will be grossed-up so that the net amount received by you, after subtraction of all taxes applicable to the reimbursement plus the gross-up amount, will equal the reimbursement amount. The amounts to be reimbursed under this paragraph will be determined by a nationally recognized accounting

firm selected by the Corporation, whose determination will be binding on both parties. Payments of these tax reimbursements shall be made in accordance with the provisions of Section 409A of the United States Internal Revenue Code of 1986, as amended from time to time. You agree to take such reasonable steps and make such elections as the Corporation may request in order to reduce the Corporation's obligations under this paragraph provided, however, that if such elections are expected to impact tax years subsequent to the end of the Term, you will not be required to do so unless you consent to such actions, which consent shall not be unreasonably withheld.

11. Successors; Binding Agreement. This letter agreement will be binding on the Corporation and its successors and will inure to the benefit of and be enforceable by your personal or legal representatives, heirs and successors.

12. Notice. Notices and all other communications provided for in this letter will be in writing and will be deemed to have been duly given when delivered in person, sent by telecopy, or mailed by United States registered or certified mail, return receipt requested, postage prepaid, and properly addressed to the other party. All notices to the Corporation shall be to the Corporation's United States headquarters and should be addressed to Michael J. Lynch, General Counsel.

13. No Right to Remain Employed. Nothing contained in this letter will be construed as conferring upon you any right to remain employed by the Corporation or any member of the Manpower Group or affect the right of the Corporation or any member of the Manpower Group to terminate your employment at any time for any reason or no reason, subject to the obligations of the Corporation and the Manpower Group as set forth herein. It is expressly understood that your employment with the Corporation is employment that is terminable at will by notice from the Corporation.

14. Modification. No provision of this letter may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing by you and the Corporation.

15. Withholding. The Corporation shall be entitled to withhold from amounts to be paid to you hereunder any United States or foreign federal, state, or local withholding or other taxes or charges which it is, from time to time, required to withhold under applicable law.

16. Choice of Law. This Agreement shall be governed by the internal laws of the State of Wisconsin, without regard to the conflict of laws.

If you are in agreement with the foregoing, please sign and return one copy of this letter which will constitute our agreement with respect to the subject matter of this letter.

Sincerely,

MANPOWER INC.

By: /s/ Mara Swan

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Agreed as of the 16th day of December, 2005.

/s/ Jonas Prising

Jonas Prising

**CONTRACT OF EMPLOYMENT****BETWEEN:**

Manpower France Holding SAS, whose registered office is situated at 7-9, rue Jacques Bingen, 75017 Paris, with a capital of EUR 50.688.260, represented by Michael Lynch, acting in the capacity of President, registered at the Commercial and Companies Registry of Paris under the number 562 087 791,

hereinafter referred to as the “**Company**”

**PARTY OF THE FIRST PART**

**AND:**

Mrs. Françoise Gri, of 25 rue des Vaujours 92500 Rueil-Malmaison France, a French national, registered with the Social Security under the number 2 57 12 47 001 057,

hereinafter referred to as “**Mrs. Gri**”

**PARTY OF THE SECOND PART**

**IT HAS BEEN AGREED AS FOLLOWS:****1. ENGAGEMENT**

Subject to the initial medical visit, the Company employs Mrs. Gri as from March 31, 2007 at the latest under the special terms and conditions set forth hereinafter.

Mrs. Gri hereby accepts this offer and formally declares that she is not bound to any other company and that she is free of any undertakings towards her former employer. She expressly confirms that she is not bound to any company or legal entity whatsoever by any clause, particularly a non-competition clause, which would prevent her from signing the present Contract.

Mrs. Gri undertakes to inform the Company immediately of any change in her personal situation, especially as regards her address and marital status.

**2. DUTIES**

Mrs. Gri is engaged to perform the corporate office of President of Manpower France SAS as soon as such office is granted to her by decision of the sole shareholder.

As such, she will be responsible for the leadership of the region and will need to apply the strategies, values and vision of Manpower. She will report on the performance of her office to the CEO (Chief Executive Officer).

In consideration of the nature of her duties and her degree of responsibility in the Company, Mrs. Gri shall have the status of "Executive Manager"<sup>1</sup>.

3. **TRIAL PERIOD**

This Contract will not be subject to any trial period.

4. **TERM OF THE CONTRACT AND NOTICE**

This Contract has been concluded for an open term.

Either party may terminate the Contract, on condition that the rules governing termination laid down to this end by law are complied with, on either giving to the other a three-month notice. No notice period shall be due to Mrs Gri in the event of dismissal for serious or gross misconduct ("faute grave ou lourde").

5. **REMUNERATION**

In consideration of her services, Mrs. Gri will receive a basic gross annual salary of EUR 400,000 (four hundred thousand euro) payable in arrears in thirteen monthly installments.

6. **BONUSES**

Mrs. Gri will be eligible to an incentive bonus for each complete calendar year of work. Exceptionally, she will be eligible to a prorated bonus since date of engagement for 2007.

In accordance with the applicable policy within Manpower at present, the annual bonus shall be determined on a "balanced scorecard" base. Although it could be modified in future, the current system provides that the amount of the bonus is based on a comparison of the performance with the targets fixed for Mrs. Gri at the beginning of each year. The "balanced scorecard" has two components: financial targets and KPIs.

Mrs Gri's target bonus shall be 75% of her base remuneration with a total that may vary between 0 and 150% depending upon her achievements of the targets so determined.

7. **DURATION OF WORK**

In her capacity of President of Manpower France SAS, Mrs. Gri shall have the status of Executive Manager and shall not be entitled to the benefits of the laws and regulations on the duration of work.

8. **BUSINESS TRIPS AND REIMBURSEMENT OF EXPENSES**

Mrs. Gri may need to spend short or long periods away from her place of work in any part of France or abroad as part of her duties.

Mrs. Gri shall be entitled to reimbursement of any reasonable travel, accommodation and entertainment expenses incurred by her in carrying out her duties on production of the usual valid receipts.

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<sup>1</sup> This is a qualification relating to the laws on the duration of work and which implies that Mrs. Gri has a mission and does not count her working time.

9. **COMPANY CAR**

In order that Mrs. Gri may carry out the said duties, the Company shall provide her with a company car. She may choose the car to lease in the category that will be mentioned to her; if she wishes for another car of a higher value, she will bear the difference in the cost.

This vehicle will be used for business purposes as well as private purposes and the Company shall meet all expenses relating to the professional use on production of the usual valid receipts, in accordance with the policy in force within the Manpower group. Provision of the car will constitute a benefit in kind both for tax and social-security purposes.

The insurance policy shall be taken out by the Company, which undertakes to pay the premiums.

If Ms Gri has children, they are allowed to drive the car provided that they have had a drivers licence for at least one year in which case they are also covered by the insurance policy.

The car shall be provided for the full term of the Contract.

Mrs. Gri shall report to the Company anything which happens to this vehicle without delay and, at the latest, within 48 hours, so that the latter may take all necessary steps.

Mrs. Gri undertakes to maintain the vehicle in perfect condition as regards its structure and bodywork. On termination of this Contract, Mrs. Gri undertakes to return the vehicle to the Company by immediately taking it to her place of work and to hand over the papers and keys in the same way.

Mrs. Gri shall be personally responsible and liable for any offences and fines for both parking or traffic violations which may be inflicted on her for use of this company car. She undertakes to pay within the prescribed time period all sums owed by her in this respect.

Mrs. Gri shall, in addition, immediately inform the company should her driving licence be temporarily or permanently suspended. She shall also inform the company immediately of any offences or fines of which she may not have yet received notification, in particular should the file be transferred to the Public Prosecutor (exceeding the speed limit in particular).

Mr. Gri undertakes, in the event of termination of this Contract of employment for whatever cause to pay at the due dates any fines or orders against her incurred by her in using the company car which may be claimed before or after termination of this Contract.

Failure to comply with the above rules may justify a permanent or temporary withdrawal of the company car.

10. **PLACE OF WORK**

Mrs. Gri shall perform her duties at the registered office of the company Manpower France SAS currently situated in Paris.

11. **VACATION**

In addition to the usual statutory holidays in France, Mrs. Gri shall be entitled each year (calculated from 1st March of one year to 28/29 February of the following year) to vacation totalling 2.5 working days per month worked plus two additional days per year (as to one day per

each full half-year of effective work). The time of year when vacation may be taken and the duration of each absence from work on vacation shall be agreed between Mrs. Gri and her superior in the light of the needs of the business.

## 12. OBLIGATIONS

During the performance of this Contract, Mrs. Gri undertakes to comply with the instructions that may be given to her by the Company and with the regulations regarding the internal functioning of the Company.

Mrs. Gri shall in particular comply scrupulously with the general policies applying within the Manpower group, a copy of which will be given to her on the day of. These documents are given to her by way of information only and do not form part of this Contract.

## 13. EXCLUSIVITY OF SERVICES

Throughout the duration of this Contract, Mrs. Gri shall work exclusively for the Company and shall not take up any other professional occupation, notwithstanding that such occupation is not competitive with the Company's business, without the latter's express written authorisation.

Mrs. Gri shall not during the term of this Contract engage in any act that is directly or indirectly competitive with the Company's business and to its detriment.

Should Mrs. Gri be granted permission to carry on other paid activities for another employer during the term hereof, she undertakes to comply with the legislation in force regarding the concomitant holding of more than one post and to provide the Company with full information in order to spare the latter undue charges, especially Social Security charges.

## 14. PUBLICATIONS

Mrs. Gri undertakes not to publish any study based on the work carried out on behalf of the Company or its customers or setting out information, results, etc. obtained at the customers', without prior agreement of the Company.

## 15. CONFIDENTIALITY / DISCRETION

Mrs. Gri formally undertakes, both during and after the term of her employment without any limitation in time, whatever the reason for the termination, not to disclose to any person, individual or company, any confidential information or information which, if disclosed, could favour the interests of competitors of the Company and of which she may have had knowledge during her employment concerning the activity or financial situation of the Company, of any company belonging to the Group, or their customers. Mrs. Gris declares that she is bound by the highest professional confidentiality in this respect.

Mrs. Gri undertakes to maintain absolute discretion as regards all the information which she may obtain in carrying out her duties or by virtue of her presence in the Company.

Any failure to comply with this obligation during the performance of this Contract shall constitute a serious fault ("faute grave") which may justify a dismissal.

**16. RESTITUTION AND USE OF THE COMPANY'S GOODS**

The material, goods and data that the Company shall entrust to Mrs. Gri in connection with her duties and in particular the database, documents, correspondence, books, brochures, keys, credit cards, log books for vehicles, cheque books and other documents shall remain the property of the Company and must be returned to it on demand.

Mrs. Gri shall not use such materials, goods and data other than for professional reasons and undertakes not to copy or reproduce them for personal or any other use without the express authorisation of the Company.

Furthermore, Mrs. Gri expressly undertakes to return said material, goods and data entrusted to her as well as any copy or reproduction thereof in her possession on the same day that she actually ceases her duties for whatever reason without any need for the Company to have to request or demand the same.

**17. ADDITIONAL CLAUSE**

A letter from the Company is attached hereto setting out in particular the conditions of payment of a severance pay in case of termination of this Contract, Mrs. Gri's obligations in terms of enticement of employees, protection of customers and non-compete. All the provisions set out in the said attached letter, form part of this Contract, within the conditions, limits and time periods provided therein.

**18. APPLICABLE LAW – JURISDICTION**

This Contract is subject to French law and to the jurisdiction of the French Courts.

Executed in duplicate in Milwaukee and Paris  
On February 15, 2007

**Manpower France Holding SAS**

**Mrs. Françoise Gris<sup>2</sup>**

By Michael Lynch, President

<sup>2</sup> Signature to be preceded by the words in the employee's handwriting "*Lu et approuvé, bon pour accord.*" (Read and approved—agreed)

April 4, 2007

Mr. Darryl Green

Dear Darryl:

I am very pleased to extend an offer to you to join Manpower Inc. (the "Company") as Executive Vice President and President – Asia Pacific. In this role you would report directly to me and would be part of our Executive Management Team. This offer anticipates your employment will commence on a mutually agreed date on or before May 28, 2007.

Your duties will be to carry out your employment as Executive Vice President and President – Asia Pacific. Reporting to the CEO, you would be responsible for the leadership of the region through the application of Manpower's vision, values and strategies.

Your base salary would be US \$425,000 per year. You also would be eligible to receive an incentive bonus for each full calendar year during the term of your employment. This annual bonus under our current practice would be determined using a "balanced scorecard" approach. Although it is subject to change, under this current approach, the amount of the bonus would be based on a comparison of actual performance-to-performance goals established for you at the beginning of each year. Currently, there are two components to the balanced scorecard. The first component is based on financial goals established at the beginning of each year. The second component under this current approach would include both measurable and discretionary objectives in your role as head of the Asia Pacific region that you and I would formulate at the beginning of each year. Depending upon achievement of these goals and objectives, the total bonus under the current practice would range from zero to 150 percent of base salary, with the target bonus at 75 percent of base salary. For 2007, you would be entitled to an incentive bonus based solely on achievement of goals and objectives for you for the balance of the year that you and I would formulate at the start of your employment. Your bonus opportunity for this partial year would range between zero and 150 percent of the amount paid to you as base salary for the period.

In addition, I would recommend to the Executive Compensation Committee of the Board of Directors that the committee grant to you 10,000 restricted stock units, vesting on the fourth anniversary of your employment. I would also recommend that the committee grant you an opportunity to earn up to a maximum of 7,500 performance share units, vesting only in the event certain growth metrics established by the committee are achieved in Japan and India, with the actual amount earned to be calculated depending upon your performance against the goals and objectives established by the committee. Furthermore, I would recommend to the committee that the committee grant you an option to purchase 20,000 shares of common stock, having an exercise price equal to the market value as of the date you would commence employment and subject to a vesting schedule determined by the committee at the time of grant. Finally, I would recommend that the committee grant you a target number of 5,000 performance share units for the 2007-2009 performance cycle, again with the actual amount earned to be calculated depending upon the Company's performance against the goals and objectives established by the committee for such award.

Of course, you also would be eligible to participate in the Company's and/or its subsidiaries benefits programs, as they are applicable to you, and entitled to vacations and other perquisites, that are generally made available to the Company's senior executive officers according to the terms of such programs. The Company also would reimburse you for all expenses incurred by you in the performance of your duties according to the Company's regulations and procedures for expense reimbursement.

While we look forward to a long and productive relationship, you should be mindful that your employment would be on a at-will basis, meaning both you and the Company will be entitled to end the employment relationship at any time, for any reasons and with or without notice. However, prior to your commencement of employment with the Company, the Company would enter into an agreement (the "Severance Agreement") with you, on mutually satisfactory terms, effective upon the date of your employment, providing generally for the following:

- (1) If your employment would terminate for any reason prior to the date that is two years from the date you commence employment for the Company, except because of your death or disability or a termination by the Company for “cause” or by you without “good reason,” you would be entitled to (a) an incentive bonus for the year in which termination occurs, prorated for the period of employment during the year in which termination occurs, and (b) a lump-sum severance payment equal to the sum of (i) your annual base salary and (ii) an annual bonus, which would be based on prior year bonus amounts (subject to a minimum for the first year).
- (2) If your employment would terminate for any reason, except for the reasons listed in (1) above, within two years after a change of control of the Company occurring before the date that is two years from the date you commence employment with the Company, you would be entitled to (a) a prorated incentive bonus for the year in which termination occurs as described in (1)(a) above, and (b) a lump-sum severance payment equal to two times the sum of (i) your annual base salary and (ii) an annual bonus as described in (2)(b)(ii) above.
- (3) “Cause” and “good reason” would be defined in the agreement.

Prior to the commencement of your employment with the Company, you would be required to sign a nondisclosure agreement that will include provisions related to the protection of Company confidential information and trade secrets. Prior to the commencement of your employment with the Company, you would also be required to certify that you are not subject to any prior obligations (written or oral), such as confidentiality agreements or covenants restricting future employment or consulting, that restrict your ability to perform any services as an employee for the Company.

Your base of operations would be Tokyo. During the term of your employment as Executive Vice President and President – Asia Pacific (the “Term”), the Company would pay you US \$7,500 per month to cover your housing expenses in the Tokyo area, up to \$25,000 per year to cover your automobile expense for transportation in the Tokyo area, and up to \$20,000 per year per child to cover the tuition cost you incur for each of your school-aged children to attend the school of your choice in the Tokyo area. During the Term, the Company would reimburse you for the cost of one round-trip business class airline ticket for each year during the Term for you and each member of your immediate family to return to the United States.

Your income tax returns for any year or partial year included during the Term, for income earned during the Term, would be prepared by a nationally recognized accounting firm of the Company’s choice, and Company would pay the fees charged by such firm to prepare such tax returns. The Company would reimburse you for the total United States (state and federal) and foreign taxes incurred by you as a result of receiving payments of your base salary and any incentive bonuses earned during the Term, as well as payment to you under other benefit plans (including equity incentives), in excess of the total United States (state and federal) taxes you would have incurred as a result of receiving such payments if you were an employee of the Company in the United States. As noted, the Company’s obligation to reimburse you for such excess taxes would relate only to items of income and benefits you would receive from the Company for services rendered to the Company or any of its subsidiaries. The Company’s obligation to reimburse you for excess taxes would not apply to any severance payments under the Severance Agreement. In addition, the Company would reimburse you for all United States (state and federal) and foreign taxes incurred by you as a result of receiving the housing, tuition, automobile and travel benefits described above in the previous paragraph and the tax preparation benefits described in this paragraph. These reimbursements would be grossed-up so that the net amount received by you, after subtraction of all taxes applicable to the reimbursement plus the

gross-up amount, would equal the reimbursement amount. The amounts to be reimbursed under this paragraph would be determined by a nationally recognized accounting firm selected by the Company, whose determination would be binding on both parties. Payments of these tax reimbursements would be made in accordance with the provisions of Section 409A of the United States Internal Revenue Code of 1986, as amended from time to time. You would agree to take such reasonable steps and make such elections as the Company may request in order to reduce the Company's obligations under this paragraph provided, however, that if such elections are expected to impact tax years subsequent to the end of the Term, you would not be required to do so unless you consent to such actions, which consent would not be unreasonably withheld.

The Company would deduct from all amounts payable to you any required withholding or other charges and all such amounts stated above are before any such deductions.

This offer letter shall be governed by the laws of the State of Wisconsin, without regard to its conflicts of law provisions.

Mr. Darryl Green

[Date]

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I am very excited about the prospect of you joining our team. Please do not hesitate to call me if you have any questions. If the foregoing is acceptable, please sign both originals below and return one to Mara Swan, Senior Vice President – Global Human Resources.

Sincerely,

MANPOWER INC.

By: /s/ Jeffrey A. Joerres

Jeffrey A. Joerres

Agreed to and Accepted this 10<sup>th</sup> day of  
April, 2007.

/s/ Darryl E. Green

Darryl E. Green

2007.4.10

**Terms and Conditions Regarding the Grant of Awards  
to Non-Employee Directors under the  
2003 Equity Incentive Plan  
of  
Manpower Inc.**

**(Amended and Restated Effective January 1, 2008)**

**1. Definitions**

Unless the context otherwise requires, the following terms shall have the meanings set forth below:

- (a) "Average Trading Price" shall mean, with respect to any period, the average of the Market Prices on the last trading day of each full or partial calendar quarter included within such period.
- (b) An "Election Period" shall mean a period of time (i) beginning on January 1 of any year with respect to an individual serving as a Director as of that date and, with respect to an individual becoming a Director after January 1 of any year, the date the Director first becomes a Director and thereafter January 1 of any year and (ii) ending on (but including) the earlier of the date of termination of a Director's tenure as a Director or the next succeeding December 31.
- (c) "Equity Plan" shall mean the 2003 Equity Incentive Plan of Manpower Inc.
- (d) "Retainer" shall mean the annual cash retainer payable to a Director as established from time to time by the Board of Directors; provided, however, that the term "Retainer" shall not include that portion of the annual cash retainer as to which a right exists to make an election under, or for which a prior election is in effect under, the Terms and Conditions Regarding the Grant of Options in Lieu of Cash Directors Fees to Non-Employee Directors Under 2003 Equity Incentive Plan of Manpower Inc. (the "Option Terms") or the Procedures Governing the Grant of Options to Non-Employee Directors Under the 1994 Executive Stock Option and Restricted Stock Plan of Manpower Inc. (the "Option Procedures").

Any capitalized terms used below which are not otherwise defined above will have the meanings assigned to them in the Equity Plan.

**2. Right to Elect Deferred Stock in Lieu of Retainer.**

At the beginning of each Election Period, a Director may elect to receive, in lieu of the Retainer to which he or she would otherwise be entitled for that Election Period, Deferred Stock granted in accordance with the following. The election shall cover 50 percent, 75 percent or 100 percent of the Retainer payable to the Director for the Election Period. To be effective, the

election must be made by notice in writing received by the Secretary of the Company (i) on or before the December 31 immediately preceding the beginning of the Election Period for an individual serving as a on such date, and (ii) on or before the tenth business day after the date the Director becomes a Director for an individual becoming a Director during a calendar year. Any such election made by a Director within 10 business days after becoming a Director shall only apply to that portion of the Retainer that is attributable to services performed by the Director subsequent to the date of the election. The number of shares of Deferred Stock granted shall equal (i) the elected percentage of the amount of the Retainer payable to the Director for the Election Period to which the election relates (not including any portion of the Retainer attributable to services performed prior to the date of election for an electing Director who becomes a Director during the year), divided by (ii) the Average Trading Price for that Election Period (rounded to the nearest whole share). Such Deferred Stock shall be granted, automatically and specifically without further action of the Board of Directors, on the first day immediately following the last day of such Election Period and will be fully vested on that date.

**3. Annual Grant of Deferred Stock or Restricted Stock.**

- (a) *Grant of Deferred Stock.* Each individual serving as a Director on the first day of each calendar year shall be granted on that day, automatically and specifically without further action of the Board of Directors, a number of shares of Deferred Stock equal to \$100,000 (\$117,000 for calendar year 2006) divided by the Market Price on the last trading day of the immediately preceding year (rounded to the nearest whole share). Such Deferred Stock shall vest in equal installments on the last day of each calendar quarter during the year in which granted. Each individual becoming a Director during a calendar year shall be granted, automatically and specifically without further action of the Board of Directors, a number of shares of Deferred Stock equal to (i) \$100,000 multiplied by a fraction, the numerator of which is the number of days after the date the Director becomes a Director through the next December 31, and the denominator of which is 365, (ii) divided by the Market Price on the last trading day prior to the date of grant (rounded to the nearest whole share). The date of grant of such Deferred Stock shall be the date the Director becomes a Director. Such Deferred Stock shall vest as follows: on the last day of the calendar quarter during which the Director becomes a Director, a number of shares of such Deferred Stock shall vest equal to the total number of shares granted multiplied by a fraction, the numerator of which is the number of days after the date the Director becomes a Director through the last day of the next calendar quarter, and the denominator of which is the number of days after the date the Director becomes a Director through the next December 31, and thereafter the balance of the shares of such Deferred Stock (if any) shall vest in equal installments on the last day of each remaining calendar quarter during the year. Shares of Deferred Stock granted under this paragraph will not vest if the Director is no longer a member of the Board of Directors on the vesting date, and any shares of Deferred Stock held by a Director which remain unvested at the time the Director ceases to be a member of the Board of Directors shall be forfeited.

- (b) *Alternative Grant of Restricted Stock.* Instead of receiving a grant of Deferred Stock under this paragraph 3, a Director shall have the right to elect to receive a number of shares of Restricted Stock equal to the number of shares of Deferred Stock the Director would otherwise have been granted. To be effective, such election must be made by notice in writing received by the Secretary of the Company (i) on or before December 31 of the immediately preceding year for an individual serving as a Director on the first day of any calendar year, and (ii) on or before the tenth business day after the date the Director becomes a Director for an individual becoming a Director during a calendar year. Any such election to receive Restricted Stock made by a Director within 10 business days after becoming a Director during a calendar year shall only apply to that portion of the Deferred Stock the Director would otherwise have received that is attributable to services performed by the Director in and after the first full calendar quarter subsequent to the date of the election and subsequent calendar quarters during the same calendar year. The date of grant of such Restricted Stock shall be the first day of the full calendar quarter beginning subsequent to the date of the election, and such Restricted Stock shall vest on the same basis as such Deferred Stock would have vested. Where an election to receive Restricted Stock is made by a Director within 10 business days after becoming a Director during a calendar year, the Director shall receive a grant of Deferred Stock equal to that number of shares of Deferred Stock the Director would otherwise have received attributable to services performed by the Director between the date the Director becomes a Director and the last day of the calendar quarter in which the election is made.

#### **4. Deferred Stock: General Provisions**

- (a) *Distribution of Shares.* The Company shall settle Deferred Stock granted under these Terms and Conditions in Shares. Shares shall be distributed in respect of such Deferred Stock (but only to the extent vested, as rounded to the nearest whole Share) on the earlier of the third anniversary of the date of grant (the "Fixed Distribution Date") or, upon a Director ceasing to be a member of the Board of Directors, within 30 days after the date of such cessation. However, a Director holding Deferred Stock granted under these Terms and Conditions shall have the right to extend the Fixed Distribution Date (any such extended date or further extended date as provided below is also referred to below as the "Fixed Distribution Date") by a period of five years or more for each such extension provided in each case the election to extend the Fixed Distribution Date is made by notice in writing delivered to the Secretary of the Company more than 12 months before the then existing Fixed Distribution Date. Notwithstanding the foregoing, if a distribution of Shares under this paragraph would otherwise occur outside of a "Trading Window" (as defined in the Manpower Inc. Statement of Policy on Securities Trading), then the Company may delay the distribution of such Shares until the beginning of the next Trading Window.
- (b) *Dividends and Distributions.* On the first day of each calendar year, each Director shall be granted, automatically and specifically without further action of

the Board of Directors, a number of shares of Deferred Stock equal to (i) the aggregate amount of dividends (or other distributions) which would have been received by the Director during the immediately preceding year if the Deferred Stock held by the Director (whether or not vested) on the record date of any such dividend or distribution had been outstanding common stock of the Company on such date, (ii) divided by the Average Trading Price for the preceding calendar year (rounded to the nearest whole share). Notwithstanding the foregoing, a Director who ceases to be a member of the Board of Directors shall be granted, automatically and specifically without further action of the Board of Directors, on the day following the date of such cessation, a number of shares of Deferred Stock equal to (i) the total amount of dividends which would have been received by the Director during the year in which termination occurs if the Deferred Stock held by the Director (whether or not vested) on the record date of any such dividend had been outstanding common stock of the Company on such date, (ii) divided by the Average Trading Price for the period from January 1 of such year through the date of such cessation (rounded to the nearest whole share). In the event of any distribution other than cash, the foregoing shall be applied based on the fair market value of the property distributed. Additional shares of Deferred Stock granted under this subparagraph 4(b) shall be settled and Shares distributed in respect of such Deferred Stock at the same time as the Deferred Stock to which the dividends and distributions relate.

**5. Other Provisions**

- (a) These amended and restated Terms and Conditions shall become effective on January 1, 2008, and effective on that date shall supercede and replace the amended and restated Terms and Conditions Regarding the Grant of Awards to Non-Employee Directors under the 2003 Equity Incentive Plan in effect immediately prior thereto.
- (b) The modifications reflected in this amended and restated document to subparagraph 1(b) and the last sentence of paragraph 2 are intended to clarify but not modify the meaning of those provisions.

**6. Application of Plan.**

Except as otherwise provided in these Terms and Conditions, the Equity Plan shall apply to any Deferred Stock granted pursuant to these Terms and Conditions.

Manpower France Holdings  
Paris, France

February 15, 2007

Ms. Francoise Gri

Dear Francoise:

Manpower Inc. (the "Corporation") desires to retain experienced, well-qualified executives, like you, to assure the continued growth and success of the Corporation and its direct and indirect subsidiaries (collectively, the "Manpower Group"). Pursuant to your employment by Manpower France Holdings ("France Holdings"), we have agreed as follows:

1. Compensation and Benefits on Termination.

(a) Resignation or Termination for Gross or Serious Misconduct.

In the event that your employment is voluntarily terminated by you by way of resignation (for any reason except those set out at Subsections 1(c).(d) or (e) below), or your employment is terminated by France Holdings for a serious or gross misconduct as defined by French law ("faute grave" or "faute lourde"), France Holdings will owe you no sums other than (i) those due to you by French law pursuant to the performance of your contract of employment and (ii) all benefits to which you are entitled in accordance with any benefit plans generally made available to executives of the Corporation from time to time ("Benefit Plans") in accordance with the terms of such plans. No incentive bonus will be payable for the year during which the termination occurs. The Manpower Group will have no further obligations to you.

(b) Termination for Ordinary Cause ("motif reel et sérieux").

In the event your employment with France Holdings is terminated by either party for any reason except those set out at 1(a) above or 1(c), 1(d) or 1(e) below, you will be entitled to (i) severance pay due under French law, which shall be paid to you no later than required by French law. and (ii) all benefits to which you are entitled under any Benefit Plans in accordance with the terms of such plans. The Manpower Group will have no further obligations to you.

(c) Termination by Reason of Disability or Death.

If your employment with France Holdings terminates during the Term by reason of your disability or death, France Holdings will pay or provide you or your heirs with (i) your full base salary as then in effect through the effective date of your termination of employment in accordance with French law (the "Date of Termination"), (ii) your unpaid bonus, if any, attributable to any complete fiscal

year of the Manpower Group ended before the Date of Termination, (iii) a bonus for the fiscal year during which the Date of Termination occurs equal in amount to the bonus you would have received for the full fiscal year had your employment not terminated, determined by extrapolating to the full fiscal year performance, through the Date of Termination, on any non-discretionary financial goals and by basing any discretionary component on your progress, as determined at the sole discretion of the Chief Executive Officer of the Corporation, towards attainment of the relevant performance goals for such component during the portion of the year you are employed, but prorated for the actual number of days you were employed during such fiscal year, payable within sixty days after the Date of Termination, (iv) any benefits to which you are entitled under the Benefit Plans in accordance with the terms of such plans and (v) upon a disability, the severance pay due to you pursuant to French law, if any. The Manpower Group will have no further obligations to you.

For purposes of this letter, the "Term" will be a period beginning on the date of this letter indicated above and ending on the first to occur of the following: (a) the date which is the two-year anniversary of the occurrence of a Change of Control (as such term is defined below); (b) the date which is the three-year anniversary of the date of this letter indicated above if no Change of Control occurs between the date of this letter indicated above and such three-year anniversary; or (c) the Date of Termination.

(d) Termination for Good Reason In Connection With a Change of Control

In the event your employment with France Holdings is terminated by either party during the Term, if the termination occurs during a Protected Period or within two years after the occurrence of a Change of Control for any of the "good reasons" specified below in Subsection 1(d)(iv), you will be entitled to receive the benefits described below in Subsection 1(d)(i):

(i) Good Reason Termination Benefits In Connection with a Change of Control.

(A) France Holdings will pay you, your full base salary through the date either party gives notice of such a termination (the "Notice Date"), payable no later than required by French law;

(B) France Holdings will pay you, your unpaid bonus, if any, attributable to any complete fiscal year of the Manpower Group ended before the Date of Termination, payable pursuant to the terms of the applicable bonus plan;

(C) France Holdings will pay you, a bonus for the fiscal year in which the Notice Date occurs, (1) your largest annual bonus for the three fiscal years of the Manpower Group immediately preceding the fiscal year in which the Notice Date occurs (2) your target annual bonus for the fiscal year in which the Notice Date occurs; provided, however, that such bonus will be prorated for the actual number of days you were employed during the fiscal year prior to the Notice Date, payable in a lump sum on the date that is six months after the Date of Termination. If any of such payment is not made when due (hereinafter a "Delinquent Payment"), in addition to such principal sum, France Holdings will pay you interest at the legal rate in force in France at the time when the relevant amounts would have been due;

(D) France Holdings will pay, as a severance benefit to you, a lump-sum payment equal to two times the sum of (1) your annual base salary at the highest rate in effect during the Term and (2) the greater of (a) your largest annual bonus for the three fiscal years of the Manpower Group immediately preceding the Notice Date or (b) your target annual bonus for the fiscal year in which the Notice Date occurs; this severance benefit will be inclusive of any severance pay ("indemnité de licenciement") that may be due to you under French law and the applicable notice period or compensation in lieu of notice for the period between the Notice Date and the Date of Termination, unless the total of the "indemnité de licenciement" and notice period exceed the amount of severance benefit due hereunder, payable in one lump sum on the date that is six months after the Date of Termination, except for that part of it that corresponds to the severance pay due under French law that will be paid at the end of the contract as required by French law. If any of such lump sum payment is a Delinquent Payment, in addition to such principal sum, France Holdings will pay you interest at the legal rate in force in France at the time when the relevant amounts would have been due; and

(E) France Holdings will make available to you, an outplacement service program, chosen by the Corporation, and provided by the Corporation or its subsidiaries or an outplacement service provider selected by the Corporation. Such outplacement service program will be of a duration chosen by the Corporation but will not, in any instance, end later than one (1) year following the Date of Termination. Upon completion of the outplacement program specified in this Subsection 1(d)(i)(E), you will be solely responsible for payment of any additional costs incurred as a result of your use of such outplacement services. France Holdings will not substitute cash or other compensation in lieu of the outplacement service program specified in this Subsection 1(d)(i)(E).

(ii) Change of Control. A “Change of Control” will mean the first to occur of the following:

(A) the acquisition (other than from the Corporation), by any Person (as defined in Sections 13(d)(3) and 14(d)(2) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”)), directly or indirectly, of beneficial ownership (within the meaning of Exchange Act Rule 13d-3) of more than 50% of the then outstanding shares of common stock of the Corporation or voting securities representing more than 50% of the combined voting power of the Corporation’s then outstanding voting securities entitled to vote generally in the election of directors; provided, however, no Change of Control shall be deemed to have occurred as a result of an acquisition of shares of common stock or voting securities of the Corporation (A) by the Corporation, any of its subsidiaries, or any employee benefit plan (or related trust) sponsored or maintained by the Corporation or any of its subsidiaries or (B) by any other corporation or other entity with respect to which, following such acquisition, more than 60% of the outstanding shares of the common stock, and voting securities representing more than 60% of the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, of such other corporation or entity are then beneficially owned, directly or indirectly, by the persons who were the Corporation’s shareholders immediately prior to such acquisition in substantially the same proportions as their ownership, immediately prior to such acquisition, of the Corporation’s then outstanding common stock or then outstanding voting securities, as the case may be; or

(B) the consummation of any merger or consolidation of the Corporation with any other corporation, other than a merger or consolidation which results in more than 60% of the outstanding shares of the common stock, and voting securities representing more than 60% of the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, of the surviving or consolidated corporation being then beneficially owned, directly or indirectly, by the persons who were the Corporation’s shareholders immediately prior to such merger or consolidation in substantially the same proportions as their ownership, immediately prior to such merger or consolidation, of the Corporation’s then outstanding common stock or then outstanding voting securities, as the case may be; or

(C) the consummation of any liquidation or dissolution of the Corporation or a sale or other disposition of all or substantially all of the assets of the Corporation; or

(D) individuals who, as of the date of this letter, constitute the Board of Directors of the Corporation (as of such date, the “Incumbent Board”) cease for any reason to constitute at least a majority of such Board; provided, however, that any person becoming a director subsequent to the date of this letter whose election, or nomination for election by the shareholders of the Corporation, was approved by at least a majority of the directors then comprising the Incumbent Board shall be, for purposes of this letter, considered as though such person were a member of the Incumbent Board but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest which was (or, if threatened, would have been) subject to Exchange Act Rule 14a-11; or

(E) whether or not conditioned on shareholder approval, the issuance by the Corporation of common stock of the Corporation representing a majority of the outstanding common stock, or voting securities representing a majority of the combined voting power of the outstanding voting securities of the Corporation entitled to vote generally in the election of directors, after giving effect to such transaction.

Following the occurrence of an event which is not a Change of Control whereby there is a successor holding company to the Corporation, or, if there is no such successor, whereby the Corporation is not the surviving corporation in a merger or consolidation, the surviving corporation or successor holding company (as the case may be), for purposes of this letter, shall thereafter be referred to as the Corporation.

(iii) Protected Period. The “Protected Period” shall be a period of time determined in accordance with the following:

(A) if a Change of Control is triggered by an acquisition of shares of common stock of the Corporation pursuant to a tender offer, the Protected Period shall commence on the date of the initial tender offer and shall continue through and including the date of the Change of Control, provided that in no case will the Protected Period commence earlier than the date that is six months prior to the Change of Control;

(B) if a Change of Control is triggered by a merger or consolidation of the Corporation with any other corporation, the Protected Period shall commence on the date that serious and substantial discussions first take place to effect the merger or consolidation and shall continue through and including the date of the Change of Control, provided that in no case will the Protected Period commence earlier than the date that is six months prior to the Change of Control; and

(C) in the case of any Change of Control not described in Subsections 1(d)(ii)(A) or (B), above, the Protected Period shall commence on the date that is six months prior to the Change of Control and shall continue through and including the date of the Change of Control.

(iv) Good Reason Circumstances.

The severance benefits above in Subsection 1(d)(i) will be payable to you in the event your employment is terminated, without your consent, because you have refused a modification of your contract under any of the following circumstances (i.e., a “good reason”):

(A) your removal from your position as President of Manpower France SAS without cause, “cause” being identified as follows:

- (1) your repeated failure to perform your duties with France Holdings in a competent, diligent and satisfactory manner as determined by the Corporation’s Chief Executive Officer in his reasonable judgment,
- (2) insubordination,
- (3) your commission of any material act of dishonesty or disloyalty involving the Manpower Group,
- (4) your commission of an act of fraud, embezzlement or theft or your breach of trust or dereliction of duty in connection with your duties or in the course of your appointment,
- (5) your unjustified chronic absence from work,
- (6) your commission of a crime which substantially relates to the circumstances of your position with the Manpower Group Holdings or which has a material adverse effect on the Manpower Group, or
- (7) the willful engaging by you in conduct which is demonstrably and materially injurious to the Manpower Group. For purposes of this letter, no act, or failure to act, on your part will be deemed “willful” unless done, or omitted to be done, by you not in good faith.

(B) a reduction in the duties assigned to you that is material based on your overall responsibilities and authority (ignoring incidental duties) prior to and after such reduction in duties, and that you have expressly rejected within one month from having been made the proposal;

(C) any material breach of this agreement by France Holdings or of any material obligation of France Holdings or any member of the Manpower Group for the payment or provision of compensation or other benefits to you;

(D) any reduction in your base salary as in effect from time to time or a failure by the Manpower Group to provide an arrangement for you for any fiscal year of the Manpower Group giving you the opportunity to earn an incentive bonus for such year, it being specified that this clause does not grant you an entitlement to such a bonus but only an eligibility;

(E) your being required by the Corporation or France Holdings to change the location of your principal office to one in excess of seventy-five miles from Paris, France, and that you have expressly rejected within one month from having been made the requirement; or

(F) any reduction in the amount of the annual bonus received by you for a given fiscal year (calculated on a prorated basis for partial years) within two years after the occurrence of a Change of Control, as compared to the amount of the annual bonus received by you (prorated for comparison to partial years) for either of the two fiscal years of the Manpower Group immediately preceding the fiscal year in which a Change of Control occurred, unless the bonus for such given fiscal year is based on criteria to which you have agreed.

(e) Termination for Good Reason Without Regard to Change of Control

In the event your employment with France Holdings is terminated by either party during the Term, other than during a Protected Period or within two years after the occurrence of a Change of Control, for any of the "good reasons" specified below in Subsection 1(e)(ii) below, you will be entitled to receive the benefits described below in Subsection 1(e)(i):

(i) Good Reason Termination Benefits Without Regard to a Change of Control.

(A) France Holdings will pay you, your full base salary through the Notice Date, payable no later than required by French law;

(B) France Holdings will pay you, your unpaid bonus, if any, attributable to any complete fiscal year of the Manpower Group ended before the Date of Termination, payable pursuant to the terms of the applicable bonus plan;

(C) France Holdings will pay you, a bonus for the fiscal year during which the Notice Date occurs equal in amount to the bonus you would have received for the full fiscal year had your employment not terminated,

determined by extrapolating to the full fiscal year performance, through the Notice Date, on any non-discretionary financial goals and by basing any discretionary component on your progress, as determined at the sole discretion of the Chief Executive Officer of the Corporation, towards attainment of the relevant performance goals for such component during the portion of the year you were employed; provided, however, that such bonus will be prorated for the actual number of days you were employed during the fiscal year prior to the Notice Date, payable in a lump sum on the date that is six months after the Date of Termination. If any of such payment is a Delinquent Payment, in addition to such principal sum, France Holdings will pay you interest at the legal rate in force in France at the time when the relevant amounts would have been due;

(D) France Holdings will pay, as a severance benefit to you, a lump sum payment equal to the amount of your annual base salary at the highest rate in effect during the Term plus an amount equal to your largest annual bonus for the three fiscal years of the Manpower Group immediately preceding the Notice Date; this severance benefit will be inclusive of any severance pay (“indemnité de licenciement”) that may be due to you under French law and the applicable notice period or compensation in lieu of notice for the period between the Notice Date and the Date of Termination, unless the total of the “indemnité de licenciement” and notice period exceed the amount of severance benefit due hereunder, payable in one lump sum on the date that is six months after the Date of Termination, except for that part of it that corresponds to the severance pay due under French law that will be paid at the end of the contract as required by French law. If any of such lump sum payment is a Delinquent Payment, in addition to such principal sum, France Holdings will pay you interest at the legal rate in force in France at the time when the relevant amounts would have been due; and

(E) France Holdings will make available to you, an outplacement service program, chosen by the Corporation, and provided by the Corporation or its subsidiaries or an outplacement service provider selected by the Corporation. Such outplacement service program will be of a duration chosen by the Corporation but will not, in any instance, end later than one (1) year following the Date of Termination. Upon completion of the outplacement program specified in this Subsection 1(e)(ii)(E), you will be solely responsible for payment of any additional costs incurred as a result of your use of such outplacement services. The Corporation will not substitute cash or other compensation in lieu of the outplacement service program specified in this Subsection 1(e)(i)(E).

(ii) Good Reason Circumstances.

The severance benefits above in Subsection 1(e)(i) will be payable to you in the event your employment is terminated, without your consent, because you have refused a modification of your contract under any of the circumstances described above in Subsection 1(d)(iv) (i.e., a “good reason”); provided, however, notwithstanding the circumstances described in Subsections 1(d)(iv)(B), (C) and (D) above, it is expressly agreed that it will not be a “good reason” in the event that the Corporation’s Chief Executive Officer, in good faith and with a reasonable belief that the reassignment is in the best interest of the Manpower Group, reassigns you to another senior executive level position in the Manpower Group, even if you expressly reject such reassignment within one month from having been made the proposal, provided that your total cash compensation opportunity attributable to your base salary and annual bonus (as reflected by a dollar amount) at target performance for any year ending after the date of reassignment is not less than such total cash compensation opportunity in effect prior to such reassignment for the year in which such reassignment occurs.

(f) Limitations and Forfeiture.

The amounts paid to you pursuant to Subsections 1(d)(i)(D) or 1(e)(ii)(D) will not be included as compensation for purposes of any qualified or nonqualified pension or welfare benefit plan of the Manpower Group. In addition, notwithstanding the foregoing, your right to receive the payments and benefits to be provided to you under this Section 1 beyond those sums and severance payment due to you on termination of your employment pursuant to French law, is conditioned upon your performance of the obligations stated in Sections 2-5, below, and upon your breach of any such obligations, you will immediately return to the Corporation the amount of such payments and benefits and you will no longer have any right to receive any such payments or benefits.

2. Nondisclosure.

- (a) You will not, directly or indirectly, at any time during the term of your employment, or during the two-year period following your termination, for whatever reason, of employment, use or possess for yourself or others or disclose to others except in the good faith performance of your duties any Confidential Information (as defined below), whether or not conceived, developed, or perfected by you and no matter how it became known to you, unless (i) you first secure written consent of the Corporation to such disclosure, possession or use, (ii) the same shall have lawfully become a matter of public knowledge other than by your act or omission, or (iii) you are ordered to disclose the same by a court of competent jurisdiction or are otherwise required to disclose the same by law, and you promptly notify the Corporation of such disclosure. “Confidential Information” shall mean all business information (whether or not in written form)

which relates to the Manpower Group and which is not known to the public generally (absent your disclosure), including but not limited to confidential knowledge, operating instructions, training materials and systems, customer lists, sales records and documents, marketing and sales strategies and plans, market surveys, cost and profitability analyses, pricing information, competitive strategies, personnel-related information, and supplier lists. This obligation will survive the termination of your appointment for a period of two years and, notwithstanding the foregoing, will not be construed to in any way limit the rights of the Manpower Group to protect Confidential Information which constitute trade secrets under applicable trade secrets law or privileged information even after such two-year period.

(b) Upon your termination, for whatever reason, of your employment, or at any other time upon request of the Corporation, you will promptly surrender to France Holdings, or with the permission of the Corporation destroy and certify such destruction to the Corporation, any documents, materials, or computer or electronic records containing any Confidential Information which are in your possession or under your control.

3. Non-solicitation of Employees. You agree that you will not, at any time during the term of your employment or during the one-year period following your termination, for whatever reason, of your employment, either on your own account or in conjunction with or on behalf of any other person, company, business entity, or other organization whatsoever, directly or indirectly induce, solicit, entice or procure any person who is a managerial employee or officer of any company in the Manpower Group (but in the event of your termination, any such managerial employee or officer that you have had contact with in the two years prior to your termination) to terminate his or her employment or appointment with the Manpower Group so as to accept employment or appointment elsewhere or to diminish or curtail the services such person provides to the Manpower Group.
4. Customer Non-solicitation. During the one-year period which immediately follows the termination, for whatever reason, of your employment, you will not, directly or indirectly, contact any customer of the Manpower Group with whom/which you have had contact on behalf of the Manpower Group during the two-year period preceding the Date of Termination or about whom/which you obtained confidential information in connection with your employment during such two-year period so as to cause or attempt to cause such customer not to do business or to reduce such customer's business with the Manpower Group or divert any business from any company in the Manpower Group.
5. Non-competition. During the one-year period which immediately follows the termination, for whatever reason, of your employment, you will not, directly or indirectly, provide services or assistance of a nature similar to the services you provided to any company of the Manpower Group during the two-year period immediately preceding the Date of Termination to any entity (i) engaged in the business of providing temporary staffing services anywhere in France which has, together with its affiliated

entities, annual revenues from such business in excess of US \$500,000,000 or (ii) engaged in the business of providing permanent placement, professional staffing, outplacement or human resources consulting services anywhere in France which has, together with its affiliated entities, annual revenues from such business in excess of US \$250,000,000. You acknowledge that the scope of this limitation is reasonable in that, among other things, providing any such services or assistance during such one-year period would permit you to use unfairly your close identification with the Manpower Group and the customer contacts you developed while appointment and would involve the use or disclosure of Confidential Information pertaining to the Manpower Group.

6. Injunctive and Other Interim Measures.

(a) Injunction. You recognize that irreparable and incalculable injury will result to the Manpower Group and its businesses and properties in the event of your breach of any of the restrictions imposed by Sections 2-5, above. You therefore agree that, in the event of any such actual, impending or threatened breach, the Corporation will be entitled, in addition to the remedies set forth in Subsection 1(f), above (which the parties agree would not be an adequate remedy), and any other remedies and damages, to, including, but not limited to, provisional or interim measures, including temporary and permanent injunctive relief, without the necessity of posting a bond or other security, from a court of competent jurisdiction restraining the violation, or further violation, of such restrictions by you and by any other person or entity for whom you may be acting or who is acting for you or in concert with you.

(b) Non-application. Notwithstanding the above, Sections 4 and 5 above will not apply if your employment is terminated under the circumstances described in Subsection 1(d) above.

(c) Remuneration. As compensation for this non-competition undertaking, you will, throughout the period of this obligation not to compete, have a right to the payment stipulated by the provisions of French law governing the prohibition of competition in accordance with the conditions and methods defined by therein of 20 % of the average gross monthly remuneration of the last three months during the one year of non-competition. It is expressly agreed that the amounts due to you under 1(e)(i) above are inclusive of this payment.

France Holdings will nevertheless be entitled to waive this clause unilaterally on condition that it informs you within a maximum of 15 days after the notification of the termination of the contract or, if the notice period is not worked, within a month from effective termination of work.

7. Vesting of Options. Any unvested options you hold at the time of a Change of Control to purchase stock of the Corporation will vest and become immediately exercisable at such time.

8. Non-disparagement. Upon the termination, for whatever reason, of your employment, France Holdings and the Corporation agree that their directors and officers, during their

employment by or service to the Manpower Group, will refrain from making any statements that disparage or otherwise impair your reputation or commercial interests. Upon your termination, for whatever reason, of your employment, you agree to refrain from making any statements that disparage or otherwise impair the reputation, goodwill, or commercial interests of the Manpower Group, or its officers, directors, or employees. However, the foregoing will not preclude either party from providing truthful testimony pursuant to subpoena or other legal process or in the course of any proceeding that may be commenced for purposes of enforcing this letter agreement. Any formal declaration made by the Manpower Group as regards the termination of your relationship with the Manpower Group, if it has to be made under the laws of any relevant State or Country, will not be deemed to constitute a failure to comply with the obligations under this paragraph.

9. Successors; Binding Agreement. This letter agreement will be binding on France Holdings, the Corporation and each of their successors and will inure to the benefit of and be enforceable by your personal or legal representatives, heirs and successors.
10. Notice. Notices and all other communications provided for in this letter will be in writing and sent in accordance with French law.
11. No Right to Remain Employed. Nothing contained in this letter will be construed as conferring upon you any right to remain employed by France Holdings or any member of the Manpower Group or affect the right of France Holdings or any member of the Manpower Group to terminate your employment at any time for any reason, subject to the obligations of France Holdings as set forth herein.
12. Modification. No provision of this letter may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing by you and France Holdings.
13. Withholding. France Holdings shall be entitled to withhold from amounts to be paid to you hereunder any social contributions and charges that may be due under the applicable laws and regulations.
14. Applicable Law. This Agreement shall be governed by and interpreted in accordance with the laws of France and is subject to the jurisdiction of the relevant French courts.
15. Previous Agreements. This letter, upon acceptance by you, expressly supersedes any and all previous agreements or understandings relating to the payment of benefits to you upon the termination of your employment with France Holdings or any other member of the Manpower Group and any such agreements or understandings shall, as of the date of your acceptance, have no further force or effect.

If you are in agreement with the foregoing, please sign and return one copy of this letter which will constitute our agreement with respect to the subject matter of this letter.

Sincerely,

MANPOWER FRANCE HOLDINGS

By: /s/ Michael Lynch  
Michael Lynch, President

Agreed as of the 21st day of February, 2007.

/s/ Françoise Gri  
Françoise Gri

Manpower Inc.  
100 Manpower Place  
Milwaukee, Wisconsin 53212

Effective December 31, 2007

Kenneth Hunt  
Senior Vice President  
Chief Legal Officer  
Manpower Inc.  
100 Manpower Place  
Milwaukee, WI 53212

Dear Ken:

Manpower Inc. (the "Corporation") desires to retain experienced, well-qualified executives, like you, to assure the continued growth and success of the Corporation and its direct and indirect subsidiaries (collectively, the "Manpower Group"). Accordingly, as an inducement for you to continue your employment in order to assure the continued availability of your services to the Manpower Group, we have agreed as follows:

1. Definitions. For purposes of this letter:

- (a) Benefit Plans. "Benefit Plans" means all benefits of employment generally made available to executives of the Corporation from time to time.
- (b) Cause. Termination by the Manpower Group of your employment with the Manpower Group for "Cause" will mean termination upon (i) your repeated failure to perform your duties with the Manpower Group in a competent, diligent and satisfactory manner as determined by the Corporation's Chief Executive Officer in his reasonable judgment, (ii) failure or refusal to follow the reasonable instructions or direction of the Corporation's Chief Executive Officer, which failure or refusal remains uncured, if subject to cure, to the reasonable satisfaction of the Corporation's Chief Executive Officer for five (5) business days after receiving notice thereof from the Corporation's Chief Executive Officer, or repeated failure or refusal to follow the reasonable instructions or directions of the Corporation's Chief Executive Officer, (iii) any act by you of fraud, material dishonesty or material disloyalty involving the Manpower Group, (iv) any violation by you of a Manpower Group policy of material import, (v) any act by you of moral turpitude which is likely to result in discredit to or loss of business, reputation or goodwill of the Manpower Group, (vi) your chronic absence from work other than by reason of a serious health condition, (vii) your commission of a crime the circumstances of which substantially relate to your employment duties with the Manpower Group, or (viii) the willful engaging by you in conduct which is demonstrably and materially injurious to the Manpower Group. For purposes of this Subsection 1(b), no act, or failure to act, on your part will be deemed "willful" unless done, or omitted to be done, by you not in good faith.

- (c) Change of Control. A “Change of Control” will mean the first to occur of the following:
- (i) the acquisition (other than from the Corporation), by any Person (as defined in Sections 13(d)(3) and 14(d)(2) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”)), directly or indirectly, of beneficial ownership (within the meaning of Exchange Act Rule 13d-3) of more than 50% of the then outstanding shares of common stock of the Corporation or voting securities representing more than 50% of the combined voting power of the Corporation’s then outstanding voting securities entitled to vote generally in the election of directors; provided, however, no Change of Control shall be deemed to have occurred as a result of an acquisition of shares of common stock or voting securities of the Corporation (A) by the Corporation, any of its subsidiaries, or any employee benefit plan (or related trust) sponsored or maintained by the Corporation or any of its subsidiaries or (B) by any other corporation or other entity with respect to which, following such acquisition, more than 60% of the outstanding shares of the common stock, and voting securities representing more than 60% of the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, of such other corporation or entity are then beneficially owned, directly or indirectly, by the persons who were the Corporation’s shareholders immediately prior to such acquisition in substantially the same proportions as their ownership, immediately prior to such acquisition, of the Corporation’s then outstanding common stock or then outstanding voting securities, as the case may be; or
  - (ii) the consummation of any merger or consolidation of the Corporation with any other corporation, other than a merger or consolidation which results in more than 60% of the outstanding shares of the common stock, and voting securities representing more than 60% of the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, of the surviving or consolidated corporation being then beneficially owned, directly or indirectly, by the persons who were the Corporation’s shareholders immediately prior to such merger or consolidation in substantially the same proportions as their ownership, immediately prior to such merger or consolidation, of the Corporation’s then outstanding common stock or then outstanding voting securities, as the case may be; or
  - (iii) the consummation of any liquidation or dissolution of the Corporation or a sale or other disposition of all or substantially all of the assets of the Corporation; or

- (iv) individuals who, as of the date of this letter, constitute the Board of Directors of the Corporation (as of such date, the "Incumbent Board") cease for any reason to constitute at least a majority of such Board; provided, however, that any person becoming a director subsequent to the date of this letter whose election, or nomination for election by the shareholders of the Corporation, was approved by at least a majority of the directors then comprising the Incumbent Board shall be, for purposes of this letter, considered as though such person were a member of the Incumbent Board but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest which was (or, if threatened, would have been) subject to Exchange Act Rule 14a-11; or
- (v) whether or not conditioned on shareholder approval, the issuance by the Corporation of common stock of the Corporation representing a majority of the outstanding common stock, or voting securities representing a majority of the combined voting power of the outstanding voting securities of the Corporation entitled to vote generally in the election of directors, after giving effect to such transaction.

Following the occurrence of an event which is not a Change of Control whereby there is a successor holding company to the Corporation, or, if there is no such successor, whereby the Corporation is not the surviving corporation in a merger or consolidation, the surviving corporation or successor holding company (as the case may be), for purposes of this letter, shall thereafter be referred to as the Corporation.

- (d) Good Reason. "Good Reason" will mean, without your consent, the occurrence of any one or more of the following during the Term:
  - (i) a material diminution in your authority, duties or responsibilities;
  - (ii) any material breach of this agreement by the Corporation or of any material obligation of any member of the Manpower Group for the payment or provision of compensation or other benefits to you;
  - (iii) a material diminution in your base salary or a failure by the Manpower Group to provide an arrangement for you for any fiscal year of the Manpower Group giving you the opportunity to earn an incentive bonus for such year;
  - (iv) your being required by the Corporation to materially change the location of your principal office; provided such new location is one in excess of fifty miles from the location of your principal office before such change; or
  - (v) a material diminution in your annual target bonus opportunity for a given

fiscal year within two years after the occurrence of a Change of Control, as compared to the annual target bonus opportunity for the fiscal year immediately preceding the fiscal year in which a Change of Control occurred.

Notwithstanding Subsections 1(d)(i) – (v) above, Good Reason does not exist unless (i) you object to any material diminution or breach described above by written notice to the Corporation within twenty (20) business days after such diminution or breach occurs, (ii) the Corporation fails to cure such diminution or breach within thirty (30) days after such notice is given and (iii) your employment with the Manpower Group is terminated by you within ninety (90) days after such diminution or breach occurs. Further, notwithstanding Subsections 1(d)(i)-(v), above, Good Reason does not exist if, at a time that is not during a Protected Period or within two years after the occurrence of a Change of Control, the Corporation’s Chief Executive Officer, in good faith and with a reasonable belief that the reassignment is in the best interest of the Manpower Group, reassigns you to another senior executive level position in the Manpower Group provided that your base compensation (either base salary or target bonus opportunity for any year ending after the date of reassignment) is not less than such base salary or target bonus opportunity in effect prior to such reassignment for the year in which such reassignment occurs.

- (e) Notice of Termination. Any termination of your employment by the Manpower Group, or termination by you for Good Reason, during the Term will be communicated by Notice of Termination to the other party hereto. A “Notice of Termination” will mean a written notice which specifies a Date of Termination (which date shall be on or after the date of the Notice of Termination) and, if applicable, indicates the provision in this letter applying to the termination and sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of your employment under the provision so indicated.
- (f) Date of Termination. “Date of Termination” will mean the date specified in the Notice of Termination where required (which date shall be on or after the date of the Notice of Termination) or in any other case upon your ceasing to perform services for the Manpower Group.
- (g) Protected Period. The “Protected Period” shall be a period of time determined in accordance with the following:
  - (i) if a Change of Control is triggered by an acquisition of shares of common stock of the Corporation pursuant to a tender offer, the Protected Period shall commence on the date of the initial tender offer and shall continue through and including the date of the Change of Control, provided that in no case will the Protected Period commence earlier than the date that is six months prior to the Change of Control;
  - (ii) if a Change of Control is triggered by a merger or consolidation of the Corporation with any other corporation, the Protected Period shall

commence on the date that serious and substantial discussions first take place to effect the merger or consolidation and shall continue through and including the date of the Change of Control, provided that in no case will the Protected Period commence earlier than the date that is six months prior to the Change of Control; and

- (iii) in the case of any Change of Control not described in Subsections 1(g)(i) or (ii), above, the Protected Period shall commence on the date that is six months prior to the Change of Control and shall continue through and including the date of the Change of Control.
- (h) Term. The “Term” will be a period beginning on the effective date of this letter indicated above and ending on the first to occur of the following: (a) the date which is the two-year anniversary of the occurrence of a Change of Control; (b) the date which is the three-year anniversary of the date of this letter indicated above if no Change of Control occurs between the date of this letter indicated above and such three-year anniversary; or (c) the Date of Termination.

2. Compensation and Benefits on Termination.

- (a) Termination by the Manpower Group for Cause or by You Other Than for Good Reason. If your employment with the Manpower Group is terminated by the Manpower Group for Cause or by you other than for Good Reason, the Corporation will pay or provide you with (i) your full base salary as then in effect through the Date of Termination, (ii) your unpaid bonus, if any, attributable to any complete fiscal year of the Manpower Group ended before the Date of Termination (but no incentive bonus will be payable for the fiscal year in which termination occurs), and (iii) all benefits to which you are entitled under any Benefit Plans in accordance with the terms of such plans. The Manpower Group will have no further obligations to you.
- (b) Termination by Reason of Disability or Death. If your employment with the Manpower Group terminates during the Term by reason of your disability or death, the Corporation will pay or provide you with (i) your full base salary as then in effect through the Date of Termination, (ii) your unpaid bonus, if any, attributable to any complete fiscal year of the Manpower Group ended before the Date of Termination, (iii) a bonus for the fiscal year during which the Date of Termination occurs equal to your target annual bonus for the fiscal year in which the Date of Termination occurs, but prorated for the actual number of days you were employed during such fiscal year, payable within sixty days after the Date of Termination, and (iv) all benefits to which you are entitled under any Benefit Plans in accordance with the terms of such plans. For purposes of this letter, “disability” means that you (i) are unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a

continuous period of not less than twelve months, or (ii) are, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve months, receiving income replacement benefits for a period of not less than three months under an accident and health plan covering employees of the Corporation or the Manpower Group. The Manpower Group will have no further obligations to you.

(c) Termination for Any Other Reason.

- (i) If, during the Term and either during a Protected Period or within two years after the occurrence of a Change of Control, your employment with the Manpower Group is terminated for any reason not specified in Subsections 2(a) or (b), above, you will be entitled to the following:
- (A) the Corporation will pay you, your full base salary through the Date of Termination at the rate in effect at the time Notice of Termination is given;
  - (B) the Corporation will pay you, your unpaid bonus, if any, attributable to any complete fiscal year of the Manpower Group ended before the Date of Termination;
  - (C) the Corporation will pay you, a bonus for the fiscal year during which the Date of Termination occurs equal in amount to your target annual bonus for the fiscal year in which the Change of Control occurs;
  - (D) the Corporation will pay, as a severance benefit to you, a lump-sum payment equal to two times the sum of (1) your annual base salary at the highest rate in effect during the Term and (2) your target annual bonus for the fiscal year in which the Change of Control occurs;
  - (E) for up to an eighteen-month period after the Date of Termination, the Corporation will arrange to provide you and your eligible dependents, at the Manpower Group's expense, with Health Insurance Continuation (defined below), or other substantially similar coverage, in which you were participating on the Date of Termination; provided, however, that benefits otherwise receivable by you pursuant to this Subsection 2(c)(i)(E) will be reduced to the extent other comparable benefits are actually received by you during the eighteen-month period following your termination, and any such benefits actually received by you or your dependents will be reported to the Corporation; and provided, further that any insurance continuation coverage that you may be entitled to receive under the Consolidated Omnibus

Budget Reconciliation Act of 1986, as amended (“COBRA”), or similar foreign or state laws will commence on the Date of Termination.

For purposes of this Subsection 2(c)(i)(E), “Health Insurance Continuation” means that, if, and to the extent, you or any of your eligible dependents, following the Date of Termination, elect to continue coverage under the Corporation’s group medical and dental insurance plans, in accordance with the requirements of COBRA or similar foreign or state laws, the Manpower Group will pay the total cost of such COBRA coverage for the first eighteen months for which you and/or your eligible dependents are eligible for such coverage; provided, however, that if you, your spouse or any other eligible dependant commences new employment during such eighteen-month period and becomes eligible for health insurance benefits from such new employer, the Corporation’s obligation to provide such Corporation-subsidized COBRA coverage to you or such eligible dependant shall terminate as of the date you or such dependant becomes eligible to receive such health insurance benefits from such new employer. Immediately following this period of Corporation-subsidized COBRA coverage, you and/or your eligible dependents, as applicable, will be solely responsible for payment of the entire cost of COBRA coverage if such coverage remains available and you and/or your eligible dependents choose to continue such coverage. Within five calendar days of you or any of your eligible dependents becoming eligible to receive health insurance benefits from a new employer, you agree to inform the Corporation of such fact in writing. If the Manpower Group determines that the Corporation-subsidized COBRA payments provided by this Subsection 2(c)(i)(E) are taxable, the payments will be grossed-up so that the net amount received by you, after subtraction of all taxes applicable to the payments plus the gross-up amount, will equal the cost of such COBRA coverage; and

- (F) the Corporation will make available to you, an outplacement service program, chosen by the Corporation, and provided by the Corporation or its subsidiaries or an outplacement service provider selected by the Corporation. Such outplacement service program will be of a duration chosen by the Corporation but will not, in any instance, end later than one (1) year following the Date of Termination. Upon completion of the outplacement program specified in this Subsection 2(c)(i)(F), you will be solely responsible for payment of any additional costs incurred as a result of your use of such outplacement services. The Corporation will not substitute cash or other compensation in lieu of the outplacement service program specified in this Subsection 2(c)(i)(F).

- (ii) If your employment with the Manpower Group is terminated during the Term for any reason not specified in Subsections 2(a) or (b), above, and Subsection 2(c)(i), above, does not apply to the termination, you will be entitled to the following:
- (A) the Corporation will pay you, your full base salary through the Date of Termination at the rate in effect at the time Notice of Termination is given;
  - (B) the Corporation will pay you, your unpaid bonus, if any, attributable to any complete fiscal year of the Manpower Group ended before the Date of Termination;
  - (C) the Corporation will pay you, a bonus for the fiscal year during which the Date of Termination occurs equal in amount to the bonus you would have received for the full fiscal year had your employment not terminated, determined by the actual financial results of the Corporation at year-end towards any non-discretionary financial goals and by basing any discretionary component at the target level of such component; provided, however, that such bonus will be prorated for the actual number of days you were employed during the fiscal year during which the Date of Termination occurs;
  - (D) the Corporation will pay, as a severance benefit to you, a lump sum payment equal to the amount of your annual base salary at the highest rate in effect during the Term plus your target annual bonus for the fiscal year in which the Date of Termination occurs;
  - (E) for up to a twelve—month period after the Date of Termination, the Corporation will arrange to provide you and your eligible dependents with Health Insurance Continuation (defined below); provided, however, that benefits otherwise receivable by you pursuant to this Subsection 2(c)(ii)(E) will be reduced to the extent other comparable benefits are actually received by you during the twelve-month period following your termination, and any such benefits actually received by you or your dependents will be reported to the Corporation; and provided, further that any insurance continuation coverage that you may be entitled to receive under COBRA or similar foreign or state laws will commence on the Date of Termination.

For purposes of this Subsection 2(c)(ii)(E), “Health Insurance Continuation” means that, if, and to the extent, you or any of your

eligible dependents, following the Date of Termination, elect to continue coverage under the Corporation's group medical and dental insurance plans, in accordance with the requirements of COBRA or similar foreign or state laws, the Manpower Group will pay the normal monthly employer's cost of coverage under the Corporation's group medical and dental insurance plans toward such COBRA coverage for the first twelve months for which you and/or your eligible dependents are eligible for such coverage; provided, however, that if you, your spouse or any other eligible dependant commences new employment during such twelve-month period and becomes eligible for health insurance benefits from such new employer, the Corporation's obligation to provide such Corporation-subsidized COBRA coverage to you or such eligible dependant shall terminate as of the date you or such dependant becomes eligible to receive such health insurance benefits from such new employer. During this period of Corporation-subsidized COBRA coverage, you will be responsible for paying the balance of any costs not paid for by the Manpower Group under this Subsection 2(c)(ii)(E) which are associated with your participation in the Corporation's medical and dental insurance plans and your failure to pay such costs may result in the termination of your participation in such plans. The Corporation may deduct from any amounts payable to you under this Subsection 2(c)(ii) any amounts that you are responsible to pay for Health Insurance Continuation under this Subsection 2(c)(ii)(E). Immediately following this period of Corporation-subsidized COBRA coverage, you and/or your eligible dependents, as applicable, will be solely responsible for payment of the entire cost of COBRA coverage if such coverage remains available and you and/or your eligible dependents choose to continue such coverage. Within five calendar days of you or any of your eligible dependents becoming eligible to receive health insurance benefits from a new employer, you agree to inform the Corporation of such fact in writing. If the Manpower Group determines that the Corporation-subsidized COBRA payments provided by this Subsection 2(c)(ii)(E) are taxable, the payments will be grossed-up so that the net amount received by you, after subtraction of all taxes applicable to the payments plus the gross-up amount, will equal the cost of such COBRA coverage; and

- (F) the Corporation will make available to you, an outplacement service program, chosen by the Corporation, and provided by the Corporation or its subsidiaries or an outplacement service provider selected by the Corporation. Such outplacement service program will be of a duration chosen by the Corporation but will not, in any instance, end later than one (1) year following the Date of

Termination. Upon completion of the outplacement program specified in this Subsection 2(c)(ii)(F), you will be solely responsible for payment of any additional costs incurred as a result of your use of such outplacement services. The Corporation will not substitute cash or other compensation in lieu of the outplacement service program specified in this Subsection 2(c)(ii)(F).

The amounts paid to you pursuant to Subsection 2(c)(i)(D) or 2(c)(ii)(D) will not be included as compensation for purposes of any qualified or nonqualified pension or welfare benefit plan of the Manpower Group.

Notwithstanding anything contained herein to the contrary, the Corporation, based on the advice of its legal or tax counsel, shall compute whether there would be any "excess parachute payments" payable to you, within the meaning of Section 280G of the Internal Revenue Code of 1986, as amended (the "Code"), taking into account the total "parachute payments," within the meaning of Section 280G of the Code, payable to you by the Corporation under this letter agreement and any other plan, agreement or otherwise. If there would be any excess parachute payments, the Corporation, based on the advice of its legal or tax counsel, shall compute the net after-tax proceeds to you, taking into account the excise tax imposed by Section 4999 of the Code, as if (i) amount to be paid to you pursuant to Subsection 2(c)(i)(D) were reduced, but not below zero, such that the total parachute payments payable to you would not exceed three (3) times the "base amount" as defined in Section 280G of the Code, less One Dollar (\$1.00), or (ii) the full amount to be paid to you pursuant to Subsection 2(c)(i)(D) were not reduced. If reducing the amount otherwise payable to you pursuant to Subsection 2(c)(i)(D) hereof would result in a greater after-tax amount to you, such reduced amount shall be paid to you and the remainder shall be forfeited by you as of the Date of Termination. If not reducing the amount otherwise payable to you pursuant to Subsection 2(c)(i)(D) would result in a greater after-tax amount to you, the amount payable to you pursuant to Subsection 2(c)(i)(D) shall not be reduced.

- (d) Payment. The payments provided for in Subsection 2(c)(i)(A) or 2(c)(ii)(A), above, will be made no later than required by applicable law. The bonus payment provided for in Subsection 2(c)(i)(B) or 2(c)(ii)(B) will be made pursuant to the terms of the applicable bonus plan. The bonus payment provided for in Subsection 2(c)(i)(C) will be paid no later than thirty (30) days after the Date of Termination. The bonus payment provided for in Subsection 2(c)(ii)(C) will be paid between January 1 and March 15 of the calendar year following the Date of Termination. The severance benefit provided for in Subsection 2(c)(i)(D) or 2(c)(ii)(D) will be paid in one lump sum no later than thirty (30) days after the Date of Termination. While the parties acknowledge that the payments in the previous two sentences are intended to be "short-term deferrals" and therefore are exempt from the application of Section 409A of the Code, to the extent (i) further guidance or interpretation is issued by the IRS after the date that of this letter agreements which would indicate that the payments do not qualify as "short-term deferrals," and (ii) you are a "specified employee" within the meaning of Section 409A(a)(2)(B)(i) of the Code upon the Date of Termination, such payments shall be

delayed and instead shall be paid in one lump sum on the date that is six months after the Date of Termination. If any of such payment is not made when due (hereinafter a "Delinquent Payment"), in addition to such principal sum, the Corporation will pay you interest on any and all such Delinquent Payments from the date due computed at the prime rate, compounded monthly. Such prime rate shall be the prime rate (currently the base rate on corporate loans posted by at least 75% of the 30 largest U.S. banks) in effect from time to time as reported in *The Wall Street Journal*, Midwest edition (or, if not so reported, as reported in such other similar source(s) as the Corporation shall select).

- (e) Release of Claims. Notwithstanding the foregoing, you will have no right to receive any payment or benefit described in Subsections 2(c)(i)(C)-(F) or 2(c)(ii)(C)-(F), above, unless and until you execute, and there shall be effective following any statutory period for revocation, a release, in a form reasonably acceptable to the Corporation, that irrevocably and unconditionally releases, waives, and fully and forever discharges the Manpower Group and its past and current directors, officers, stockholders, members, partners, employees, and agents from and against any and all claims, liabilities, obligations, covenants, rights, demands and damages of any nature whatsoever, whether known or unknown, anticipated or unanticipated, relating to or arising out of your employment with the Manpower Group, including without limitation claims arising under the Age Discrimination in Employment Act of 1967, as amended, Title VII of the Civil Rights Act of 1964, as amended, and the Civil Rights Act of 1991, but excluding any claims covered under any applicable workers' compensation act.
- (f) Forfeiture. Notwithstanding the foregoing, your right to receive the payments and benefits to be provided to you under this Section 2 beyond those described in Subsection 2(a), above, is conditioned upon your performance of the obligations stated in Sections 3-6, below, and upon your breach of any such obligations, you will immediately return to the Corporation the amount of such payments and benefits and you will no longer have any right to receive any such payments or benefits.

- 3. Nonsolicitation of Employees. You agree that you will not, at any time during the term of your employment with the Manpower Group or during the one-year period following your termination, for whatever reason, of employment with the Manpower Group, either on your own account or in conjunction with or on behalf of any other person, company, business entity, or other organization whatsoever, directly or indirectly induce, solicit, entice or procure any person who is a managerial employee of any company in the Manpower Group (but in the event of your termination, any such managerial employee that you have had contact with in the two years prior to your termination) to terminate his or her employment with the Manpower Group so as to accept employment elsewhere or to diminish or curtail the services such person provides to the Manpower Group.

4. Customer Nonsolicitation.
- (a) During the term of your employment with the Manpower Group, you will not assist any competitor of any company in the Manpower Group in any capacity anywhere the Manpower Group does business.
  - (b) During the one-year period which immediately follows the termination, for whatever reason, of your employment with the Manpower Group, you will not, directly or indirectly, contact any customer of the Manpower Group with whom/which you have had contact on behalf of the Manpower Group during the two-year period preceding the Date of Termination or about whom/which you obtained confidential information in connection with your employment with the Manpower Group during such two-year period so as to cause or attempt to cause such customer not to do business or to reduce such customer's business with the Manpower Group or divert any business from any company in the Manpower Group.
5. Noncompetition. During the one-year period which immediately follows the termination, for whatever reason, of your employment with the Manpower Group, you will not, directly or indirectly, provide services or assistance of a nature similar to the services you provided to the Manpower Group during the two-year period immediately preceding the Date of Termination to any entity (i) engaged in the business of providing temporary staffing services anywhere in the United States or any other country in which the Manpower Group conducts business as of the Date of Termination which has, together with its affiliated entities, annual revenues from such business in excess of US \$500,000,000 or (ii) engaged in the business of providing permanent placement, professional staffing, outplacement or human resources consulting services anywhere in the United States or any other country in which the Manpower Group conducts business as of the Date of Termination which has, together with its affiliated entities, annual revenues from such business in excess of US \$250,000,000. You acknowledge that the scope of this limitation is reasonable in that, among other things, providing any such services or assistance during such one-year period would permit you to use unfairly your close identification with the Manpower Group and the customer contacts you developed while employed by the Manpower Group and would involve the use or disclosure of Confidential Information pertaining to the Manpower Group.
6. Injunctive and Other Interim Measures.
- (a) Injunction. You recognize that irreparable and incalculable injury will result to the Manpower Group and its businesses and properties in the event of your breach of any of the restrictions imposed by Sections 3-5, above. You therefore agree that, in the event of any such actual, impending or threatened breach, the Corporation will be entitled, in addition to the remedies set forth in Subsection 2(f), above (which the parties agree would not be an adequate remedy), and any other remedies and damages, to, including, but not limited to, provisional or interim measures, including temporary and permanent injunctive relief, without

the necessity of posting a bond or other security, from a court of competent jurisdiction restraining the violation, or further violation, of such restrictions by you and by any other person or entity for whom you may be acting or who is acting for you or in concert with you.

- (b) Equitable Extension. The duration of any restriction in Section 3-5 above, will be extended by any period during which such restriction is violated by you.
  - (c) Nonapplication. Notwithstanding the above, Section 5 above will not apply if your employment with the Manpower Group is terminated by you for Good Reason or by the Corporation without Cause either during a Protected Period or within two years after the occurrence of a Change of Control.
7. Unemployment Compensation. The severance benefits provided for in Subsection 2(c)(i)(D) will be assigned for unemployment compensation benefit purposes to the two-year period following the Date of Termination, and the severance benefits provided for in Subsection 2(c)(ii)(D) will be assigned for unemployment compensation purposes to the one-year period following the Date of Termination, and you will be ineligible to receive, and you agree not to apply for, unemployment compensation during such periods.
  8. Nondisparagement. Upon your termination, for whatever reason, of employment with the Manpower Group, the Corporation agrees that its directors and officers, during their employment by or service to the Manpower Group, will refrain from making any statements that disparage or otherwise impair your reputation or commercial interests. Upon your termination, for whatever reason, of employment with the Manpower Group, you agree to refrain from making any statements that disparage or otherwise impair the reputation, goodwill, or commercial interests of the Manpower Group, or its officers, directors, or employees. However, the foregoing will not preclude the Corporation from providing truthful information about you concerning your employment or termination of employment with the Manpower Group in response to an inquiry from a prospective employer in connection with your possible employment, and will not preclude either party from providing truthful testimony pursuant to subpoena or other legal process or in the course of any proceeding that may be commenced for purposes of enforcing this letter agreement.
  9. Successors; Binding Agreement. This letter agreement will be binding on the Corporation and its successors and will inure to the benefit of and be enforceable by your personal or legal representatives, heirs and successors.
  10. Notice. Notices and all other communications provided for in this letter will be in writing and will be deemed to have been duly given when delivered in person, sent by telecopy, or two days after mailed by United States registered or certified mail, return receipt requested, postage prepaid, and properly addressed to the other party.
  11. No Right to Remain Employed. Nothing contained in this letter will be construed as conferring upon you any right to remain employed by the Corporation or any member of

the Manpower Group or affect the right of the Corporation or any member of the Manpower Group to terminate your employment at any time for any reason or no reason, with or without cause, subject to the obligations of the Corporation as set forth herein.

12. Modification. No provision of this letter may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing by you and the Corporation.
13. Withholding. The Manpower Group shall be entitled to withhold from amounts to be paid to you hereunder any federal, state, or local withholding or other taxes or charges which it is, from time to time, required to withhold under applicable law.
14. Applicable Law. This Agreement shall be governed by and interpreted in accordance with the laws of the State of New York, United States of America, without regard to its conflict of law provisions.
15. Reduction of Amounts Due Under Law. You agree that any severance payment (*i.e.*, any payment other than a payment for salary through your Date of Termination or for a bonus earned in the prior fiscal year but not yet paid) to you pursuant to this agreement will be counted towards any severance type payments otherwise due you under law. By way of illustration, English law requires notice period of one (1) week for every year of service up to a maximum of twelve (12) weeks of notice. In the event you are terminated without notice and you would otherwise be entitled to a severance payment hereunder, such severance payment will be considered to be payment in lieu of such notice.
16. Previous Agreements. This letter, upon acceptance by you, expressly supersedes any and all previous agreements or understandings relating to your employment by the Corporation or the Manpower Group, except for (i) the letter from the Corporation to you dated November 28, 2007 regarding the Corporation's offer of employment to you (provided this letter will supersede the sections of the prior letter concerning severance protection and restrictive covenants) and (ii) the nondisclosure agreement between you and the Corporation dated December 31, 2007, or the termination of such employment, and any such agreements or understandings shall, as of the date of your acceptance, have no further force or effect.
17. Dispute Resolution. Section 6 to the contrary notwithstanding, the parties shall, to the extent feasible, attempt in good faith to resolve promptly by negotiation any dispute arising out of or relating to your employment by the Manpower Group pursuant to this letter agreement. In the event any such dispute has not been resolved within 30 days after a party's request for negotiation, either party may initiate arbitration as hereinafter provided. For purposes of this Section 17, the party initiating arbitration shall be denominated the "Claimant" and the other party shall be denominated the "Respondent."
  - (a) If your principal place of employment with the Manpower Group is outside the United States, any dispute arising out of or relating to this letter agreement, including the breach, termination or validity thereof, shall be finally resolved by

arbitration before a sole arbitrator in accordance with the International Institute for Conflict Prevention and Resolution International Rules for Non-Administered Arbitration (the "CPR International Rules") as then in effect. If the parties are unable to select the arbitrator within 30 days after Respondent's receipt of Claimant's Notice of Arbitration and the 30-day deadline has not been extended by the parties' agreement, the arbitrator shall be selected by CPR as provided in CPR International Rule 6. The seat of the arbitration shall be the Borough of Manhattan in the City, County and State of New York, United States of America. The arbitration shall be conducted in the English language. Judgment upon the award rendered by the arbitrator may be entered by any court having jurisdiction thereof. Anything in the foregoing to the contrary notwithstanding, the parties expressly agree that at any time before the arbitrator has been selected and the initial pre-hearing conference provided for in International Rule 9.3 has been held, either of them shall have the right to apply to any court located in Milwaukee County, Wisconsin, United States of America, to whose jurisdiction they agree to submit, or to any other court that otherwise has jurisdiction over the parties, for provisional or interim measures including, but not limited to, temporary or permanent injunctive relief.

- (b) If your principal place of employment with the Manpower Group is within the United States, any dispute arising out of or relating to this letter agreement, including the breach, termination or validity thereof, shall be finally resolved by arbitration before a sole arbitrator in accordance with the International Institute for Conflict Prevention and Resolution Rules for Non-Administered Arbitration (the "CPR Rules") as then in effect. If the parties are unable to select the arbitrator within 30 days after Respondent's receipt of Claimant's Notice of Arbitration and the 30-day deadline has not been extended by the parties' agreement, the arbitrator shall be selected by CPR as provided in Rule 6 of the CPR Rules. The seat of the arbitration shall be Milwaukee, Wisconsin, United States of America. The arbitration shall be governed by the Federal Arbitration Act, 9 U.S.C. §§ 1 *et seq.* Judgment upon the award rendered by the arbitrator may be entered by any court having jurisdiction thereof. Anything in the foregoing to the contrary notwithstanding, the parties expressly agree that at any time before the arbitrator has been selected and the initial pre-hearing conference has been held as provided in Rule 9.3 of the CPR Rules, either of them shall have the right to apply to any court located in Milwaukee County, Wisconsin, United States of America to whose jurisdiction they agree to submit, or to any other court that otherwise has jurisdiction over the parties, for provisional or interim measures, including, but not limited to, temporary or permanent injunctive relief.

18. Severability. The obligations imposed by Paragraphs 3-6, above, of this agreement are severable and should be construed independently of each other. The invalidity of one such provision shall not affect the validity of any other such provision.

If you are in agreement with the foregoing, please sign and return one copy of this letter which will constitute our agreement with respect to the subject matter of this letter.

Sincerely,

MANPOWER INC.

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

Agreed as of the 22nd day of February, 2008.

/s/ Kenneth C. Hunt  
Kenneth C. Hunt

## MANPOWER INC.

## NONSTATUTORY STOCK OPTION AGREEMENT

This Nonstatutory Stock Option Agreement (this "Agreement") is executed as of \_\_\_\_\_, by and between MANPOWER INC., a Wisconsin corporation (the "Corporation"), and \_\_\_\_\_ (the "Employee").

## WITNESSETH:

WHEREAS the Board of Directors of the Corporation has established the 2003 Equity Incentive Plan (the "Plan") for employees and directors of the Corporation and its Subsidiaries;

WHEREAS, the Corporation anticipates that the Plan will promote the best interests of the Corporation and its shareholders (i) by providing participants who have acquired a proprietary interest in the Corporation with a stronger incentive to put forth maximum effort for the continued success and growth of the Corporation and its Subsidiaries, and (ii) by enabling the Corporation to attract and retain superior employees; and

WHEREAS, the Corporation has granted to the Employee the right to participate in the Plan in the manner and subject to the terms provided in this Agreement and the Plan.

NOW, THEREFORE, in consideration of the benefits that the Corporation will derive in connection with the services to be rendered by the Employee, the Corporation and the Employee hereby agree as follows:

1. Provisions of Plan Control. This Agreement shall be governed by the provisions of the Plan, the terms and conditions of which are incorporated herein by reference. The Plan empowers the Committee to make interpretations, rules and regulations thereunder, and, in general, provides that determinations of such Committee with respect to the Plan shall be binding upon the Employee. Unless otherwise provided herein, all capitalized words in this Agreement shall have the meaning ascribed to them in the Plan. A copy of the Plan will be delivered to the Employee upon reasonable request.

2. Option; Number of Shares; Option Price. The Employee shall have the right and option to purchase all or any part of an aggregate \_\_\_\_\_ Shares (the "Option") at the purchase price of \$-\_\_\_\_\_ per Share.

3. Time Limitations on Exercise of Option. The Option will become exercisable as to 25% of the Shares on the first annual anniversary date hereof and an additional 25% will become exercisable on each of the three (3) subsequent annual anniversaries of such date, provided that the Employee is still in the employ of the Corporation on each such date. To the extent that the number of Shares relating to the Option becoming exercisable on any anniversary date is a fractional number, the cumulative number shall be rounded to the closest whole number, provided however, that to the extent necessary, the cumulative number of Shares relating to the Option becoming exercisable on the 4<sup>th</sup> annual anniversary date shall be adjusted so that the total Shares that have become exercisable on or before the 4<sup>th</sup> annual anniversary date equals the total number of Shares indicated in Paragraph 2 above. Notwithstanding any limitation established by the Committee on the exercise of the Option or anything else to the contrary contained in this Agreement, the Option shall be immediately exercisable as to all Shares covered by the Option if it has not previously lapsed upon the death of the Employee or upon the Employee's termination of employment due to the Disability of the Employee. To the extent not previously exercised according to the terms hereof, the Option shall expire on the tenth anniversary of the date hereof.

4. Termination of Employment and/or Triggering Event. The Option shall be exercisable upon the termination of the Employee's employment relationship with the Corporation and its Subsidiaries only in the manner and to the extent provided in Paragraph 7 of the Plan. Notwithstanding the foregoing, the second sentence of Subsection 7(e) of the Plan, regarding acceleration of vesting upon a Triggering Event, shall not apply to this Agreement. Instead, in connection with a Triggering Event, the Option shall be immediately exercisable as to all Shares covered by the Option it has not previously lapsed upon any of the following:

- (i) If the Corporation's shares do remain publicly traded on a national securities exchange after the Triggering Event, upon termination of Employee's employment by the Corporation other than for "Cause", as defined below, during a Protected Period or within two (2) years following a Triggering Event;
- (ii) If the Corporation's shares do remain publicly traded on a national securities exchange after the Triggering Event, upon the Employee's voluntary termination of his employment for "Good Reason" as defined below, during a Protected Period or within two (2) years following a Triggering Event; or
- (iii) Upon a Triggering Event where the Corporation's shares do not remain publicly traded on a national securities exchange after the Triggering Event, unless the Options granted hereunder are converted, on a tax-free basis, into options over shares of an acquiring corporation that is publicly traded on a national securities exchange.

In the event of accelerated vesting due to the termination of Employee's employment during a Protected Period, the accelerated vesting will occur as of the date of the Triggering Event.

For purposes of this paragraph:

- a. Termination for "Cause" will mean termination of the Employee's employment upon:
  - (i) Employee's repeated failure to perform his duties with the Corporation in a competent, diligent and satisfactory manner as determined by the Committee,
  - (ii) Employee's failure or refusal to follow the reasonable instructions or direction of the Corporation's Board of Directors, which failure or refusal remains uncured, if subject to cure, to the reasonable satisfaction of the Board of Directors for five (5) business days after receiving notice thereof from the Board of Directors, or repeated failure or refusal to follow the reasonable instructions or directions of the Board of Directors,
  - (iii) any act by Employee of fraud, material dishonesty or material disloyalty involving the Corporation,
  - (iv) any violation by Employee of a Corporation policy of material import,

- (v) any act by Employee of moral turpitude which is likely to result in discredit to or loss of business, reputation or goodwill of the Corporation,
  - (vi) Employee's chronic absence from work other than by reason of a serious health condition,
  - (vii) Employee's commissions of a crime the circumstances of which substantially relate to Employee's employment duties with the Corporation, or
  - (viii) the willful engaging by Employee in conduct which is demonstrably and materially injurious to the Corporation. For purposes of this Agreement, no act, or failure to act, on Employee's part will be deemed "willful" unless done, or omitted to be done, by Employee not in good faith.
- b. "Good Reason" will mean, without the Employee's consent, the occurrence of any one or more of the following:
- (i) a material diminution in Employee's authority, duties or responsibilities;
  - (ii) any material breach of any material obligation of the Corporation for the payment or provision of compensation or other benefits to Employee;
  - (iii) a material diminution in Employee's base salary or a failure by the Corporation to provide an arrangement for Employee for any fiscal year of the Corporation giving Employee the opportunity to earn an incentive bonus for such year;
  - (iv) Employee's being required by the Corporation to materially change the location of his principal office; provided such new location is one in excess of fifty miles from the location of Employee's principal office before such change;
  - (v) a material diminution in Employee's annual target bonus opportunity for a given fiscal year within two years after the occurrence of a Triggering Event, as compared to the annual target bonus opportunity for the fiscal year immediately preceding the fiscal year in which a Triggering Event occurred.

Notwithstanding the provisions above, Good Reason does not exist unless (i) Employee objects to any material diminution or breach described above by written notice to the Corporation within twenty (20) business days after such diminution or breach occurs, (ii) the Corporation fails to cure such diminution or breach within thirty (30) days after such notice is given and (iii) Employee's employment with the Corporation is terminated by Employee within ninety (90) days after such diminution or breach occurs.

5. Method of Exercising Option. The Option may be exercised in whole or in part in accordance with the manner prescribed by the Corporation in effect on the date of exercise. The Employee may contact the Plan Administrator at the Corporation by calling (414) 961-1000 to receive details regarding the manner of exercise prescribed by the Corporation and in effect on the date of exercise. The Corporation shall have the right to delay the issue or delivery of any Shares to be delivered hereunder until (a) the completion of such registration or qualification of such Shares under federal, state, or foreign law, ruling,

or regulation as the Corporation shall deem to be necessary or advisable, and (b) receipt from the Employee of such documents and information as the Committee may deem necessary or appropriate in connection with such registration or qualification or the issuance of Shares hereunder.

6. Prohibition Against Transfer. Unless otherwise provided by the Committee and except as provided in Paragraph 7 of the Plan, the Option, and the rights and privileges conferred hereby, may not be transferred by the Employee, and shall be exercisable during the lifetime of the Employee only by the Employee.

7. Notices. Any notice to be given to the Corporation under the terms of this Agreement shall be given in writing either to the management of the Subsidiary employing the Employee, or to the Corporation in care of its Secretary at 5301 North Ironwood Road, Milwaukee, Wisconsin 53217. Any notice to be given to the Employee may be addressed to him at his address as it appears on the payroll records of the Corporation or any Subsidiary thereof. Any such notice shall be deemed to have been duly given if and when actually received by the party to whom it is addressed, as evidenced by a written receipt to that effect.

8. Taxes. The Corporation may require payment or reimbursement of or may withhold any tax that it believes is required as a result of the grant or exercise of the Option, and the Corporation may defer making delivery with respect to Shares or cash payable hereunder or otherwise until arrangements satisfactory to the Corporation have been made with respect to such withholding obligations.

9. Rights of Employee. The Option, and any payments or other benefits received by the Employee under the Option, is discretionary and shall not be deemed a part of the Employee's regular, recurring compensation for any purpose, including without limitation for purposes of termination, indemnity, or severance pay law of any country and shall not be included in, nor have any effect on, the determination of benefits under any other employee benefit plan, contract or similar arrangement provided to the Employee unless expressly so provided by such other plan, contract or arrangement, or unless the Committee expressly determines otherwise.

IN WITNESS WHEREOF, the Corporation has caused these presents to be executed as of the date and year first above written, which is the date of the granting of the Option evidenced hereby.

MANPOWER INC.

By: \_\_\_\_\_

Michael J. Van Handel  
Executive Vice President,  
Chief Financial Officer & Secretary

The undersigned Employee hereby accepts the foregoing Option and agrees to the several terms and conditions hereof and of the Plan.

\_\_\_\_\_  
Employee

## MANPOWER INC.

## PERFORMANCE SHARE UNIT AGREEMENT

This Performance Share Unit Agreement (this "Agreement") is executed as of \_\_\_\_\_ by and between MANPOWER INC., a Wisconsin corporation (the "Corporation"), and \_\_\_\_\_ (the "Employee").

## WITNESSETH:

WHEREAS the Board of Directors of the Corporation has established the 2003 Equity Incentive Plan (the "Plan") with the approval of the shareholders of the Corporation; and

WHEREAS, the Employee has been granted Performance Share Units under the Plan subject to the terms provided in this Agreement and the Plan.

NOW, THEREFORE, the Corporation and the Employee hereby agree as follows:

1. Provisions of Plan Control. This Agreement shall be governed by the provisions of the Plan, the terms and conditions of which are incorporated herein by reference. The Plan empowers the Administrator to make interpretations, rules and regulations thereunder, and, in general, provides that determinations of the Administrator with respect to the Plan shall be binding upon the Employee. Unless otherwise provided herein, all capitalized terms in this Agreement shall have the meanings ascribed to them in the Plan. A copy of the Plan will be delivered to the Employee upon reasonable request.

2. Terms of Award and Performance Goal. The Employee has been granted a Target Grant of \_\_\_\_\_ Performance Share Units under the Plan. The actual number of Performance Share Units earned by Employee will be determined as described below, based upon the actual achievement of the Performance Goal during the Performance Period. The Performance Goal shall be based upon **[insert Performance Goal as defined in Section 2(u) of the Plan]**. Threshold **[Performance Goal]** is the minimum **[Performance Goal]** for the Performance Period that must be achieved by the Corporation in order for the Employee to qualify for any Award, Target **[Performance Goal]** is the expected achievement of **[Performance Goal]** for the Performance Period, and Maximum **[Performance Goal]** is the maximum **[Performance Goal]** for the Performance Period that could be achieved that would result in an increase in the number of Performance Share Units earned under this Award.

Average [Performance Goal] During the Performance PeriodThreshold **[Performance Goal]** \_\_\_\_\_Target **[Performance Goal]** \_\_\_\_\_Maximum **[Performance Goal]** \_\_\_\_\_Resulting Performance Share Units Earned

\_\_\_\_\_% of Target Grant

\_\_\_\_\_% of Target Grant

\_\_\_\_\_% of Target Grant

Actual **[Performance Goal]** for the Performance Period between Threshold **[Performance Goal]** and Target **[Performance Goal]**, or between Target **[Performance Goal]** and Maximum **[Performance Goal]**, shall result in an Award of Performance Share Units determined on a linear basis. In the event that the actual **[Performance Goal]** is less than Threshold **[Performance Goal]** for the Performance Period, no Performance Share Units shall be earned under this Award. In the event that the Corporation's actual **[Performance Goal]** exceeds the Maximum **[Performance Goal]** for the Performance Period, Performance Share Units in the amount of \_\_\_\_% of the Target Grant shall be earned. Notwithstanding the foregoing, the Committee retains the discretion to decrease the number of Performance Share Units earned under this Award.

3. Award Payment. The number of Performance Share Units earned shall be paid in Shares after the Performance Period as soon as administratively practicable after the Committee has approved and certified the number of Performance Share Units that have been earned hereunder. Notwithstanding the foregoing, Awards of Performance Share Units that become earned and vested upon the Employee's death, Disability or a Triggering Event as provided

in Sections 4 or 5 below shall be paid in Shares as soon as administratively practicable after such death, Disability or Triggering Event. Further, to the extent that Performance Share Units granted hereunder are earned and vested upon the Employee's Retirement and are nonqualified deferred compensation subject to Section 409A of the Code, such Award shall be paid to the Employee in Shares on the date that is the later of (i) six (6) months after the date of the Employee's "separation of service" as such term is defined under Section 409A of the Code, or (ii) as soon as administratively practicable after the date the Committee has certified and approved the number of Performance Share Units that have been earned hereunder.

4. Termination of Employment. Except as otherwise provided in the Plan and except as otherwise provided in this Agreement, Employee must be an employee of the Corporation or its direct and indirect subsidiaries (collectively, the "Manpower Group") continuously from the date of this Award until the last day of the Performance Period in order for Employee to receive any Shares with respect to any Performance Share Units he or she may earn hereunder. Notwithstanding the foregoing, Section 10(d)(2) of the Plan, regarding the earning and accelerated vesting of Awards upon a death, Disability or Retirement, shall not apply to this Agreement. Instead, if the Performance Share Units have not previously been earned or forfeited, the Employee shall immediately earn and become vested in a prorated number of Performance Share Units upon the Employee's death or Disability or Retirement. The number of Performance Share Units earned upon a death or Disability shall be the number of Performance Share Units determined by multiplying the Target Grant by the quotient of: (x) the number of days between and including the date of this Agreement and the date of the Employee's death or Disability divided by (y) the number of days in the Performance Period. The number of Performance Share Units earned in connection with a Retirement shall be number of Performance Share Units determined by multiplying the number of Performance Share Units that would have been earned at the end of the Performance Period, determined in accordance with the actual **[Performance Goal]** achieved at the end of the Performance Period, by the quotient of (x) the number of days between and including the date of this Agreement and the date of the Employee's Retirement divided by (y) the number of days in the Performance Period.

5. Triggering Event. Section 10(e) of the Plan, regarding the earning and accelerated vesting of Awards after a Triggering Event or during a Protected Period, shall not apply to this Agreement. Instead, upon a Triggering Event while the Employee is employed by the Corporation, the Employee shall earn and become vested in a prorated number of Performance Share Units. The number of Performance Share Units earned upon such Triggering Event shall be the number of Performance Share Units determined by multiplying (i) the resulting number of Performance Share Units that would have been earned at the end of the Performance Period, determined by adjusting the **[Performance Goal]** targets on a pro rata basis for less than the entire Performance Period and then applying the actual **[Performance Goal]** achieved as of the date immediately prior to the date of the Triggering Event, by (ii) the quotient of: (x) the number of days between and including the date of this Agreement and the date of the Employee's Triggering Event divided by (y) the number of days in the Performance Period.

6. Dividends and Voting Rights. The Employee shall not be entitled to receive any dividends for his or her Performance Share Units and shall not be entitled to voting rights with respect to such Performance Share Units.

7. Taxes. The Corporation may require payment or reimbursement of or may withhold any tax that it believes is required as a result of the grant or vesting of such Performance Share Units or payments of Shares in connection with the Performance Share Units, and the Corporation may defer making delivery of any Shares in respect of Performance Share Units until arrangements satisfactory to the Corporation have been made with regard to any such payment, reimbursement, or withholding obligation.

8. Definitions.

- a. "[Performance Goal]" means **[insert definition]**.
- b. "Performance Period" means the \_\_-month period beginning on \_\_\_\_\_ and ending on \_\_\_\_\_.

- c. "Service" means the period beginning on the date the Employee's employment with the Manpower Group commences and ending on the date the Employee's employment with the Manpower Group terminates.
- d. "Retirement" will mean termination of the Employee's employment on or after the Employee has attained age 55 and has completed 10 years of Service.

9. Multiple Executed Copies. This Agreement may be executed in multiple copies, each of which will constitute an original, and which together will constitute one and the same agreement providing for a single grant of Performance Share Units.

IN WITNESS WHEREOF, the Corporation has caused this Agreement to be executed as of the date and year first above written.

MANPOWER INC.

By: \_\_\_\_\_

The undersigned Employee hereby accepts the foregoing grant of Performance Share Units and agrees to the several terms and conditions hereof and of the Plan.

\_\_\_\_\_  
Employee

## MANPOWER INC.

RESTRICTED STOCK AGREEMENT  
(CEO)

This Restricted Stock Agreement (this "Agreement") is executed as of \_\_\_\_\_, 200\_ by and between MANPOWER INC., a Wisconsin corporation (the "Corporation"), and \_\_\_\_\_ (the "Employee").

## WITNESSETH:

WHEREAS the Board of Directors of the Corporation has established the 2003 Equity Incentive Plan (the "Plan") with the approval of the shareholders of the Corporation; and

WHEREAS, the Employee has been granted Restricted Stock under the Plan subject to the terms provided in this Agreement and the Plan.

NOW, THEREFORE, the Corporation and the Employee hereby agree as follows:

1. Provisions of Plan Control. This Agreement shall be governed by the provisions of the Plan, the terms and conditions of which are incorporated herein by reference. The Plan empowers the Administrator to make interpretations, rules and regulations thereunder, and, in general, provides that determinations of the Administrator with respect to the Plan shall be binding upon the Employee. Unless otherwise provided herein, all capitalized terms in this Agreement shall have the meanings ascribed to them in the Plan. A copy of the Plan will be delivered to the Employee upon reasonable request.

2. Terms of Award. The Employee has been granted \_\_\_\_\_ Shares of Restricted Stock under the Plan. Notwithstanding the terms of the Plan, the Administrator has determined that the Restricted Period is the period ending on \_\_\_\_\_, unless the Restricted Period ends sooner as provided in the Plan.

Notwithstanding the foregoing, the provisions of Section 8(e) of the Plan, regarding a Triggering Event, shall not apply to this Agreement. Instead, in connection with a Triggering Event, the Restricted Period shall end and all restrictions applicable to any Restricted Stock then held by the Employee shall lapse and the Shares of Restricted stock shall vest in full upon any of the following:

- (i) Where the Corporation's shares remain publicly traded on a national securities exchange after the Triggering Event, if Employee's employment is terminated by the Corporation other than for "Cause", as defined below, during a Protected Period or within two (2) years following a Triggering Event;
- (ii) Where the Corporation's shares remain publicly traded on a national securities exchange after the Triggering Event, if Employee voluntarily terminates his employment for "Good Reason" as defined below, during Protected Period or within two (2) years following a Triggering Event; or
- (iii) upon a Triggering Event where the Corporation's shares do not remain publicly traded on a national securities exchange after the Triggering Event, unless the Restricted Stock granted hereunder is converted, on a tax-free basis, into shares of an acquiring corporation that is publicly traded on a national securities exchange.

In the event of accelerated vesting due to the termination of Employee's employment during a Protected Period, the accelerated vesting will occur as of the date of the Triggering Event.

Further, the provisions of Section 8(d)(2) of the Plan regarding normal retirement or early retirement shall not apply to this Agreement. Instead, upon the Employee's Retirement, the Restricted Period shall end and all restrictions applicable to any Restricted Stock then held by the Employee shall immediately lapse and the Shares of Restricted Stock shall vest in full.

Finally, notwithstanding the foregoing, the Restricted Period shall end and the Employee shall become vested in a prorated number of Shares of Restricted Stock if the Shares have not previously vested or been forfeited, as follows:

- a. upon the Employee's termination of employment by the Corporation other than for "Cause," as defined below, where such termination does not occur during a Protected Period or within two (2) year following a Triggering Event; or
- b. upon the Employee's voluntary termination of employment for "Good Reason," as defined below, where such termination does not occur during a Protected Period or within two (2) year following a Triggering Event.
- c. The number of Shares of Restricted Stock that shall vest upon the occurrence of either (a) or (b) above shall be the number of Shares determined by multiplying the total Shares granted hereunder by the quotient of: (x) the number of days between and including the date of this Agreement and the date of the Employee's termination of employment, divided by (y) \_\_\_\_ days.

For purposes of this paragraph:

- a. Termination for "Cause" will mean termination of the Employee's employment upon:
  - (i) Employee's repeated failure to perform his duties with the Corporation in a competent, diligent and satisfactory manner as determined by the Committee,
  - (ii) Employee's failure or refusal to follow the reasonable instructions or direction of the Corporation's Board of Directors, which failure or refusal remains uncured, if subject to cure, to the reasonable satisfaction of the Board of Directors for five (5) business days after receiving notice thereof from the Board of Directors, or repeated failure or refusal to follow the reasonable instructions or directions of the Board of Directors,
  - (iii) any act by Employee of fraud, material dishonesty or material disloyalty involving the Corporation,
  - (iv) any violation by Employee of a Corporation policy of material import,
  - (v) any act by Employee of moral turpitude which is likely to result in discredit to or loss of business, reputation or goodwill of the Corporation,
  - (vi) Employee's chronic absence from work other than by reason of a serious health condition,
  - (vii) Employee's commissions of a crime the circumstances of which substantially relate to Employee's employment duties with the Corporation, or
  - (viii) the willful engaging by Employee in conduct which is demonstrably and materially injurious to the Corporation. For purposes of this Agreement, no act, or failure to act, on Employee's part will be deemed "willful" unless done, or omitted to be done, by Employee not in good faith.

- b. "Good Reason" will mean, without the Employee's consent, the occurrence of any one or more of the following:
- (i) a material diminution in Employee's authority, duties or responsibilities;
  - (ii) any material breach of any material obligation of the Corporation for the payment or provision of compensation or other benefits to Employee;
  - (iii) a material diminution in Employee's base salary or a failure by the Corporation to provide an arrangement for Employee for any fiscal year of the Corporation giving Employee the opportunity to earn an incentive bonus for such year;
  - (iv) Employee's being required by the Corporation to materially change the location of his principal office; provided such new location is one in excess of fifty miles from the location of Employee's principal office before such change;
  - (v) a material diminution in Employee's annual target bonus opportunity for a given fiscal year within two years after the occurrence of a Triggering Event, as compared to the annual target bonus opportunity for the fiscal year immediately preceding the fiscal year in which a Triggering Event occurred.

Notwithstanding the provisions above, Good Reason does not exist unless (i) Employee objects to any material diminution or breach described above by written notice to the Corporation within twenty (20) business days after such diminution or breach occurs, (ii) the Corporation fails to cure such diminution or breach within thirty (30) days after such notice is given and (iii) Employee's employment with the Corporation is terminated by Employee within ninety (90) days after such diminution or breach occurs.

- c. "Retirement" will mean termination of the Employee's employment on or after the Employee has attained age 55 and has completed 10 years of Service.
- d. "Service" means the period beginning on the date the Employee's employment with the Corporation or its direct or indirect subsidiaries (collectively, the "Manpower Group") commences and ending on the date the Employee's employment with the Manpower Group terminates.

3. Dividends and Voting Rights. The Employee shall be entitled to receive any dividends that become payable with respect to such shares of Restricted Stock and shall be entitled to voting rights with respect to such shares of Restricted Stock.

4. Taxes. The Corporation may require payment or reimbursement of or may withhold any tax that it believes is required as a result of the grant or vesting of such Restricted Stock or any payments in connection with the Restricted Stock, and the Corporation may defer making delivery of any Restricted Stock or Shares in respect of Restricted Stock until arrangements satisfactory to the Corporation have been made with regard to any such payment, reimbursement, or withholding obligation.

5. Stock Certificates. In accordance with the Plan, the Corporation will retain custody of the stock certificates representing Restricted Stock during the Restricted Period. As soon as practicable after the execution of this Agreement, the Participant shall deliver to the Corporation a stock power signed by the Participant to be used in the event the Restricted Stock is forfeited to the Corporation. The Participant's signature on such stock power shall be guaranteed by an institution that is a member of a Medallion signature guarantee program or a similar signature guarantee program acceptable to the Corporation's transfer agent.

6. Multiple Executed Copies. This Agreement may be executed in multiple copies, each of which will constitute an original, and which together will constitute one and the same agreement providing for a single grant of shares of Restricted Stock.

IN WITNESS WHEREOF, the Corporation has caused this Agreement to be executed as of the date and year first above written.

MANPOWER INC.

By: \_\_\_\_\_

The undersigned Employee hereby accepts the foregoing grant of Restricted Stock and agrees to the several terms and conditions hereof and of the Plan.

\_\_\_\_\_  
Employee

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

MANPOWER INC.  
(in millions)

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
<b>Earnings:</b>					
Earnings before income taxes from continuing operations	\$ 791.2	\$ 481.9	\$ 387.0	\$ 371.6	\$ 223.3
Fixed charges	<u>185.2</u>	<u>162.8</u>	<u>153.2</u>	<u>153.0</u>	<u>124.4</u>
	<u>\$ 976.4</u>	<u>\$ 644.7</u>	<u>\$ 540.2</u>	<u>\$ 524.6</u>	<u>\$ 347.7</u>
<b>Fixed charges:</b>					
Interest (expensed or capitalized)	\$ 65.0	\$ 54.1	\$ 46.7	\$ 45.3	\$ 41.2
Estimated interest portion of rent expense	<u>120.2</u>	<u>108.7</u>	<u>106.5</u>	<u>107.7</u>	<u>83.2</u>
	<u>\$ 185.2</u>	<u>\$ 162.8</u>	<u>\$ 153.2</u>	<u>\$ 153.0</u>	<u>\$ 124.4</u>
<b>Ratio of earnings to fixed charges</b>	5.3	4.0	3.5	3.4	2.8

**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.

# Balance

Manpower Inc.  
2007 Annual Report





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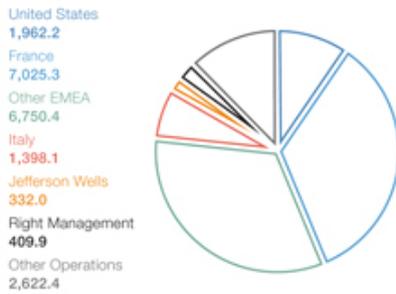
[Table of Contents](#)**Balance**

The world of work is constantly changing, constantly shifting. Changing demand for products and services means a shift in the talent required to deliver them. New technologies, new competitors and new ways of working emerge every day. To keep a business on a steady course and continue delivering record results despite these challenges requires a keen sense of what is required to maintain balance. It requires agility built on a strong foundation. It requires a steady focus on objectives. And, it requires the right people for the job. For Manpower, 2007 was about leveraging the balance that we have created over the past decade to deliver record results.

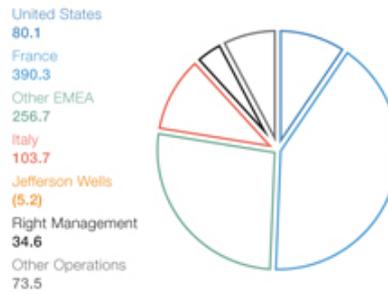
## Manpower at a Glance

Manpower Inc. is a world leader in the employment services industry; creating and delivering services that enable our clients to win in the changing world of work. In 2007, Manpower revenues increased 16.7% to \$20.5 billion.

2007 Segment Revenues  
in millions (\$)



2007 Segment Operating Unit Profit  
in millions (\$)



Systemwide Offices



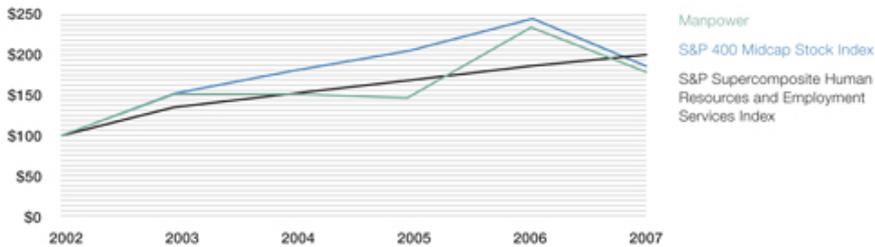
Offices across 80 countries and territories allow us to meet the needs of clients in all industry segments. Systemwide Offices represents our branch offices plus the offices operating under a franchise agreement with us.

People Placed in Permanent, Temporary and Contract Positions



\*Temporary and contract only

Return on Manpower Stock



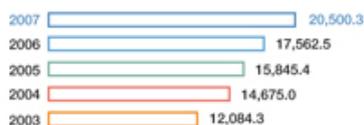
The graph assumes a \$100 investment on December 31, 2002 in our common stock, the Standard & Poor's 400 Midcap Stock Index and the Standard & Poor's Supercomposite Human Resources and Employment Services Index and assumes the reinvestment of all dividends.

### Stock Information

Stock Exchange NYSE (Ticker: MAN)	Market Capitalization \$4.5 billion (as of Dec 31, 2007)	Shares Outstanding 79,872,675 (as of Dec 31, 2007)	2007 Share Price High and Low \$95.05/\$56.20
Fiscal Year End Date December 31	Number of Shares Issued 103,414,254 (as of Dec 31, 2007)	Avg. Daily Volume 800,000 + shares per day in 2007	

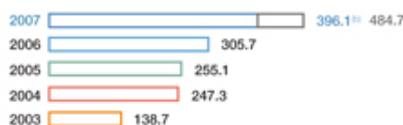
## Financial Highlights

### Revenues from Services<sup>(a)</sup> in millions (\$)



2007 was a record year with the highest revenues in Manpower's history. Revenues from Services rose 16.7% on the continued strength of our European operations.

### Net Earnings from Continuing Operations in millions (\$)



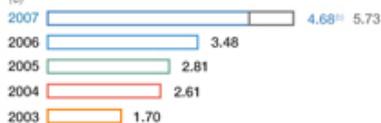
Net Earnings from Continuing Operations increased 59%, 30% excluding the French payroll tax modification, while Net Earnings grew from \$398.0 to \$484.7, an improvement of 22%.

### Operating Profit in millions (\$)



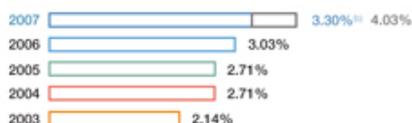
Operating Profit increased 55% over 2006, 27% excluding the French payroll tax modification, due to the growth in the business, coupled with effective cost management.

### Net Earnings Per Share from Continuing Operations - Diluted (\$)



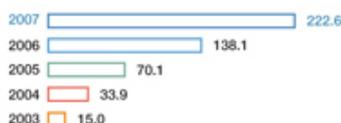
Net Earnings Per Share from Continuing Operations - Diluted increased 65%, 34% excluding the French payroll tax modification.

### Operating Profit Margin



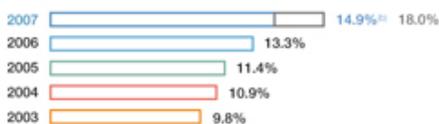
Operating Profit Margin improved to 4.03% in 2007, or 3.30% excluding the French payroll tax modification reflecting better leveraging of our Selling and Administrative Expenses with the strong revenue growth.

### Emerging Market Revenue in millions (\$)



Emerging market revenue growth in 2007 exceeded expectations in our three key expansion markets: India (+119%), China (+49%) and Eastern Europe (+52%).

### Return on Invested Capital (ROIC)



Return on Invested Capital is defined as operating profit after tax divided by the average monthly total of net debt and equity for the year. Net debt is defined as total debt less cash and cash equivalents.

### Total Capitalization in millions (\$)



Debt as a percentage of total capitalization was 26% in 2007 compared to 25% in 2006 and 26% in 2005.

(a) Revenues from Services includes fees received from our franchise offices of \$26.5 million, \$34.5 million, \$35.8 million, \$35.7 million and \$36.7 million for 2003, 2004, 2005, 2006 and 2007, respectively. These fees are primarily based on revenues generated by the franchise offices, which were \$1,214.4 million, \$1,487.1 million, \$1,510.7 million, \$1,497.0 million and \$1,408.5 million for 2003, 2004, 2005, 2006 and 2007, respectively.  
In the United States, where the majority of our franchisees operate, Revenues from Services includes fees received from the related franchise operations of \$21.9 million, \$25.0 million, \$24.9 million, \$24.4 million and \$24.2 million for 2003, 2004, 2005, 2006 and 2007, respectively. These fees are primarily based on revenues generated by the franchise operations, which were \$1,026.2 million, \$1,181.5 million, \$1,196.9 million, \$1,146.1 million and \$1,055.1 million for 2003, 2004, 2005, 2006 and 2007, respectively.

(b) Amounts exclude the impact of the payroll tax modification in France. (See Note 1 to the consolidated financial statements for further information.)

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**Dear Manpower Investor:**

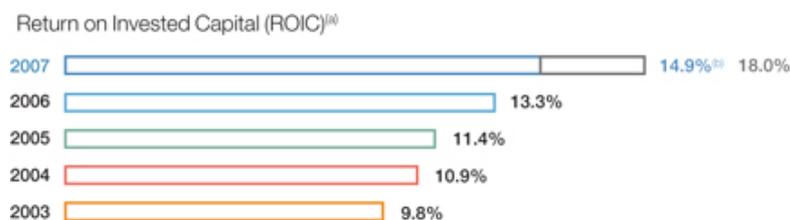
**2007 was a record year for us in terms of both revenue and income. This did not happen by accident.**

For the past decade, we have worked tirelessly to balance our business so that it is now a stronger, more flexible and more resilient company than ever before. The balance that we promised you was centered on diversifying our services, our network and our client mix. This diversification, which is driven by anticipating the market and client needs, has improved our profit margins, reduced our sensitivity to economic cycles and increased our strategic value to clients. And in 2007, we delivered.

We finished the year with revenues of \$20.5 billion, an increase of 17 percent over 2006 or 9 percent in constant currency. Net earnings from continuing operations improved to \$485 million, a 59 percent increase and net earnings per share from continuing operations – diluted reached \$5.73 per share in 2007, an increase of 65 percent. Both of these amounts include the benefit of a modification to the payroll tax calculation in France, which had a significant favorable impact on our results in 2007. Excluding this impact, however, our net earnings from continuing operations improved an impressive 30 percent, while net earnings per share from continuing operations – diluted increased 34 percent.

2 Shareholder's Letter

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- (a) Return on Invested Capital is defined as operating profit after tax divided by the average monthly total of net debt and equity for the year. Net debt is defined as total debt less cash and cash equivalents.
- (b) Amounts exclude the impact of the payroll tax modification in France. (See Note 1 to the consolidated financial statements for further information.)

A closely watched metric within our company is our operating profit margin, which expanded 30 basis points to 3.3 percent, excluding the favorable impact of the French payroll tax modification. Our free cash flow also improved dramatically to \$341 million, a 22 percent increase. The efficient use of capital, coupled with the substantial increase in operating profit (excluding the impact of the payroll tax modification), yielded an increase in economic profit of 52 percent.

Over the past decade, we have added specialty services to provide clients with a broader array of solutions to their workforce management challenges, and this effort has paid off. We have made acquisitions for strategic value rather than simply to “buy” revenues. And we have invested for the future to grow these businesses, as well as the new services that we have launched organically, including permanent recruitment, professional staffing and recruitment process outsourcing. These investments have resulted in our specialty businesses growing five-fold over the last decade, and making a tremendous impact in 2007. At the same time, revenues from our core temporary recruitment business increased 17 percent worldwide in 2007 or 9 percent in constant currency, demonstrating the continued secular growth.

Over the past decade, we have added specialty services to provide clients with a broader array of solutions to their workforce management challenges, and this effort has paid off.

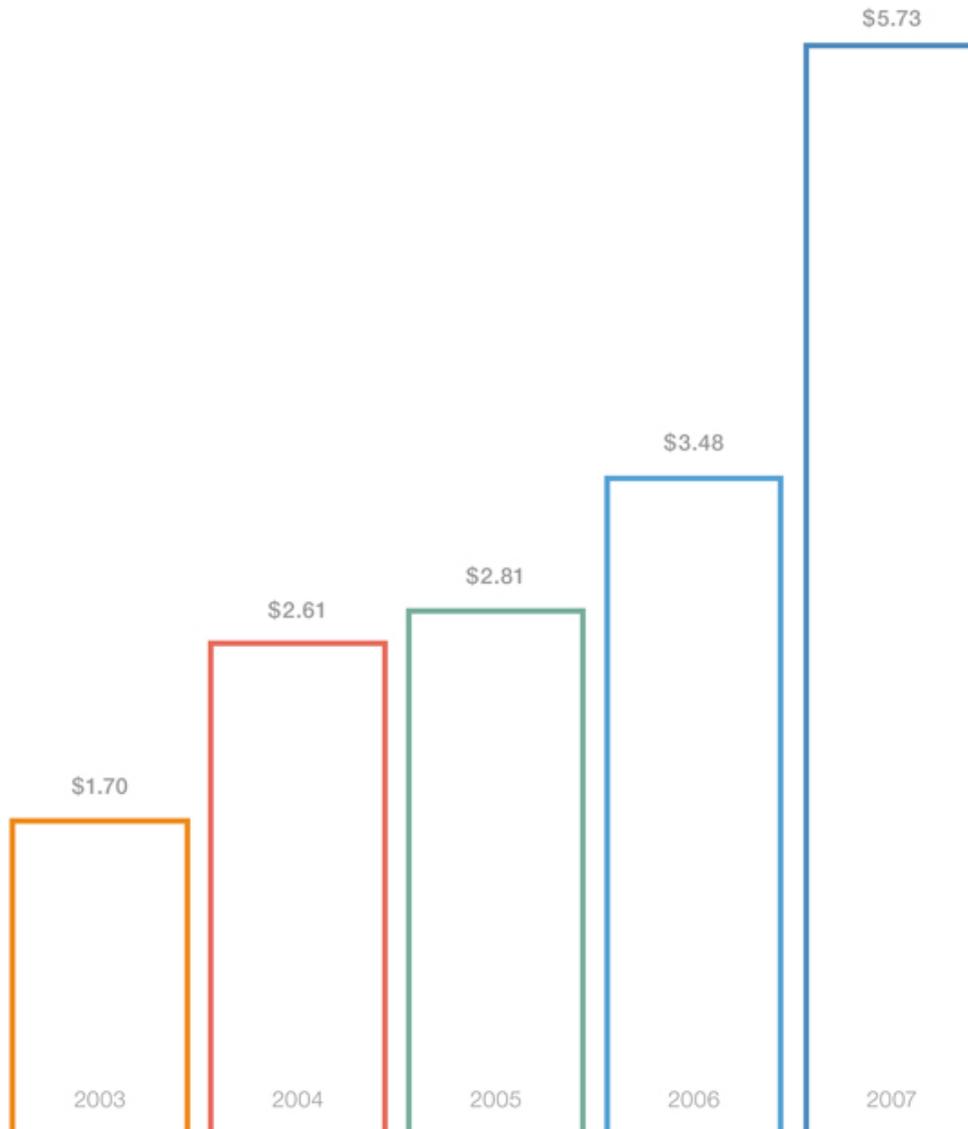
A great example of our specialty business is our organizational consulting services in leadership development, assessment and coaching, delivered under our Right Management brand, which grew 16 percent in 2007 or 10 percent in constant currency. We are confident these services will be substantial strategic and growth engines for us in the future, as both emerging and mature markets continue to be challenged and constrained by talent shortages, and have a growing need to develop the next generation of leaders. Right Management also launched a new, contemporary outplacement product called RightChoice™ in 2007, which has been extraordinarily effective in increasing our market share, due to its appeal to both client companies and individuals.

Meanwhile, 2007 was a year for investment in the future for our Jefferson Wells brand, as we continued to expand our international network and establish operations in new markets. This had a negative impact on Jefferson Wells’ profit, but we are confident the payoff will be handsome for our clients and investors.

Net Earnings Per Share from Continuing Operations – Diluted  
(S)

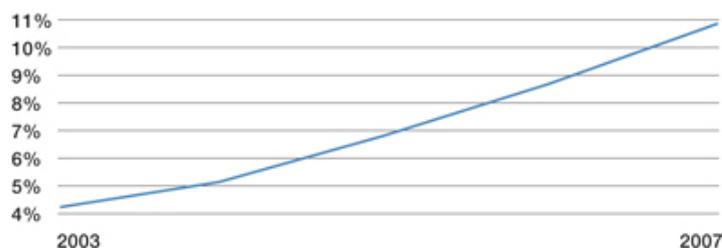
**\$5.73**

Net Earnings Per Share from Continuing Operations – Diluted increased 65%, 34% excluding the French payroll tax modification.



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Permanent Recruitment Gross Profit  
as a % of Total Gross Profit



Our newest services, which have been developed organically, made terrific progress in 2007 as the complexity and speed of the talent market accelerates and clients are looking for answers — answers that yield results. Our permanent recruitment services in particular, which increased revenue 34 percent in constant currency in 2007, are one of the answers to these complex issues. We added 900 permanent recruiters, bringing us to a total of 3,600 recruiters worldwide, which contributed to us placing over 127,000 people in permanent jobs in 2007. And we expect to add more recruiters in 2008 to meet the continuing demand for these services in virtually every market across our network.

Another service that is gaining momentum is Manpower Business Solutions (MBS), where we take on the management of customized, large-scale recruiting and workforce-intensive initiatives for our clients. Over several years, we have developed expertise in outcome-based pricing engagements that have high visibility and impact for our clients. Our ability to manage and staff vital business functions for our clients, whether they are located on-site at the client location or elsewhere, is second to none in delivering quality service and improving efficiency. The myriad of opportunities for MBS extends to everything from managing and staffing call centers in the Netherlands to setting up, managing and staffing a parts planning and delivery coordination center in Hungary. Our recruitment process outsourcing service, where the entire recruitment process is managed by us, is also extremely popular with our clients, as we can perform the recruitment function more efficiently than they can internally. MBS is a natural extension of our client relationships.

Manpower Professional is an area that has not grown at the pace that satisfies us. However, we are encouraged by the great performances we saw in our professional staffing services in the EMEA and Asia regions. Our Elan brand, which provides IT staffing across Europe, surpassed \$1 billion in business for the first time, increasing revenue by 35 percent in 2007, or 24 percent in constant currency. We know there is potential to do much more with our professional staffing services, as our clients are increasingly asking for these services in more markets and with more capability, so that we can provide the talent they need in their organizations. We're looking forward to a strong 2008 for this business.

Our Elan brand, which provides IT staffing across Europe, surpassed \$1 billion in business for the first time, increasing revenue by 35% in 2007, or 24% in constant currency.

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### Systemwide Offices



Offices across 80 countries and territories allow us to meet the needs of clients in all industry segments.

Our core temporary staffing business, which is extremely healthy from a secular perspective, is an area that we continue to develop, as there is still ample opportunity for growth. It is a luxury to be a 60-year-old business and continue to see growth opportunities in the original service area, which remains a major growth driver. One reason for this growth is that many of our markets are still in the early stages of labor market development, marked by recent shifts in labor policy or legislation that have introduced flexibility for the first time in the past five years or less. For example, we have been providing services in Germany for many years, but we are in a major growth mode there now due to changes in the German government's labor market strategies. In these markets, the advent of flexible staffing has created a form of renaissance in the workforce, making it more agile, talented and relevant.

It is a luxury to be a 60-year-old business and continue to see growth opportunities in the original service area, which remains a major growth driver.

In emerging markets, there is tremendous potential, as employers are impatient and are confronted with talent challenges that are equally as complex as in mature markets. These markets are in the early stages of adopting temporary staffing to create workforce flexibility, including countries like India, China, the Middle East, Vietnam and much of Eastern Europe, where we have secured market leadership positions and have established our brand presence based on the quality of our service and integrity of our people. Our revenues in these emerging markets increased to \$222.6 million in 2007, an increase of 61 percent (44 percent in constant currency), which was driven by India (+119%), China (+49%) and Eastern Europe (+52%).

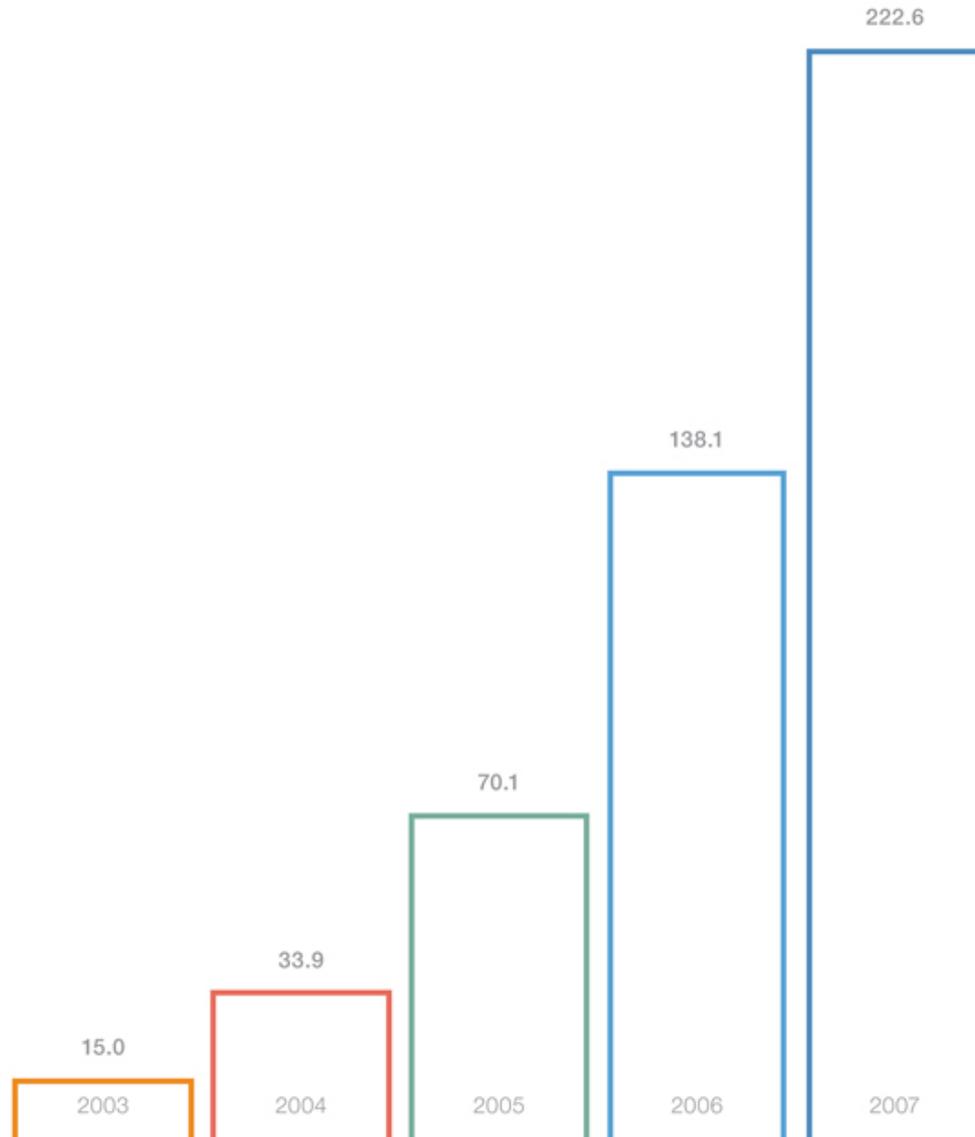
Over the past year, we have broadened our geographic presence, expanding into seven new countries and territories for a total of 80, and expanding our office network by another 100 offices, to a total of 4,500. In a year when some of our largest operating units were down or flat in revenue, our geographic diversification fueled our record performance.

In the past few years, we have organized many of our operations to better focus on the small/medium size businesses (SMB). The value we can offer to SMBs is substantial and it also creates balance in our portfolio. We finished 2007 with more than 50 percent of our revenues in the SMB category – clearly progressing in the direction we have been working toward. As an example, Manpower France increased their SMB revenues by 17 percent in 2007, while the overall business there grew at seven percent. Smaller companies are coming to us in larger numbers than ever before to help them with talent management issues, and we have a strategy in place to rapidly enhance our ability to provide more focused service for these clients. We know they will continue to need us more in the years to come as talent shortages make it more difficult for them to attract and retain the right people, and we are prepared to be the best choice available to them in the marketplace.

Emerging Market Revenue  
in millions (\$)

# 222.6

Emerging market revenue growth in 2007 exceeded expectations in our three key expansion markets: India (+119%), China (+49%) and Eastern Europe (+52%).



**Over the past year, we have broadened our geographic presence, expanding into seven new countries and territories for a total of 80, and expanding our office network by another 100 offices, to a total of 4,500.**

In 2007, we continued to focus on investing resources in the right places and removing unnecessary costs from the business. These efforts have fueled our network expansion and service development that will drive future growth. We are also investing in technology to continue streamlining and powering our business, as well as in our brand and our people.

We built a new world headquarters in 2007, which combined employees from four different locations into one, and the efficiencies we gained by bringing everyone together enabled us to develop the building without increasing our costs. As an added benefit, it is a “green” building, which is currently under review for a LEED rating, the U.S. benchmark for the design, construction and operation of high performance green buildings that are created to the highest standards of human and environmental health.

Our headquarters is only one example of our commitment to social responsibility and sustainability, which we consider to be one of our most important investments. In 2007, we released our first social responsibility report and it energized our team to do even more. From our inception in 1948, we have been the industry standard in helping the underprivileged to find their way to sustainable jobs through our workforce development programs. In the past few years, we have extended this work to help victims of disasters and refugees to get jobs and training to help them get a new start in the world after tremendous trauma. We’re also working to end today’s form of slavery, known as human trafficking or forced labor. These are important efforts to help individuals, families and communities to build a better future. Our CSR programs are also important elements of building the Manpower brand worldwide and establishing the kind of character and substance that can be expected of us when we put down roots in a community.

Our CSR programs are also important elements of building the Manpower brand worldwide and establishing the kind of character and substance that can be expected of us when we put down roots in a community.

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### People Placed in Permanent, Temporary and Contract Positions



\*Temporary and contract only

In so many ways, the Manpower of 2008 is a much more robust company than ever before. We have put a tremendous amount of diligence, forethought and energy into creating systemic changes that are now driving our progress, and it's very satisfying to see those efforts paying dividends.

In so many ways, the Manpower of 2008 is a much more robust company than ever before. We have put a tremendous amount of diligence, forethought and energy into creating systemic changes that are now driving our progress, and it's very satisfying to see those efforts paying dividends.

The Manpower team around the world is better than ever, and we have focused our core competencies of talent attraction, retention and training internally to ensure that we have the best talent in the industry because we know that building and growing our business at the pace we aspire to reach will require a great team. For example, we have implemented a rigorous Leadership Success Model for our Global Leadership Team, and are driving that success model throughout the organization. The results are already evident. We have also been able to attract top talent from the outside to bring in fresh skills and ideas that complement our existing team. Our brand is attractive to those who are interested in being involved with the hottest global topic – talent.

This focus on talent has also been extended beyond the five million people we placed into permanent and temporary positions in 2007, to also engage individuals who may not be currently seeking a position with us. Our aim is to attract and develop relationships with individuals who are seeking help in navigating their career now, and may become candidates or clients for us in the future, or refer others to us as a reliable source of career expertise. In 2008, we will be expanding our Web presence to ensure we are well-positioned to meet the talent requirements of our clients throughout the world.

Our 2008 plan also calls for us to continue exercising our leadership in emerging markets to help clients, candidates and governments to navigate the best course for their rapidly changing workforces. Manpower plays a vital role in partnering with governments worldwide to position their labor markets to have the right skills to enhance their economic growth engines, and we anticipate this consulting role will continue to grow in importance in the coming years.

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We are committed to running a marathon at sprint speed. This means we will continue to focus on accelerating our initiatives and building upon the momentum we have created over the past decade. Our accomplishments must come at sprint speed, but with the longer term view of the marathon never escaping our minds.

We are committed to running a marathon at sprint speed.

The 33,000 people who comprise the Manpower team in every corner of the world work passionately and vigorously to help our clients win. They do it with a sense of integrity and a sense of mission, which brings uniqueness to the Manpower group of companies and superior returns to our shareholders. Thanks team.

**33,000**

**The 33,000 people who comprise the Manpower team in every corner of the world work passionately and vigorously to help our clients win.**

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Like every year, 2008 brings many unknown variables, and there are currently clouds overhead that are cause for concern about the state of the U.S. economy, in particular, and the world economy in general. Some experts are forecasting recession, while others are predicting that the situation will improve. We cannot predict precisely what the economy will bring, but we are better positioned to weather economic turbulence than ever before. If a downturn comes, we'll be ready. We've been through this before, and our view is that it is the perfect opportunity to invest in key areas of the business and expand our market share, while improving the value of our services. If the clouds clear and sunny days lie ahead, we're off to the races. The strength of our service portfolio, geographic network and client mix provide us with the strong, sturdy platform to forge ahead unwavering, regardless of which way the wind blows.

Regards,



**Jeffrey A. Joerres**  
Chairman, CEO & President  
February 15, 2008



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**Management's Discussion & Analysis  
of financial condition and results of operations**

**BUSINESS OVERVIEW**

Manpower Inc. is a world leader in the employment services industry. Our global network of nearly 4,500 offices in 80 countries and territories allows us to meet the needs of our clients in all industry segments, whether they are global, multinational or local companies. By offering a complete range of services, we can help any company – no matter where they are in their business evolution – raise productivity through improved strategy, quality, efficiency and cost reduction across their total workforce.

Manpower Inc.'s five major brands – Manpower, Manpower Professional, Elan, Jefferson Wells and Right Management – provide a comprehensive range of services for the entire employment and business cycle including:

- Permanent, temporary and contract recruitment – We find the best people for all types of jobs and industries at both the staff and professional levels under the Manpower, Manpower Professional and Elan brands.
- Employee assessment and selection – We provide a wide array of assessments to validate candidate skills and ensure a good fit between the client and the employee, which leads to higher employee retention rates.
- Training – We offer an extensive choice of training and development solutions that help our employees, associates, and clients' workforces to improve their skills and gain qualifications that will help them to succeed in the ever-changing world of work.
- Outplacement – Our Right Management brand is the world's largest outplacement provider, helping our clients to better manage the human side of change by providing a positive way for employees who no longer fit the organization to transition out and make the right choice for the next step in their career.
- Outsourcing – We are one of the largest providers of recruitment process outsourcing in the employment services industry, enabling our clients to outsource the entire recruitment process for permanent and contingent staff to us, so they can focus on other areas of human resources.
- Consulting – We are a leading global provider of integrated consulting solutions across the employment lifecycle. We help clients maximize the return on their human capital investments while assisting individuals to achieve their full potential. Our Right Management brand helps clients attract and assess top talent; develop and grow leaders; and engage and align people with strategy.
- Professional Services – Our Jefferson Wells brand is a high-value alternative to public accounting firms and other consulting groups, delivering professional services in the areas of internal controls, tax, technology risk management, and finance and accounting.

This comprehensive business mix allows us to mitigate the cyclical effects of the national economies in which we operate.

Our leadership position also allows us to be a center for quality employment opportunities for people at all points in their career paths. In 2007, we found permanent and temporary jobs for nearly five million people who worked to help our more than 400,000 clients meet their business objectives. Seasoned professionals, skilled laborers, mothers returning to work, elderly persons wanting to supplement pensions and disabled individuals – all turn to the Manpower family of companies for employment. Similarly, governments of the nations in which we operate look to us to help reduce unemployment and train the unemployed with skills they need to enter the workforce. In this way, our company is a bridge to permanent employment for those who desire it.

Our industry is large and fragmented, comprised of thousands of firms employing millions of people and generating billions of U.S. Dollars in annual revenues. It is also a highly competitive industry, reflecting several trends in the global marketplace, notably increasing demand for skilled people and consolidation among clients in the employment services industry itself.

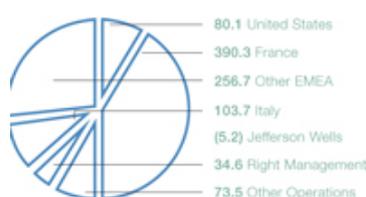
**Revenues from Services**

*in millions (\$)*



**Operating Unit Profit**

*in millions (\$)*



## **Management's Discussion & Analysis of financial condition and results of operations**

We manage these trends by leveraging established strengths, including one of the employment services industry's best-recognized brands; geographic diversification; size and service scope; an innovative product mix; and a strong client base. While staffing is an important aspect of our business, our strategy is focused on providing both the skilled employees our clients need and high-value workforce management, outsourcing and consulting solutions.

Client demand for employment services is dependent on the overall strength of the labor market and secular trends toward 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. Correspondingly, during periods of weak economic growth or economic contraction, the demand for our staffing services typically declines, while demand for our outplacement services typically accelerates.

During the last several years, secular trends toward greater workforce flexibility have had a favorable impact on demand for our staffing services in several markets. As companies attempt to increase the variability of their cost base, contemporary work solutions help them to effectively address the fluctuating demand for their products or services. Due to our industry's dependence on economic factors, the inherent difficulty in forecasting the direction and strength of the economy and the short-term nature of staffing assignments, it is difficult to forecast future demand for our services with any certainty. As a result, we monitor a number of economic indicators, as well as recent business trends, to predict future revenue growth trends. Based upon these anticipated trends, we determine whether additional personnel and office investments are necessary to take full advantage of growth opportunities.

Our staffing business is organized and managed primarily on a geographic basis, and Jefferson Wells and Right Management are operated as separate global business units. Each country and business unit generally has its own distinct operations, and is managed locally by its own management team. Each operation reports directly or indirectly through a regional manager, to a member of executive management. Given this reporting structure, all of our operations have been segregated into the following reporting segments: United States; France; Other EMEA (Europe, Middle East and Africa, excluding France and Italy); Italy; Jefferson Wells; Right Management; and Other Operations.

The United States, France, Other EMEA, Italy and Other Operations segments derive a significant majority of their revenues from the placement of contingent workers. The remaining revenues within these segments are derived from other human resource services, including permanent employee recruitment, temporary and permanent employee testing, selection, and training and development. Jefferson Wells' revenues are derived from services related to internal controls, tax, technology risk management, and finance and accounting. Right Management's revenues are derived from outplacement and consulting services. Segment revenues represent sales to external clients. Due to the nature of our business, we generally do not have export or intersegment sales. We provide services to a wide variety of clients, none of which individually comprises a significant portion of revenue for us as a whole or for any segment.

### **FINANCIAL MEASURES – CONSTANT CURRENCY**

Changes in our revenues and operating profits include the impact of changes in foreign currency exchange rates and acquisitions and dispositions. We provide "constant currency" and "organic constant currency" calculations in this annual 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 prior year 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.

Constant currency and organic constant currency percent variances, along with a reconciliation of these amounts to certain of our reported results, are included on page 21.

**RESULTS OF OPERATIONS – YEARS ENDED DECEMBER 31, 2007, 2006 AND 2005****Consolidated Results – 2007 compared to 2006**

Revenues from Services increased 16.7% to \$20.5 billion. Revenues were positively impacted by changes in foreign currency exchange rates during the period due to the weakening of the U.S. Dollar relative to the currencies in most of our non-U.S. markets. In constant currency, revenues increased 9.0%. This revenue growth rate is a result of increased demand for our services in most of our markets, including France, Other EMEA, Italy, Right Management and Other Operations, where revenues increased 7.0%, 18.5%, 13.0%, 1.3% and 10.5%, respectively, on a constant currency basis. We also saw solid growth in our permanent recruitment business which increased 33.9% on a consolidated basis in constant currency.

Gross Profit increased 22.3% to \$3.8 billion in 2007. In constant currency, Gross Profit increased 14.7%. The Gross Profit Margin was 18.8%, an increase of 0.9% from 2006. Included in Gross Profit for 2007 is the impact of a modification to the calculation of payroll taxes in France, which reduced the amount of payroll taxes, retroactive to January 1, 2006, through September 30, 2007. The impact of this modification was an increase in Gross Profit of \$157.1 million. (See Note 1 to the consolidated financial statements for further information). This represents a 77 basis point (0.77%) impact on Gross Profit Margin for 2007. The remaining increase in Gross Profit Margin is primarily due to an increase in our temporary recruitment business margin (+0.10%) and an increase in permanent recruitment business margin (+0.30%), offset by a change in the mix of services provided (-0.27%) primarily due to a relatively lesser amount of revenues coming from Jefferson Wells and Right Management where the gross profit margin is generally higher than the Company average. Temporary recruitment margins have increased as a result of improved pricing discipline in some markets, including France, and improved margins in other markets as a result of lower direct costs.

Selling and Administrative Expenses increased 15.7% during 2007 to \$3.0 billion in 2007. These expenses increased 8.9% in constant currency. As a percent of revenues, Selling and Administrative Expenses were 14.7% in 2007 compared to 14.9% in 2006. Included in Selling and Administrative Expenses for 2007 are costs of \$7.5 million related to the modification to the payroll tax calculation in France. This amount resulted in a 4 basis point (0.04%) increase in Selling and Administrative Expenses as a percent of revenues. Included in Selling and Administrative Expenses for 2006 were \$15.9 million of reorganization charges and \$9.2 million of global cost reduction project costs, which resulted in a 14 basis point (0.14%) increase in Selling and Administrative Expenses as a percent of revenues for 2006. The remaining period-over-period decrease of 10 basis points (0.10%) is due primarily to the favorable impact of our cost control efforts and productivity gains, as we have been able to increase the billable hours from our temporary recruitment business as well as the number of our permanent placements without a similar increase in branch headcount, offset by continued investments in certain markets.

Interest and Other Expense is comprised of interest, foreign exchange gains and losses, and other miscellaneous non-operating income and expenses. Interest and Other Expense was expense of \$34.2 million in 2007 compared to \$50.2 million in 2006. Net Interest Expense decreased \$6.8 million to \$29.0 million in 2007 from \$35.8 million in 2006, as increases in interest expense were offset by higher interest income as a result of our higher cash levels. Foreign exchange gains and losses primarily result from intercompany transactions between our foreign subsidiaries and the U.S. Foreign exchange gains were \$0.6 million in 2007 compared to losses of \$3.2 million in 2006. Miscellaneous Expense, Net, consists of bank fees and other non-operating expenses and, in 2007, was \$5.8 million compared to \$11.2 million in 2006.

We provided for income taxes from continuing operations at a rate of 38.7% in 2007 and 36.6% in 2006. The 2007 rate is higher than the 2006 rate primarily due to the income tax cost associated with additional anticipated cash repatriations from our foreign subsidiaries, additional valuation allowances recorded for non-U.S. operating losses, and the lower tax cost in 2006 of the reorganization charges and the costs related to our global cost reduction initiative. Our 2007 annual effective tax rate is higher than the U.S. Federal statutory rate of 35% due primarily to the impact of valuation allowances recorded for non-U.S. operating losses, U.S. state income taxes and other permanent items.

**Management's Discussion & Analysis  
of financial condition and results of operations**

Net Earnings Per Share – Diluted increased 26.2% to \$5.73 in 2007 compared to \$4.54 in 2006. Net Earnings Per Share From Continuing Operations – Diluted was \$5.73 in 2007 compared to \$3.48 in 2006. Included in 2007 Net Earnings is the impact of the retroactive modification to the payroll tax calculation in France which was an increase to Net Earnings of \$88.6 million. This represents a \$1.05 increase in 2007 Net Earnings Per Share – Diluted. The higher foreign currency exchange rates favorably impacted Net Earnings Per Share – Diluted by approximately \$0.35 in 2007.

Weighted Average Shares – Diluted were 84.6 million in 2007 and 87.7 million in 2006. This decline is primarily a result of our repurchase of 6.1 million shares of our common stock during 2007.

**Consolidated Results – 2006 compared to 2005**

Revenues from Services increased 10.8% to \$17.6 billion. Revenues were positively impacted by changes in foreign currency exchange rates during the period due to the weakening of the U.S. Dollar relative to the currencies in most of our non U.S. markets. Revenues increased 10.0% in constant currency. This growth rate is a result of increased demand for our services in most of our markets, including the U.S., France, EMEA, and Other Operations, where revenues increased 3.2%, 8.4%, 14.7% and 13.8%, respectively, on a constant currency basis. We also saw solid growth in our permanent recruitment business which increased 38.8% on a consolidated basis in constant currency.

Gross Profit increased 11.1% to \$3.1 billion in 2006. In constant currency, Gross Profit increased 10.3%. The Gross Profit Margin was 17.9% in both 2006 and 2005. The following items impacted Gross Profit Margin (along with the impact of each on consolidated Gross Profit Margin): an increase in our permanent recruitment business (+0.27%), an increase in Gross Profit Margin in the temporary recruitment business (+0.24%), a change in the mix of services provided (-0.35%), and the impact of a 2005 French payroll tax audit settlement (-0.12%). Temporary recruitment margins have increased as a result of improved pricing in some markets, including France, and improved margins in other markets as a result of lower direct costs (such as workers' compensation and state unemployment taxes in the U.S.). The change in the mix of services is primarily due to a relatively lower amount of revenues coming from Jefferson Wells and Right Management, where the Gross Profit Margin is generally higher than the Company average.

Selling and Administrative Expenses increased 8.8% during 2006, or 8.2% in constant currency. This increase is primarily in response to the increase in business volumes, expensing the value of stock options for the first time in 2006 (\$15.8 million), certain expenses related to reorganizations (\$15.9 million) and global cost reduction project costs (\$9.2 million). As a percent of revenues, Selling and Administrative Expenses were 14.9% in 2006 compared to 15.2% in 2005, an improvement of 30 basis points (0.3%). This improvement reflects a favorable impact of our cost control efforts and productivity gains, as we have been able to increase the billable hours from our temporary recruitment business as well as our permanent placements without a similar increase in branch headcount. These improvements are offset by the impact of the reorganization charges and global cost reduction project costs (\$25.1 million, 0.14% of revenue) and our continued investments in new offices and the permanent recruitment business in certain markets.

Operating Profit increased 24.1% over 2005, with an Operating Profit Margin of 3.0% compared to 2.7% in 2005. On a constant currency basis, Operating Profit increased 21.9%. The Operating Profit Margin improvement reflects the improvements in Gross Profit Margin and Selling and Administrative Expenses discussed above. The reorganization charges and global cost reduction project costs accounted for a 4.7% reduction in Operating Profit and a 0.14% decrease in Operating Profit Margin.

Interest and Other Expense is comprised of interest, foreign exchange gains and losses, and other miscellaneous non-operating income and expenses. Interest and Other Expense was expense of \$50.2 million in 2006 compared to \$41.8 million in 2005. Net Interest Expense decreased to \$35.8 million in 2006 from \$36.9 million in 2005, primarily due to an increase in interest income as a result of increased cash levels and investment rates. Foreign exchange gains and losses primarily result from intercompany transactions between our foreign subsidiaries and the U.S. Foreign exchange losses were \$3.2 million in 2006 compared to minimal gains in 2005. Miscellaneous Expense, Net, consists of bank fees and other non-operating expenses and, in 2006, was \$11.2 million compared to \$4.9 million in 2005. Included in 2005 is a \$2.6 million non-operating gain related to an equity investment we sold in the fourth quarter of 2005.

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We provided for income taxes from continuing operations at a rate of 36.6% in 2006 and 34.1% in 2005. The 2006 rate includes the impact of certain non-recurring items in the first quarter of 2006, including reorganization charges and costs related to our global cost reduction project, and the impact of the reorganization charges in the fourth quarter of 2006. Excluding the impact of these items, we provided for income taxes at a rate of 36.2% in 2006, which is higher than the U.S. Federal statutory rate of 35% due primarily to the impact of higher foreign income tax rates, U.S. taxes on foreign earnings and U.S. state income taxes. Included in the 2005 rate is the reversal of \$14.4 million of valuation allowances, as a result of certain internal corporate restructurings and transactions that were completed in 2005.

Net Earnings Per Share – Diluted increased 58.2% to \$4.54 in 2006 compared to \$2.87 in 2005. Net Earnings Per Share From Continuing Operations – Diluted was \$3.48 in 2006 compared to \$2.81 in 2005. Foreign currency exchange rates favorably impacted Net Earnings Per Share From Continuing Operations – Diluted by approximately \$0.06 in 2006.

Weighted Average Shares – Diluted were 87.7 million in 2006 and 91.1 million in 2005. This decline is primarily a result of our repurchase of 4.0 million shares of our common stock during 2006.

In January 2006, we sold a non-core payroll processing business in Sweden. In addition, in December 2006, we sold a non-core facilities management services business in the Nordics. Pre-tax gains of \$123.5 million (\$89.5 million after tax, or \$1.02 per share – diluted) related to these sales were recorded in Income from Discontinued Operations in 2006. Net proceeds received from the sales of these operations were \$123.9 million. Also in December 2006, we recorded a net loss of \$1.7 million on the disposal of one of our Right Management subsidiaries. We have recorded these gains and losses, as well as the operating results of these operations, as Income from Discontinued Operations in the consolidated statements of operations. (See Note 2 to the consolidated financial statements for more information regarding discontinued operations).

### Segment Results

**United States** – The U.S. operation is comprised of 555 Company-owned branch offices and 282 stand alone franchise offices. Revenues in the U.S. consist of sales of services by our Company-owned branch offices and fees from our franchise operations. Revenues for the year were \$2.0 billion, a decrease of 7.2%, and include franchise fees of \$24.2 million. Franchise fees are primarily based on revenues generated by the franchise network, which were \$1.1 billion in 2007.

Revenues contracted 5.2% in the first quarter of 2007 and then showed further contraction throughout the year. The slowing demand for our services was seen primarily in our core temporary recruitment business as we experienced year-over-year declines in demand for our light industrial and industrial skilled workers and for skilled office workers. The professional temporary recruitment business continued to show improving revenue growth rates throughout 2007 with year-over-year growth of 5.3%. Our permanent recruitment business showed good growth throughout the year, with \$38.1 million of revenues, a 27.0% increase over 2006.

The Gross Profit Margin increased compared to 2006 due to the increase in the permanent recruitment business as well as improved margins from our temporary recruitment business, particularly in the first half of the year, due primarily to lower workers' compensation and state unemployment expenses. Acquisitions had a minimal impact on Gross Profit Margin in 2007.

Selling and Administrative Expenses decreased 0.8% during the year primarily due to lower advertising costs due to the launch of our new brand in 2006. Excluding acquisitions, Selling and Administrative Expenses decreased 2.4%.

Operating Unit Profit ("OUP") for the year decreased 8.3% to \$80.1 million. OUP Margin was 4.1% of Revenues in 2007 and 2006. OUP Margin showed year-over-year improvement in the first half of 2007 due to the higher Gross Profit Margins. The OUP Margin declined in the second half of 2007 despite the increase in Gross Profit Margin due to the de-leveraging effect of the revenue decline, as revenues have declined more than expenses. Acquisitions had a minimal impact on OUP Margin in 2007. (For the definition of OUP, refer to Note 15 of the consolidated financial statements).

### United States Revenues

*in millions (\$)*



### United States Operating Unit Profit

*in millions (\$)*



## Management's Discussion & Analysis of financial condition and results of operations

**France** – Revenues in France increased 16.7%, or 7.0% in constant currency, to \$7.0 billion. Local currency revenue growth was 10.4% in the first quarter of 2007, however growth trends declined in the second quarter, with stable growth of 5.0% in the second half of the year. This decline is due to a slowing in the demand for our services as a result of a softening in the manufacturing and construction industry, which is a large portion of the temporary recruitment industry in France.

The Gross Profit Margin increased in 2007 compared to 2006 due primarily to the impact of the modification to the calculation of payroll taxes. The impact of this modification was an increase in Gross Profit Margin of 226 basis points (2.26%) for 2007. Excluding that impact, Gross Profit Margin increased during the year as a result of the 71.8% increase in our permanent recruitment business.

Selling and Administrative Expenses increased 11.1% from 2006 in constant currency due primarily to costs related to the modification to the payroll tax calculation, a \$15.0 million (a 10.3 million) legal reserve recorded related to the French competition investigation (see Note 14 to the consolidated financial statements for further information), and continued investments in the permanent recruitment business. Excluding the costs related to the modification to the payroll tax calculation and the legal reserve, Selling and Administrative Expenses as a percent of revenues in 2007 were in line with the 2006 level.

OUP was \$390.3 million, an increase of 92.0% (77.4% in constant currency) from the prior year. OUP Margin was 5.6%, an increase from 3.4% in 2006. Included in 2007 OUP is the impact of the modification to the payroll tax calculation and the legal reserve. The impact of the payroll tax modification was \$149.6 million, which represents a 73.6% increase in OUP and a 213 basis point (2.13%) impact on 2007 OUP Margin. The legal reserve represents a 21 basis point (0.21%) decrease in 2007 OUP Margin. The remaining 26 basis point (0.26%) increase in OUP Margin primarily reflects the increased Gross Profit Margin and the improved productivity in our staffing business.

**Other EMEA** – In previous years, the results of Other EMEA and Italy were combined as the EMEA segment. Italy is now a separate reportable segment and all previous years' results have been revised to conform to the current year presentation.

The Other EMEA region includes operations throughout Europe, the Middle East and Africa (excluding France and Italy), which covers a total of 26 countries delivering services through approximately 1,247 offices. In addition to employment services delivered under the Manpower and Manpower Professional brands, this region also includes Elan, which is a leading IT recruitment and managed services firm operating across 17 countries in the region, and Brook Street, which provides recruitment services in the U.K. The largest operations in this segment are in the Nordics, the U.K., Elan and Germany which comprise 20.1%, 16.0%, 15.9% and 10.5% of Other EMEA revenues, respectively.

Revenues in Other EMEA increased 29.1% in 2007 to \$6.8 billion, or 18.5% in constant currency. Local currency revenue growth was experienced in most major markets with the highest growth rates reported by the Nordics (+27.8%), Germany (+27.7%), Elan (+24.0%), Belgium (+20.1%), and the Netherlands (+17.8%). Revenue growth rates improved during the year, with 17.0% constant currency growth in the first quarter accelerating to 20.2% in the fourth quarter. Permanent recruitment revenues increased 46.5% during the year, or 34.5% in constant currency, as a result of our continued investments in this business.

The Gross Profit Margin increased from the prior year due to the increase in the permanent recruitment business, improved pricing in certain markets and the change in the mix of business, as geographies with relatively higher gross margins are growing faster than those with lower gross margins.

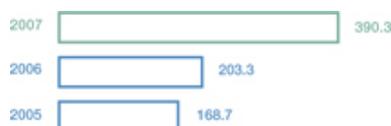
### France Revenues

in millions (\$)



### France Operating Unit Profit

in millions (\$)



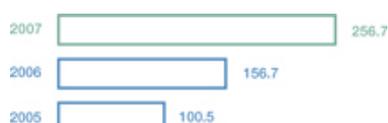
### Other EMEA Revenues

in millions (\$)



### Other EMEA Operating Unit Profit

in millions (\$)



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Selling and Administrative Expenses increased 25.9%, or 15.6% in constant currency, primarily due to the need to support the increased business volumes. Expenses as a percent of revenues decreased in 2007 compared to 2006, primarily due to productivity improvements, as Other EMEA has been able to increase revenues without a similar increase in branch headcount.

OUP was \$256.7 million, an increase of 63.8%, or 50.1% in constant currency. The OUP Margin increased to 3.8% from 3.0% in 2006 due to the increased Gross Profit Margin level and the improved leveraging of our expense base with the increased revenue and gross profit levels.

**Italy** – Revenues in Italy increased 23.4% in 2007 to \$1.4 billion, or 13.0% in constant currency. The revenue growth rates declined slightly during the year but demand for our services remained strong. Permanent recruitment revenues increased 69.5%, or 55.0% in constant currency, from the prior year.

The Gross Profit Margin in 2007 was flat compared to 2006 as the increase in the permanent recruitment business offset declines in the temporary recruitment business.

Selling and Administrative Expenses increased 7.1%, but decreased 1.8% in constant currency. This decrease in constant currency is primarily due to a decrease in personnel and consulting costs. Expenses as a percent of revenues decreased in 2007 compared to 2006 as we were able to leverage the existing cost base to support the increased revenues without a similar increase in expenses.

OUP was \$ 103.7 million, an increase of 63.3%, or 49.1% in constant currency. The OUP Margin increased to 7.4% from 5.6% in 2006, as a result of improved leveraging of our expense base with the increased revenue and gross profit levels.

**Jefferson Wells** – Jefferson Wells provides highly-skilled project personnel along four primary business lines – internal controls, tax, technology risk management, and finance and accounting. Our services are provided through 56 offices, which include major U.S. metropolitan markets, Toronto, five European cities, South Africa and Hong Kong. The majority of employees assigned by Jefferson Wells are full-time company employees and therefore employee utilization is a significant factor in determining Gross Profit Margins.

Revenues decreased during the year, to \$332.0 million from \$ 373.0 million in 2006, due primarily to a decline in Sarbanes-Oxley related control services and the completion of two large projects that positively impacted 2006 revenue levels. The revenue declines improved through the year, ending with a 3.9% decline in the fourth quarter, as growth in our non-Sarbanes-Oxley business lines was able to compensate for much of the Sarbanes-Oxley related declines. We expect strong growth in these other business lines to continue in 2008.

The Gross Profit Margin has declined from the 2006 level due primarily to lower utilization of our professional staff.

Selling and Administrative Expenses increased 14.5% in 2007 compared to 2006 mainly due to \$4.0 million of reorganization costs recorded in the fourth quarter of 2007, \$3.0 million of expenses related to the move to the new world headquarters and our continued investment in new offices, both domestically and internationally. The reorganization costs represent reserves for severance and other office closure charges.

OUP was a loss of \$5.2 million compared to profit of \$31.9 million in 2006. The OUP Margin was (1.6%) compared to 8.6% in 2006. This decrease in OUP is a combination of the lower Gross Profit Margin level coupled with the increase in Selling and Administrative Expenses.

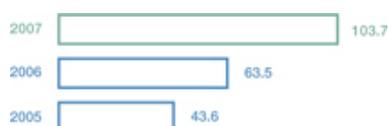
### **Italy Revenues**

*in millions (\$)*



### **Italy Operating Unit Profit**

*in millions (\$)*



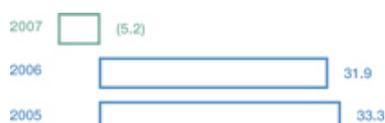
### **Jefferson Wells Revenues**

*in millions (\$)*



### **Jefferson Wells Operating Unit Profit**

*in millions (\$)*



**Management’s Discussion & Analysis  
of financial condition and results of operations**

**Right Management** – Right Management is the world’s largest outplacement and consulting services firm operating through 285 offices in 52 countries.

Revenues increased 5.8% in 2007 to \$409.9 million, or 1.3% in constant currency. Excluding acquisitions, revenues increased 2.8%, a decrease of 1.6% in constant currency. Year-over-year revenue growth in local currency, excluding acquisitions, improved through- out the year, with growth of 3.1% in the fourth quarter compared to a decline of 5.5% in the first quarter. This trend reflects improving demand for both the organizational consulting and the outplacement services.

The Gross Profit Margin in 2007 was slightly lower than 2006 as a result of changes in the mix of business between outplacement and consulting services.

Selling and Administrative Expenses decreased by 2.1%, or 5.9% in constant currency, from 2006. Expenses as a percent of revenues also improved, primarily due to reduced personnel and office expenses, including \$8.1 million of severance costs recorded in 2006.

OUP was \$34.6 million compared to \$18.3 million in 2006, an increase of 88.8%, or 81.2% in constant currency. The OUP Margin increased to 8.4% in 2007 from 4.7% in 2006. This improvement is due to the lower Selling and Administrative Expenses and the leveraging of the existing cost base to support the increased revenues without a similar increase in expenses. Acquisitions had a minimal impact on OUP Margin in 2007.

**Other Operations** – The Other Operations segment includes our operations in the Asia Pacific region, Canada, Mexico and South America, delivering service through 565 offices. Our largest country operation within this segment is Japan, which accounts for 34% of the segment’s revenues.

Revenues in the segment improved 13.8% to \$2.6 billion in 2007, or 10.5% in constant currency. Revenue increase in constant currency was experienced in most major markets in this segment, including Argentina, Japan and Mexico, which experienced revenue growth rates of 35.6%, 7.3% and 6.7%, respectively. India and China also continue to show strong revenue growth. Permanent recruitment revenues increased 32.7%, or 23.3% in constant currency, as a result of the ongoing investments in this business.

The Gross Profit Margin decreased slightly in 2007 compared to 2006 primarily due to a decrease in Gross Profit Margin in Japan, offset by the impact of the increase in the permanent recruitment business.

Selling and Administrative Expenses increased 13.7% during the year, or 9.8% in constant currency, due to a major advertising campaign in Japan, to support the increased revenue levels, and investments in office openings and the permanent recruitment business in certain markets.

OUP increased 5.0% to \$73.5 million, or 3.0% in constant currency. The OUP Margin decreased to 2.8% in 2007 compared to 3.0% in 2006, primarily due to the major advertising campaign in Japan in the first quarter of 2007.

**Right Management Revenues**  
*in millions (\$)*



**Right Management Operating Profit**  
*in millions (\$)*



**Other Operations Revenues**  
*in millions (\$)*



**Other Operations Operating Profit**  
*in millions (\$)*



**FINANCIAL MEASURES – CONSTANT CURRENCY AND ORGANIC CONSTANT CURRENCY RECONCILIATION**

Certain constant currency and organic constant currency percent variances are discussed throughout this annual report. A reconciliation to the percent variances calculated based on our annual financial results is provided below. (See Constant Currency on page 14 for further information.)

Amounts represent 2007 Percentages represent 2007 compared to 2006	Reported Amount (in millions)	Reported Variance	Impact of Currency	Variance in Constant Currency	Impact of Acquisitions/ Dispositions (in Constant Currency)	Organic Constant Currency
<b>Revenues from Services</b>						
United States	\$ 1,962.2	(7.2)%	— %	(7.2)%	2.4%	(9.6)%
France	7,025.3	16.7	9.7	7.0	—	7.0
Other EMEA	6,750.4	29.1	10.6	18.5	—	18.5
Italy	1,398.1	23.4	10.4	13.0	—	13.0
Jefferson Wells	332.0	(11.0)	—	(11.0)	—	(11.0)
Right Management	409.9	5.8	4.5	1.3	2.9	(1.6)
Other Operations	2,622.4	13.8	3.3	10.5	—	10.5
Manpower Inc.	20,500.3	16.7	7.7	9.0	0.3	8.7
<b>Gross Profit – Manpower Inc.</b>	<b>3,848.6</b>	<b>22.3</b>	<b>7.6</b>	<b>14.7</b>	<b>0.5</b>	<b>14.2</b>
<b>Operating Unit Profit</b>						
United States	80.1	(8.3)	—	(8.3)	3.9	(12.2)
France	390.3	92.0	14.6	77.4	—	77.4
Other EMEA	256.7	63.8	13.7	50.1	—	50.1
Italy	103.7	63.3	14.2	49.1	—	49.1
Jefferson Wells	(5.2)	(116.2)	—	(116.2)	—	(116.2)
Right Management	34.6	88.8	7.6	81.2	12.2	69.0
Other Operations	73.5	5.0	2.0	3.0	—	3.0
<b>Operating Profit – Manpower Inc.</b>	<b>825.4</b>	<b>55.1</b>	<b>10.8</b>	<b>43.3</b>	<b>1.1</b>	<b>42.2</b>

Amounts represent 2006 Percentages represent 2006 compared to 2005	Reported Amount (in millions)	Reported Variance	Impact of Currency	Variance in Constant Currency	Impact of Acquisitions/ Dispositions (in Constant Currency)	Organic Constant Currency
<b>Revenues from Services</b>						
United States	\$ 2,114.9	3.2%	— %	3.2%	— %	3.2%
France	6,019.1	9.9	1.5	8.4	—	8.4
Other EMEA	5,230.7	14.4	1.5	12.9	—	12.9
Italy	1,132.6	25.9	1.7	24.2	—	24.2
Jefferson Wells	373.0	(3.4)	—	(3.4)	—	(3.4)
Right Management	387.3	(3.6)	0.6	(4.2)	—	(4.2)
Other Operations	2,304.9	11.8	(2.0)	13.8	—	13.8
Manpower Inc.	17,562.5	10.8	0.8	10.0	—	10.0
<b>Gross Profit – Manpower Inc.</b>	<b>3,146.0</b>	<b>11.1</b>	<b>0.8</b>	<b>10.3</b>	<b>—</b>	<b>10.3</b>
<b>Operating Unit Profit</b>						
United States	87.4	27.2	—	27.2	—	27.2
France	203.3	20.5	2.9	17.6	—	17.6
Other EMEA	156.7	55.6	5.3	50.3	—	50.3
Italy	63.5	45.8	2.7	43.1	—	43.1
Jefferson Wells	31.9	(4.2)	—	(4.2)	—	(4.2)
Right Management	18.3	(28.8)	(0.6)	(28.2)	—	(28.2)
Other Operations	69.9	16.0	(3.6)	19.6	—	19.6
<b>Operating Profit – Manpower Inc.</b>	<b>532.1</b>	<b>24.1</b>	<b>2.2</b>	<b>21.9</b>	<b>—</b>	<b>21.9</b>

## Management's Discussion & Analysis of financial condition and results of operations

### CASH SOURCES AND USES

Cash used to fund our operations is primarily generated through operating activities and our existing credit facilities. We believe that our internally generated funds and our existing credit facilities are sufficient to cover our near-term projected cash needs.

Our principal ongoing cash needs are to finance working capital, capital expenditures, debt payments, share repurchases and acquisitions. Working capital is primarily in the form of trade receivables, which generally increase as revenues increase. The amount of financing necessary to support revenue growth depends on receivables turnover, which differs in each market where we operate.

During 2007, cash provided by operating activities was \$432.2 million, compared to \$359.1 million for 2006 and \$268.8 million for 2005. The change in 2007 from 2006 is due to the higher earnings level offset by increased working capital needs.

Accounts Receivable increased to \$4,478.8 million as of December 31, 2007 from \$3,837.2 million as of December 31, 2006. This increase is due primarily to changes in foreign currency exchange rates and increased business volumes. At constant exchange rates, the Accounts Receivable balance at December 31, 2007 would have been approximately \$320.5 million lower than reported. Days Sales Outstanding ("DSO") improved by one day during 2007, following a slight improvement in 2006.

Capital expenditures were \$91.6 million, \$80.0 million and \$77.6 million during 2007, 2006 and 2005, respectively. These expenditures were primarily comprised of purchases of computer equipment, office furniture and other costs related to office openings and refurbishments, as well as capitalized software costs of \$7.5 million, \$12.0 million and \$6.5 million in 2007, 2006 and 2005, respectively.

From time to time, we acquire and invest in companies throughout the world, including franchises. The total cash consideration paid for acquisitions was \$122.8 million, primarily related to franchise acquisitions, \$13.0 million and \$12.9 million in 2007, 2006 and 2005, respectively.

In January 2006, we sold a non-core payroll processing business in Sweden, and in December 2006, we sold our Nordic non-core facilities management services business. Pre-tax gains of \$123.5 million (\$89.5 million after tax, or \$1.02 per share – diluted) related to these sales were recorded in 2006. Net proceeds from these transactions of \$123.9 million were received in 2006.

Net debt borrowings were \$4.9 million for 2007, compared to \$2.2 million for 2006 and net repayments of \$31.8 million for 2005. We use excess cash to pay down borrowings under various facilities when appropriate.

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. In October 2006, 2005 and 2004, the Board of Directors authorized the repurchase of 5.0 million shares of our common stock, not to exceed a total purchase price of \$325.0 million, \$250.0 million and \$250.0 million, respectively. 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. As of December 31, 2007, we have repurchased 1.7 million shares at a total cost of \$105.7 million under the 2007 authorization. Under the 2006 authorization, we repurchased 4.4 million shares of common stock at a total cost of \$325.0 million during 2007. Under the 2005 authorization, we repurchased 4.3 million shares at a total cost of \$250.0 million during 2005 and the first eight months of 2006. Under the 2004 authorization, we repurchased 5.0 million shares at a total cost of \$203.5 million during 2005.

During each of 2007, 2006 and 2005, the Board of Directors declared total cash dividends of \$0.69, \$0.59 and \$0.47 per share, respectively. Our total dividend payments were \$57.1 million, \$50.9 million and \$41.2 million in 2007, 2006 and 2005, respectively.

We have aggregate commitments of \$2,088.6 million related to debt, operating leases, severances and office closure costs, and certain other commitments, as follows:

<u>in Millions</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>Thereafter</u>
Long-term debt including interest	\$ 41.5	\$ 42.2	\$ 163.5	\$ 33.6	\$ 459.4	\$ 296.9
Short-term borrowings	39.0	—	—	—	—	—
Operating leases	211.3	174.8	134.8	87.9	64.4	182.2
Severances and other office closure costs	11.1	1.9	0.3	0.3	—	—
FIN 48 income tax <sup>(1)</sup>	3.1	—	—	—	—	—
Other	34.0	21.9	18.3	13.0	12.5	20.7
	<u>\$ 340.0</u>	<u>\$ 240.8</u>	<u>\$ 336.9</u>	<u>\$ 134.8</u>	<u>\$ 536.3</u>	<u>\$ 499.8</u>

(1) FIN 48 income tax, interest and penalties of \$41.5 million is excluded as we cannot determine the years in which these liabilities might ultimately settle.

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In the fourth quarter of 2007, we established reserves totaling \$4.4 million in France for office closure costs and \$4.0 million at Jefferson Wells for severances and other office closure costs related to reorganizations at these entities. Of the \$4.4 million recorded in France, no payment has been made as of December 31, 2007. We expect a majority of the \$4.4 million will be paid in 2008. Of the \$4.0 million recorded at Jefferson Wells, \$0.1 million has been paid as of December 31, 2007. We expect a majority of the remaining \$3.9 million will be paid in 2008.

In the first quarter of 2006, we recorded expenses totaling \$9.5 million in the U.K. and \$1.2 million at Right Management for severances and other office closure costs related to reorganizations at these entities. Of the \$9.5 million in the U.K., \$7.3 million has been paid as of December 31, 2007, of which \$1.9 million was paid in 2007. We expect a majority of the remaining \$2.2 million will be paid by 2009. All of the reorganization costs at Right Management were paid during the three months ended March 31, 2006. In the fourth quarter of 2006, we recorded expenses totaling \$6.9 million at Right Management for severances. As of December 31, 2007, \$4.8 million has been paid, of which \$4.5 million was paid in 2007. During 2007, we reversed \$1.6 million of this reserve as fewer than expected former employees had claimed the severance. We expect the remaining \$0.5 million will be paid in 2008.

In 2005, we recorded total expenses of \$15.3 million in France and \$4.0 million at Right Management for severance costs related to reorganizations in these entities. As of December 31, 2007, \$13.6 million of the amount recorded in France has been paid from this reserve, of which \$5.0 million was paid in 2007. We expect the remaining \$1.7 million will be paid in 2008. The full \$4.0 million recorded at Right Management was paid in 2005.

We also have entered into guarantee contracts and stand-by letters of credit that total approximately \$129.3 million and \$136.5 million as of December 31, 2007 and 2006, respectively (\$78.2 million and \$61.6 million for guarantees, respectively, and \$51.1 million and \$74.9 million for stand-by letters of credit, respectively). Guarantees primarily relate to debt facilities and bank accounts. The stand-by letters of credit relate to workers' compensation and debt facilities. If certain conditions were met under these arrangements, we would be required to satisfy our obligation in cash. Due to the nature of these arrangements and our historical experience, we do not expect to make any significant payments under these arrangements. Therefore, they have been excluded from our aggregate commitments identified above.

## CAPITAL RESOURCES

Total capitalization as of December 31, 2007 was \$3,583.8 million, comprised of \$914.5 million in debt and \$ 2,669.3 million in equity. Debt as a percentage of total capitalization was 26% as of December 31, 2007 compared to 25% as of December 31, 2006.

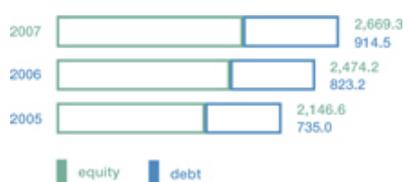
On June 14, 2006, we offered and sold €200.0 million aggregate principal amount of 4.75% notes due June 14, 2013 (the "€200.0 million Notes"). The net proceeds of €198.1 million (\$249.5 million) were invested in cash equivalents until July 26, 2006, when they were used to repay our €200.0 million notes due July 2006 (the "1999 € 200.0 million Notes") as described below. The €200.0 million Notes were issued at a price of 99.349% to yield an effective interest rate of 4.862%. The discount of €1.3 million (\$1.6 million) will be amortized to interest expense over the term of the €200.0 million Notes. Interest is payable annually on June 14. The €200.0 million Notes are unsecured senior obligations and rank equally with all of our existing and future senior unsecured debt and other liabilities. We may redeem the €200.0 million Notes, in whole but not in part, at our option at any time for a redemption price determined in accordance with the term of the €200.0 million Notes. The €200.0 million Notes also contain certain customary restrictive covenants and events of default.

Our 1999 €200.0 million Notes (\$254.3 million) were retired on July 26, 2006 with the net proceeds from the €200.0 million Notes and other available cash.

On February 28, 2005, we elected to call our Zero Coupon Convertible Debentures due August 17, 2021 (the "Debentures") at a redemption price of \$613.99 per \$1,000 of principal amount at maturity of the Debentures. Under the Indenture relating to the Debentures, the Debentures could be converted at a conversion rate of 13.9559 shares of Manpower common stock per \$1,000 of principal amount at maturity of Debentures, at the option of the debenture holders.

### Total Capitalization

*in millions (\$)*



On March 30, 2005, the Debentures were redeemed, and of the \$435.2 million principal amount at maturity of Debentures, \$336.4 million principal amount at maturity was redeemed for an aggregate cash payment of \$206.6 million and \$98.8 million principal amount at maturity (\$60.6 million in accreted value) was converted into 1,378,670 shares of Manpower common

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stock. These shares were issued from Treasury Stock at the average price per treasury share, which totaled \$41.4 million. The remaining \$19.2 million was recorded as Capital in Excess of Par Value. The cash payment was financed through borrowings under our U.S. Receivables Facility (\$187.0 million) and our revolving credit agreement (\$20.0 million), both of which were repaid during 2005.

Our €150.0 million notes (\$198.4 million), due March 2005, were retired on March 7, 2005, with available cash, along with derivative financial instruments to swap these notes to floating U.S. LIBOR, which expired concurrently with the notes. Cash received from settlement of the foreign currency component of these derivative financial instruments was approximately \$50.7 million, resulting in a net repayment of \$147.7 million related to the €150.0 million notes and is reflected in cash flows from financing activities on the consolidated statements of cash flows.

On June 1, 2005, we offered and sold €300.0 million aggregate principal amount of 4.50% notes due June 1, 2012 (the "€300.0 million Notes"). Net proceeds of approximately €297.7 million (\$372.3 million) were used to repay a portion of the outstanding indebtedness under our revolving credit facility and U.S. Receivables Facility, to fund our share repurchase program, and for general corporate purposes. The €300.0 million Notes were issued at a price of 99.518% to yield an effective interest rate of 4.58%. The discount of €1.4 million (\$1.8 million) will be amortized to interest expense over the term of the notes. Interest is payable annually on June 1. The €300.0 million Notes are unsecured senior obligations and rank equally with all of our existing and future senior unsecured debt and other liabilities. We may redeem the €300.0 million Notes, in whole but not in part, at our option at any time for a redemption price as defined in the agreement. These notes also contain certain customary restrictive covenants and events of default.

Our Euro-denominated borrowings have been designated as a hedge of our net investment in subsidiaries with a Euro-functional currency. Since our net investment in these subsidiaries exceeds the respective amount of the designated borrowings, all foreign exchange gains or losses related to these borrowings are included as a component of Accumulated Other Comprehensive Income. (See Significant Matters Affecting Results of Operations and Notes 8 and 13 to the consolidated financial statements for further information.)

We have a \$625.0 million revolving credit agreement (the "credit agreement") with a syndicate of commercial banks. The credit agreement allows for borrowings in various currencies and up to \$150.0 million may be used for the issuance of standby letters of credit. Outstanding letters of credit issued under the credit agreement totaled \$3.7 million and \$4.0 million as of December 31, 2007 and 2006, respectively. Additional borrowings of \$475.4 million were available to us under the credit agreement as of December 31, 2007.

In November 2007, the revolving credit agreement was amended (the "amended agreement") to extend the expiration date to November 2012 from October 2010, to revise certain covenant calculations, and increase the amount of subsidiary borrowings allowed under the agreement.

The borrowing margin and facility fee on the amended agreement, as well as the fee paid for the issuance of letters of credit under the facility, vary based on our public debt ratings and borrowing level. As of December 31, 2007, the interest rate under the amended agreement was LIBOR plus 0.40% (for U.S. Dollar borrowings, or alternative base rate for foreign currency borrowings), and the facility and issuance fees were 0.10% and 0.40%, respectively.

The amended agreement requires, among other things, that we comply with a Debt-to-EBITDA ratio of less than 3.25 to 1 and a fixed charge ratio of greater than 2.00 to 1. As defined in the credit agreement, we had a Debt-to-EBITDA ratio of 0.99 to 1 and a fixed charge ratio of 4.31 to 1 as of December 31, 2007. Based upon current forecasts, we expect to be in compliance with these covenants throughout the coming year.

There were no borrowings outstanding under our \$125.0 million U.S. commercial paper program as of December 31, 2007 and 2006.

One of our wholly-owned U.S. subsidiaries has an agreement to transfer, on an ongoing basis, an interest in up to \$200.0 million of its accounts receivable. The terms of this agreement are such that transfers do not qualify as a sale of accounts receivable. Accordingly, any advances under this agreement are reflected as debt on the consolidated balance sheets. In July 2007, we amended the agreement to extend it to July 2008. All other terms remain substantially unchanged. No amounts were advanced under this facility as of December 31, 2007 and 2006.

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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 December 31, 2007, such credit lines totaled \$338.7 million, of which \$299.7 million was unused. Due to limitations on subsidiary borrowings in our credit agreement, additional borrowings of \$258.8 million could have been made under these lines as of December 31, 2007. Under the credit agreement effective November 2007, 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, an increase from the previous \$150.0 million and \$300.0 million limits, respectively.

As of the date of this report, our credit rating from Moody's Investors Service is Baa2 with a stable outlook and our credit rating from Standard & Poor's is BBB- with a positive outlook. Both of these credit ratings are investment grade.

### **APPLICATION OF CRITICAL ACCOUNTING POLICIES**

The preparation of our financial statements in conformity with accounting principles generally accepted in the United States requires us to make estimates and assumptions that affect the reported amounts. A discussion of the more significant estimates follows. Management has discussed the development, selection and disclosure of these estimates and assumptions with the Audit Committee of our Board of Directors.

#### **Allowance for Doubtful Accounts**

We have an Allowance for Doubtful Accounts recorded as an estimate of the Accounts Receivable balance that may not be collected. This allowance is calculated on an entity-by-entity basis with consideration for historical write-off experience, the current aging of receivables and a specific review for potential bad debts. Items that affect this balance mainly include bad debt expense and write-offs of Accounts Receivable balances.

Bad Debt Expense, which increases our Allowance for Doubtful Accounts, is recorded as a Selling and Administrative Expense and was \$21.8 million, \$27.4 million and \$22.9 million for 2007, 2006 and 2005, respectively. Factors that would cause this provision to increase primarily relate to increased bankruptcies by our clients and other difficulties collecting amounts billed. On the other hand, an improved write-off experience and aging of receivables would result in a decrease to the provision.

Write-offs, which decrease our Allowance for Doubtful Accounts, are recorded as a reduction to our Accounts Receivable balance and were \$20.8 million, \$14.1 million and \$18.3 million for 2007, 2006 and 2005, respectively.

#### **Employment-Related Items**

The employment of contingent workers and permanent staff throughout the world results in the recognition of liabilities related to defined benefit pension plans, self-insured workers' compensation, social program remittances and payroll tax audit exposures that require us to make estimates and assumptions in determining the proper reserve levels. These reserves involve significant estimates or judgments that are material to our financial statements.

#### ***Defined Benefit Pension Plans***

We sponsor several qualified and nonqualified pension plans covering permanent employees. The most significant plans are located in the U.S., France, the U.K., Japan and other European countries. Annual expense relating to these plans is recorded as Selling and Administrative Expense. The consolidated annual expense is estimated to be approximately \$13.6 million in 2008, compared to \$19.2 million, \$16.8 million and \$18.2 million in 2007, 2006 and 2005, respectively.

The calculations of annual pension expense and the pension liability required at year-end include various actuarial assumptions such as discount rates, expected rate of return on plan assets, compensation increases and employee turnover rates. We determine our assumption for the discount rate to be used for purposes of computing annual service and interest costs based on an index of high-quality corporate bond yields and matched-funding yield curve analysis as of the measurement date. We review the actuarial assumptions on an annual basis and make modifications to the assumptions as necessary. We review peer data and historical rates, on a country-by-country basis, to check for reasonableness in setting both the discount rate and the expected return on plan assets. We estimate compensation increases and employee turnover rates for each plan based on the historical rates and the expected future rates for each respective country. Changes to any of these assumptions will impact the level of annual expense recorded related to the plans.

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We used a weighted-average discount rate of 6.3% for the U.S. plans and 5.2% for the non-U.S. plans in determining the estimated pension expense for 2008. These rates compare to the 5.8% and 4.6% weighted-average discount rates for the U.S. plans and non-U.S. plans, respectively, used in determining the estimated pension expense for 2007, and reflect the current interest rate environment. Absent any other changes, a 25 basis point change in the weighted-average discount rate would impact 2008 consolidated pension expense by approximately \$0.1 million for the U.S. plans and \$1.1 million for the non-U.S. plans. We have selected a weighted-average expected return on plan assets of 7.5% for the U.S. plans and 5.6% for the non-U.S. plans in determining the estimated pension expense for 2008. The comparable rates used for the calculation of the 2007 pension expense were 8.0% and 5.4% for the U.S. plans and non-U.S. plans, respectively. A 25 basis point change in the weighted-average expected return on plan assets would impact 2008 consolidated pension expense by approximately \$0.1 million for the U.S. plans and \$0.5 million for the non-U.S. plans. Changes to these assumptions have historically not been significant in any jurisdiction for any reporting period, and no significant adjustments to the amounts recorded have been required in the past or are expected in the future. (See Note 9 to the consolidated financial statements for further information.)

***U.S. Workers' Compensation***

In the U.S., we are self-insured in most states for workers' compensation claims for our contingent workers. We determine the proper reserve balance using an actuarial valuation, which considers our historical payment experience and current employee demographics. Our reserve for such claims as of December 31, 2007 and 2006 was \$81.2 million and \$99.3 million, respectively. Workers' compensation expense is recorded as a component of Cost of Services.

There are two main factors that impact workers' compensation expense: the number of claims and the cost per claim. The number of claims is driven by the volume of hours worked, the business mix which reflects the type of work performed (for example, office and professional work have fewer claims than industrial work), and the safety of the environment where the work is performed. The cost per claim is driven primarily by the severity of the injury, related medical costs and lost-time wage costs. A 10% change in the number of claims or cost per claim would impact workers' compensation expense in the U.S. by approximately \$3.5 million.

Historically, we have not had significant changes in our assumptions used in calculating our reserve balance or significant adjustments to our reserve level. During 2007, we saw a decline in workers' compensation expense, primarily as a result of the decline in the business, changes in business mix and our continued focus on safety, which includes training of contingent workers and client site reviews. In addition, we saw favorable development in relation to regulatory changes, improved claim handling and claim disclosure. Given current claims experience and cost per claim, we do not expect a significant change in our workers' compensation reserve in the near term.

***Social Program Remittances and Payroll Tax Audit Exposure***

On a routine basis, governmental agencies in some of the countries in which we operate audit our payroll tax calculations and our compliance with other payroll-related regulations. These audits focus primarily on documentation requirements and our support for our payroll tax remittances. Due to the nature of our business, the number of people that we employ, and the complexity of some payroll tax regulations, we may have some adjustments to the payroll tax remittances as a result of these audits.

In France, in particular, the government has various social programs that are aimed at reducing the cost of labor and encouraging employment, particularly for low-wage workers, through the reduction of payroll taxes (or social contribution). Due to the number of new programs or program changes, and the complexity of compliance, we may have adjustments to the amount of reductions claimed as a result of the audits. During 2007, there was a change in the payroll tax calculation under certain French social programs, retroactive to January 1, 2006 and effective through September 30, 2007. (See Note 1 to the consolidated financial statements for further information).

We make an estimate of the additional remittances that may be required on a country-by-country basis, and record the estimate as a component of Cost of Services or Selling and Administrative Expenses, as appropriate. Each country's estimate is based on the results of past audits and the number of years that have not yet been audited, with consideration for changing business volumes and changes to the payroll tax regulations. To the extent that our actual experience differs from our estimates, we will need to make adjustments to our reserve balance, which will impact the results of the related operation and the operating segment in which it is reported. Other than France, we have not had any significant adjustments to the amounts recorded as a result of any payroll tax audits, and we do not expect any significant adjustments to the recorded amounts in the near term.

In France, we currently maintain a reserve for the unaudited years of 2005 through 2007, which has been estimated based on the results of past audits and changes in business volumes. We do not expect any significant adjustments to the recorded amount in the near term.

## **Deferred Revenue**

We recognize revenue under the provisions of Staff Accounting Bulletin No. 104, "Revenue Recognition" ("SAB 104"). SAB 104 generally provides that revenue for time-based services be recognized over the average length of the services being provided. For the outplacement line of business, we recognize revenue from individual programs on a straight-line basis over the average length of time for candidates to find jobs based on historical data for the specific type of program. If historical data is not available, then we recognize outplacement revenue on a straight-line basis over the actual term of the agreements. For group programs and large projects within the outplacement and consulting lines of business, we defer and recognize revenue over the period in which the contracts are completed. The difference between the amount billed for services and the amount recognized as revenue is recorded as Deferred Revenue, which is included in Accrued Liabilities in our consolidated balance sheets.

Significant factors impacting Deferred Revenue are the type of programs sold, the level of current billings for new programs and projects, and the average length of the programs. Over time, an increasing volume of new billings will generally result in higher amounts of Deferred Revenue, while decreasing levels of new billings will generally result in lower amounts of Deferred Revenue. As of December 31, 2007 and 2006, we had \$46.3 million and \$46.4 million of Deferred Revenue, respectively.

## **Income Taxes**

We account for income taxes in accordance with Statement of Financial Accounting Standards ("SFAS") No. 109, "Accounting for Income Taxes." Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between financial statement carrying amounts of existing assets and liabilities and their respective tax bases, and net operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. We record a valuation allowance against deferred tax assets for which utilization of the asset is not likely.

We adopted the provisions of FIN 48 as of January 1, 2007. FIN 48 requires a new evaluation process for all tax positions taken that involves a review of probability for sustaining a tax position. If the probability for sustaining a tax position is more likely than not, which is a 50 percent threshold, then the tax position is warranted and the largest amount that would be realized upon ultimate settlement is recognized. An uncertain tax position will not be recognized in the financial statements unless it is more likely than not of being sustained.

Our judgment is required in determining our deferred tax assets and liabilities, and any valuation allowances recorded. Our net deferred tax assets may need to be adjusted in the event that tax rates are modified, or our estimates of future taxable income change, such that deferred tax assets or liabilities are expected to be recovered or settled at a different tax rate than currently estimated. In addition, valuation allowances may need to be adjusted in the event that our estimate of future taxable income changes from the amounts currently estimated. We have unrecognized tax benefits related to items in various countries. To the extent these items are settled for an amount different than we currently expect, the unrecognized tax benefit will be adjusted.

We provide for income taxes on a quarterly basis based on an estimated annual tax rate. In determining this rate, we make estimates about taxable income for each of our largest locations worldwide, as well as the tax rate that will be in effect for each location. To the extent these estimates change during the year, or actual results differ from these estimates, our estimated annual tax rate may change between quarterly periods and may differ from the actual effective tax rate for the year. For 2008, we expect our effective tax rate will be approximately 37.5%.

## **Goodwill and Indefinite-Lived Intangible Asset Impairment**

In connection with SFAS No. 142, "Goodwill and Other Intangible Assets," we are required to perform goodwill and indefinite-lived intangible asset impairment reviews, at least annually, using a fair-value-based approach. The majority of our goodwill and indefinite-lived intangible assets result from our acquisitions of Right Management, Elan and Jefferson Wells.

As part of our impairment reviews, we estimate fair value primarily by using a discounted cash flow analysis and, for certain larger reporting units, we may also consider market comparables. Significant assumptions used in this analysis include: expected future revenue growth rates, operating unit profit margins, and working capital levels; a discount rate; and a terminal value multiple.

We have completed our annual impairment review for 2007 and determined there to be no impairment of either goodwill or indefinite-lived intangible assets. We plan to perform our next annual impairment review during the third quarter of 2008.

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We may be required to perform an impairment review prior to our scheduled annual review if certain events occur, including lower-than-forecasted earnings levels for certain reporting units. In addition, changes to other assumptions could significantly impact our estimate of the fair value of our reporting units. Such a change may result in an impairment charge, which could have a significant impact on the reportable segment that includes the related reporting unit and our consolidated financial statements.

**SIGNIFICANT MATTERS AFFECTING RESULTS OF OPERATIONS**

**Market Risks**

We are exposed to the impact of foreign currency exchange rate fluctuations and interest rate changes.

**Exchange Rates** – Our exposure to foreign currency exchange rates relates primarily to our foreign subsidiaries and our Euro-denominated borrowings. For our foreign subsidiaries, exchange rates impact the U.S. Dollar value of our reported earnings, our investments in the subsidiaries and the intercompany transactions with the subsidiaries.

Approximately 88% of our revenues and profits are generated outside of the U.S., with approximately 50% generated from our European operations that use the Euro as their functional currency. As a result, fluctuations in the value of foreign currencies against the U.S. Dollar, particularly the Euro, may have a significant impact on our reported results. Revenues and expenses denominated in foreign currencies are translated into U.S. Dollars at the weighted-average exchange rate for the year. Consequently, as the value of the U.S. Dollar changes relative to the currencies of our major markets, our reported results vary.

Throughout 2007, the U.S. Dollar weakened relative to many of the currencies of our major markets. Revenues from Services and Operating Profit in constant currency were approximately 7.7% and 10.8%, respectively, lower than reported. If the U.S. Dollar had weakened an additional 10% during 2007, Revenues from Services would have increased by approximately 8.8% and Operating Profit would have increased by approximately 7.7% from the amounts reported.

Fluctuations in currency exchange rates also impact the U.S. Dollar amount of our Shareholders' Equity. The assets and liabilities of our non-U.S. subsidiaries are translated into U.S. Dollars at the exchange rates in effect at year-end. The resulting translation adjustments are recorded in Shareholders' Equity as a component of Accumulated Other Comprehensive Income. The U.S. Dollar weakened relative to many foreign currencies as of December 31, 2007 compared to December 31, 2006. Consequently, Shareholders' Equity increased by \$106.3 million as a result of the foreign currency translation during the year. If the U.S. Dollar had weakened an additional 10% during 2007, resulting translation adjustments recorded in Shareholders' Equity would have increased by approximately \$127.9 million from the amounts reported.

Although currency fluctuations impact our reported results and Shareholders' Equity, such fluctuations generally do not affect our cash flow or result in actual economic gains or losses. 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. We generally have few cross-border transfers of funds, except for transfers to the U.S. for payment of license fees and interest expense on intercompany loans, working capital loans made between the U.S. and our foreign subsidiaries, dividends from our foreign subsidiaries, and payments between certain countries for services provided. To reduce the currency risk related to these transactions, we may borrow funds in the relevant foreign currency under our revolving credit agreement or we may enter into a forward contract to hedge the transfer.

As of December 31, 2007, there was a £5.5 million (\$10.9 million) forward contract that relates to cash flows owed to our foreign subsidiaries in March 2008. In addition, a €2.0 million (\$2.9 million) forward contract is outstanding relating to cash flows owed for interest due on our €200.0 million Notes and €300.0 million Notes in June 2008. All such contracts entered into during 2007 and 2006, whether designated as cash flow hedges or fair value hedges, were considered highly effective, as defined by SFAS No. 133, as amended. The effective portions of the changes in the fair value of the cash flow hedges are recorded as a component of Accumulated Other Comprehensive Income and recognized in the consolidated statements of operations when the hedged item affects earnings. For a fair value hedge the gain or loss attributable to the change in fair value of the derivative as well as the hedged item is recognized in earnings in the period of change.

As of December 31, 2007, we had \$873.0 million of long-term borrowings denominated in Euros (€600.0 million) which have been designated as a hedge of our net investment in subsidiaries with the Euro-functional currency. Since our net investment in these subsidiaries exceeds the respective amount of the designated borrowings, all translation gains or losses related to these borrowings are included as a component of Accumulated Other Comprehensive Income. Shareholders' Equity increased by \$50.2 million, net of tax, due to changes in Accumulated Other Comprehensive Income during the year due to the currency impact on these borrowings.

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**Interest Rates** – Our exposure to market risk for changes in interest rates relates primarily to our variable rate long-term debt obligations. We have historically managed interest rates through the use of a combination of fixed-and variable-rate borrowings and interest rate swap agreements. As of December 31, 2007, we had the following fixed-and variable-rate borrowings:

	Fixed		Variable		Total	
	Amount	Weighted – Average Interest Rate	Amount	Weighted – Average Interest Rate	Amount	Weighted – Average Interest Rate
Excluding interest rate swap agreements	\$729.6	4.4	\$184.9	6.0	\$914.5	4.7
Including impact of swap agreements	875.5	4.6	39.0	12.7	914.5	5.0

We have various interest rate swap agreements in order to fix our interest costs on a portion of our Euro-denominated variable rate borrowings. The Euro interest rate swap agreements, with a notional value of €100.0 million (\$145.9 million), fix the interest rate, on a weighted-average basis, at 5.71% and expire in 2010.

**Sensitivity Analysis** – The following table summarizes our debt and derivative instruments that are sensitive to foreign currency exchange rate and interest rate movements. All computations below are based on the U.S. Dollar spot rate as of December 31, 2007. The exchange rate computations assume a 10% appreciation or 10% depreciation of the Euro and British Pound to the U.S. Dollar.

The hypothetical impact on 2007 earnings and Accumulated Other Comprehensive Income of the stated change in rates is as follows:

Market Sensitive Instrument	Movements In Exchange Rates		Movements In Interest Rates	
	10% Depreciation	10% Appreciation	10% Decrease	10% Increase
		\$	\$	\$
€ 200 million, 4.86% Notes due June 2013	29.2 <sup>(1)</sup>	(29.2) <sup>(1)</sup>	—	—
€ 300 million, 4.58% Notes due June 2012	43.8 <sup>(1)</sup>	(43.8) <sup>(1)</sup>	—	—
Revolving credit agreement:				
€ 100 million Euro Borrowings	14.6 <sup>(1)</sup>	(14.6) <sup>(1)</sup>	0.6	(0.6)
€ 100 million Interest Rate Swaps	—	—	(0.6)	0.6
Forward contracts:				
\$2.9 million to € 2.0 million	(0.3)	0.3	—	—
\$10.9 million to £5.5 million	(1.1)	1.1	—	—
	<u>\$ 86.2</u>	<u>\$ (86.2)</u>	<u>\$ —</u>	<u>\$ —</u>

(1) Exchange rate movements are recorded through Accumulated Other Comprehensive Income as these instruments have been designated as an economic hedge of our net investment in subsidiaries with a Euro functional currency.

The hypothetical changes in the fair value of our market sensitive instruments due to changes in interest rates, and changes in foreign currency exchange rates for the foreign contracts, are as follows:

Market Sensitive Instrument	10% Decrease	10% Increase
Fixed Rate Debt:		
€ 200 million, 4.86% Notes due June 2013	\$ 29.0 <sup>(1)</sup>	\$(29.0) <sup>(1)</sup>
€ 300 million, 4.58% Notes due June 2012	43.2 <sup>(1)</sup>	(43.2) <sup>(1)</sup>
Derivative Instruments:		
€ 100 million Interest Rate Swaps	(1.1) <sup>(1)</sup>	1.1 <sup>(1)</sup>
Forward contacts:		
\$2.9 million to €2.0 million	(0.3)	0.3
\$10.9 million to £5.5 million	(1.1)	1.1

(1) This change in fair value is not recorded in the financial statements, however disclosure of the fair value is included in Note 8 to the consolidated financial statements.

## Impact of Economic Conditions

One of the principal attractions of using employment services providers is to maintain a flexible supply of labor to meet changing economic conditions. Therefore, the industry has been, and remains sensitive to, economic cycles. To help minimize the effects of these economic cycles, we offer clients a continuum of services to meet their needs throughout the employment and business cycle. We believe that the breadth of our operations and the diversity of our service mix cushion us against the impact of an adverse economic cycle in any single country or industry. However, adverse economic conditions in any of our largest markets, or in several markets simultaneously, would have a material impact on our consolidated financial statements.

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**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 services 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 many markets, the existence or absence of collective bargaining agreements with labor organizations has a significant impact on our operations and the ability of clients to utilize our services. In some markets, labor agreements are structured on a national or industry-wide (rather than a company-by-company) basis. Changes in these collective bargaining agreements have occurred in the past, are expected to occur in the future, and may have a material impact on the operations of employment services firms, including us.

In November 2004, French authorities commenced an investigation at our French headquarters. According to the search warrant, the investigation stems from a complaint submitted during 2003 to the European Commission and subsequently transferred to France's Direction Generale de la Concurrence, de la Consommation et de la Repression des Fraudes (the 'Competition Council'), a body of the French Financial Department that investigates frauds and competition violations. In November 2007, we received a Statement of Objections from the Competition Council in connection with their investigation. The Statement of Objections alleges illegal information sharing between us and certain of our competitors.

A Statement of Objections is a further step in the proceedings under French competition law with respect to the matter. We have reviewed the allegations made in the Statement of Objections with our legal counsel, have responded to the Competition Council and intend to vigorously defend our position as the proceedings continue. We have had discussions with representatives of the Competition Council and with our legal counsel, and at this time, we are not able to predict the outcome of the proceedings, the ultimate exposure or the timing of any resolution. However, based on the probability that we will incur liability and other information currently available, we recorded a reserve of \$15.0 million in the fourth quarter related to this matter. The final resolution of this matter could differ significantly from the amount that we have recorded.

**Recently Issued Accounting Standards**

In January 2007, we adopted the Financial Accounting Standards Board ("FASB") Interpretation No. 48, "Accounting for Uncertainty in Income Taxes, and Related Implementation Issues" ("FIN 48"). FIN 48 prescribes a comprehensive model for how a company should recognize, measure, present, and disclose in its financial statements uncertain tax positions that the company has taken or expects to take on a tax return. The net impact of the initial application of FIN 48 was a \$4.3 million increase in the net liability for unrecognized tax benefits, which was accounted for as an adjustment to Retained Earnings on our consolidated balance sheet. (See Note 5 for further information regarding the application of FIN 48.)

In December 2007, the FASB issued Statement No. 141 (revised 2007), "Business Combinations" ("SFAS 141R"). SFAS 141R changes the requirements for an acquirer's recognition and measurement of the assets acquired and the liabilities assumed in a business combination. SFAS 141R is effective for us in 2009. We are currently assessing the impact of the adoption of this statement.

In September 2006, the FASB issued Statement No. 157, "Fair Value Measurements" ("SFAS 157"). SFAS 157 defines fair value, establishes a framework for measuring fair value in accordance with generally accepted accounting principles, and expands disclosures about fair value measurements. Subsequently, in February 2007, the FASB issued Statement No. 159, "The Fair Value Option for Financial Assets and Financial Liabilities" ("SFAS 159"). SFAS 159 permits entities to choose to measure many financial assets and financial liabilities at fair value. Unrealized gains and losses on items for which the fair value option has been elected are reported in earnings. Both SFAS 157 and SFAS 159 are effective for us in 2008. We do not expect the adoption of these statements to have a material impact on our consolidated financial statements.

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In December 2006, we adopted SFAS No. 158, “Employers’ Accounting for Defined Benefit Pension and Other Postretirement Plans, an amendment of FASB Statements No. 87, 88, 106, and 132(R), (“SFAS 158”). SFAS 158 requires that we recognize the overfunded or underfunded status of our defined benefit and retiree medical plans (our “Plans”) as an asset or liability in our consolidated balance sheets, with changes in the funded status recognized through comprehensive income in the year in which they occur. SFAS 158 also requires us to measure the funded status of our Plans as of the balance sheet date, rather than as of an earlier measurement date, in 2008. We do not expect the change in measurement date to have a material impact on our consolidated financial statements.

In December 2007, the FASB issued Statement No. 160, “Noncontrolling Interests in Consolidated Financial Statements, an amendment of ARB No. 51” (“SFAS 160”). SFAS 160 requires (a) that noncontrolling (minority) interests be reported as a component of shareholders’ equity, (b) that net income attributable to the parent and to the noncontrolling interest be separately identified in the consolidated statement of operations, (c) that changes in a parent’s ownership interest while the parent retains its controlling interest be accounted for as equity transactions, (d) that any retained noncontrolling equity investment upon the deconsolidation of a subsidiary be initially measured at fair value, and (e) that sufficient disclosures are provided that clearly identify and distinguish between the interests of the parent and the interests of the noncontrolling owners. SFAS 160 is effective for us in 2009 and shall be applied prospectively. However, the presentation and disclosure requirements of the statement shall be applied retrospectively for all periods presented. We are currently assessing the impact of the adoption of this statement.

### **Forward-Looking Statements**

Statements made in this annual report that are not statements of historical fact are forward-looking statements. All forward-looking statements involve risks and uncertainties. The information under the heading “Forward-Looking Statements” in our annual report on Form 10-K for the year ended December 31, 2007, 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. Some or all of the factors identified in our annual report on Form 10-K may be beyond our control. Forward-looking statements can be identified by words such as “expect,” “anticipate,” “intend,” “plan,” “may,” “believe,” “seek,” “estimate,” and similar expressions. 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.

### **MANAGEMENT REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING**

We are responsible for establishing and maintaining effective internal control over financial reporting as defined in Rule 13a-15(f) under the Securities Exchange Act of 1934. Our internal control over financial reporting is a process designed to provide reasonable assurance to management and the Board of Directors regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Under the supervision and with the participation of management, including our Chairman and Chief Executive Officer and our Executive Vice President and Chief Financial Officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission. This evaluation included review of the documentation of controls, evaluation of the design effectiveness of controls, testing of the operating effectiveness of controls and a conclusion on this evaluation. Based on our evaluation we have concluded that our internal control over financial reporting was effective as of December 31, 2007.

February 21, 2008

**Management's Discussion & Analysis  
of financial condition and results of operations**

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM  
TO THE BOARD OF DIRECTORS AND SHAREHOLDERS OF MANPOWER INC.:**

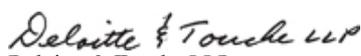
We have audited the accompanying consolidated balance sheets of Manpower Inc. and subsidiaries (the "Company") as of December 31, 2007 and 2006 and the related consolidated statements of operations, shareholders' equity, and cash flows for each of the three years in the period ended December 31, 2007. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2007 and 2006, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2007, in conformity with accounting principles generally accepted in the United States of America.

As described in Note 3 to the consolidated financial statements, on January 1, 2006, the Company adopted Statement of Financial Accounting Standards No. 123(R), Share-Based Payment.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the Company's internal control over financial reporting as of December 31, 2007, based on the criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 21, 2008 expressed an unqualified opinion on the Company's internal control over financial reporting.

  
Deloitte & Touche LLP  
Milwaukee, Wisconsin  
February 21, 2008

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM  
TO THE BOARD OF DIRECTORS AND SHAREHOLDERS OF MANPOWER INC.:**

We have audited the internal control over financial reporting of Manpower Inc. and subsidiaries (the "Company") as of December 31, 2007, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

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A company's internal control over financial reporting is a process designed by, or under the supervision of, the company's principal executive and principal financial officers, or persons performing similar functions, and effected by the company's board of directors, management, and other personnel 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. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of the inherent limitations of internal control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may not be prevented or detected on a timely basis. Also, projections of any evaluation of the effectiveness of the internal control over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2007, based on the criteria established in Internal Control—Integrated Framework issued by the COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated financial statements as of and for the year ended December 31, 2007 of the Company and our report dated February 21, 2008 expressed an unqualified opinion on those financial statements.

*Deloitte & Touche LLP*

Deloitte & Touche LLP  
Milwaukee, Wisconsin  
February 21, 2008

### **Certifications**

Manpower has filed the Chief Executive Officer/Chief Financial Officer certifications that are required by Section 302 of the Sarbanes-Oxley Act of 2002 as exhibits to its Annual Report on Form 10-K. In 2007, Jeffrey A. Joerres, Manpower's Chief Executive Officer, submitted a certification to the New York Stock Exchange in accordance with Section 303A.12 of the NYSE Listed Company Manual stating that, as of the date of the certification, he was not aware of any violation by Manpower of the NYSE's corporate governance listing standards.

[Table of Contents](#)**Consolidated Statements of Operations**  
in millions, except per share data

<u>Year Ended December 31</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Revenues from services	\$20,500.3	\$17,562.5	\$15,845.4
Cost of services	16,651.7	14,416.5	13,013.6
Gross profit	3,848.6	3,146.0	2,831.8
Selling and administrative expenses	3,023.2	2,613.9	2,403.0
Operating profit	825.4	532.1	428.8
Interest and other expense	34.2	50.2	41.8
Earnings before income taxes and discontinued operations	791.2	481.9	387.0
Provision for income taxes	306.5	176.2	131.9
Net earnings from continuing operations	484.7	305.7	255.1
Income from discontinued operations, net of income taxes	—	92.3	5.0
Net earnings	\$ 484.7	\$ 398.0	\$ 260.1
Net earnings per share - basic:			
Continuing operations	\$ 5.83	\$ 3.55	\$ 2.89
Discontinued operations	—	1.07	0.06
Total	\$ 5.83	\$ 4.62	\$ 2.95
Net earnings per share - diluted:			
Continuing operations	\$ 5.73	\$ 3.48	\$ 2.81
Discontinued operations	—	1.06	0.06
Total	\$ 5.73	\$ 4.54	\$ 2.87
Weighted average shares - basic	83.1	86.2	88.1
Weighted average shares - diluted	84.6	87.7	91.1

The accompanying notes to consolidated financial statements are an integral part of these statements.

[Table of Contents](#)**Consolidated Balance Sheets**  
in millions, except share and per share data

<u>December 31</u>	<u>2007</u>	<u>2006</u>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 537.5	\$ 687.9
Accounts receivable, less allowance for doubtful accounts of \$123.1 and \$109.9, respectively	4,478.8	3,837.2
Prepaid expenses and other assets	122.2	90.5
Future income tax benefits	76.3	66.4
Total current assets	5,214.8	4,682.0
<b>Other Assets</b>		
Goodwill	1,045.9	972.6
Intangible assets, less accumulated amortization of \$56.1 and \$41.6, respectively	364.8	321.0
Other assets	377.7	336.4
Total other assets	1,788.4	1,630.0
<b>Property and Equipment</b>		
Land, buildings, leasehold improvements and equipment	760.8	693.2
Less: accumulated depreciation and amortization	539.6	491.1
Net property and equipment	221.2	202.1
Total assets	<u>\$ 7,224.4</u>	<u>\$6,514.1</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 1,014.4	\$ 889.9
Employee compensation payable	213.6	180.7
Accrued liabilities	679.4	562.1
Accrued payroll taxes and insurance	724.7	699.9
Value added taxes payable	583.7	517.0
Short-term borrowings and current maturities of long-term debt	39.7	32.0
Total current liabilities	3,255.5	2,881.6
<b>Other Liabilities</b>		
Long-term debt	874.8	791.2
Other long-term liabilities	424.8	367.1
Total other liabilities	1,299.6	1,158.3
<b>Shareholders' Equity</b>		
Preferred stock, \$.01 par value, authorized 25,000,000 shares, none issued	—	—
Common stock, \$.01 par value, authorized 125,000,000 shares, issued 103,414,254 and 102,606,425 shares, respectively	1.0	1.0
Capital in excess of par value	2,481.8	2,420.7
Retained earnings	1,040.3	617.0
Accumulated other comprehensive income	257.6	120.6
Treasury stock at cost, 23,541,579 and 17,536,421 shares, respectively	(1,111.4)	(685.1)
Total shareholders' equity	2,669.3	2,474.2
Total liabilities and shareholders' equity	<u>\$ 7,224.4</u>	<u>\$6,514.1</u>

The accompanying notes to consolidated financial statements are an integral part of these statements.

[Table of Contents](#)**Consolidated Statements of Cash Flows  
in millions**

<u>Year Ended December 31</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
<b>Cash Flows from Operating Activities</b>			
Net earnings	\$ 484.7	\$ 398.0	\$ 260.1
Adjustments to reconcile net earnings to net cash provided by operating activities:			
Gain on sale of businesses	—	(121.8)	(2.6)
Depreciation and amortization	99.0	88.8	92.9
Amortization of discount on convertible debentures	—	—	1.9
Deferred income taxes	25.4	(19.6)	49.1
Provision for doubtful accounts	21.8	27.4	22.9
Share-based compensation	26.0	22.5	1.7
Excess tax benefit on exercise of stock options	(4.6)	(8.2)	—
Change in operating assets and liabilities, excluding the impact of acquisitions:			
Accounts receivable	(316.0)	(381.0)	(350.4)
Other assets	(3.5)	17.4	(46.1)
Other liabilities	99.4	335.6	239.3
Cash provided by operating activities	<u>432.2</u>	<u>359.1</u>	<u>268.8</u>
<b>Cash Flows from Investing Activities</b>			
Capital expenditures	(91.6)	(80.0)	(77.6)
Acquisitions of businesses, net of cash acquired	(122.8)	(13.0)	(12.9)
Proceeds from the sale of businesses	—	123.9	—
Proceeds from the sale of an equity interest	—	8.8	—
Proceeds from the sale of property and equipment	12.9	5.3	4.8
Cash (used) provided by investing activities	<u>(201.5)</u>	<u>45.0</u>	<u>(85.7)</u>
<b>Cash Flows from Financing Activities</b>			
Net change in short-term borrowings	6.1	9.7	(4.3)
Proceeds from long-term debt	1.0	296.3	785.4
Cash paid to settle convertible debt	—	—	(206.6)
Repayments of long-term debt	(2.2)	(303.8)	(606.3)
Proceeds from settlement of swap agreements	—	—	50.7
Proceeds from stock option and purchase plans	35.0	54.0	28.0
Excess tax benefit on exercise of stock options	4.6	8.2	—
Repurchases of common stock	(419.2)	(235.9)	(217.6)
Dividends paid	(57.1)	(50.9)	(41.2)
Cash used by financing activities	<u>(431.8)</u>	<u>(222.4)</u>	<u>(211.9)</u>
Effect of exchange rate changes on cash	50.7	51.3	(48.1)
Net (decrease) increase in cash and cash equivalents	<u>(150.4)</u>	<u>233.0</u>	<u>(76.9)</u>
Cash and cash equivalents, beginning of year	687.9	454.9	531.8
Cash and cash equivalents, end of year	<u>\$ 537.5</u>	<u>\$ 687.9</u>	<u>\$ 454.9</u>
<b>Supplemental Cash Flow Information</b>			
Interest paid	<u>\$ 50.5</u>	<u>\$ 47.9</u>	<u>\$ 45.7</u>
Income taxes paid	<u>\$ 248.5</u>	<u>\$ 143.4</u>	<u>\$ 97.6</u>

The accompanying notes to consolidated financial statements are an integral part of these statements.

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**Consolidated Statements of Shareholders' Equity**  
**in millions, except share and per share data**

	Common Stock		Capital in Excess of Par Value	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Total
	Shares Issued	Par Value					
Balance, December 31, 2004	100,236,635	\$ 1.0	\$ 2,296.4	\$ 51.0	\$ 109.4	\$ (283.8)	\$2,174.0
Comprehensive Income:							
Net earnings				260.1			
Foreign currency translation					(117.8)		
Unrealized gain on derivatives, net of tax					3.0		
Unrealized gain on investments, net of tax					2.2		
Minimum pension liability adjustment, net of tax					(7.8)		
Total comprehensive income							139.7
Issuances under equity plans, including tax benefits	1,003,178		31.1				31.1
Issuances for settlement of convertible debentures			19.2			41.4	60.6
Dividends (\$0.47 per share)				(41.2)			(41.2)
Repurchases of common stock						(217.6)	(217.6)
Balance, December 31, 2005	101,239,813	1.0	2,346.7	269.9	(11.0)	(460.0)	2,146.6
Comprehensive Income:							
Net earnings				398.0			
Foreign currency translation					131.8		
Unrealized gain on derivatives, net of tax					2.0		
Unrealized gain on investments, net of tax					3.6		
Minimum pension liability adjustment, net of tax					0.9		
Total comprehensive income							536.3
Adjustment to initially apply SFAS No. 158, net of tax					(6.7)		(6.7)
Issuances under equity plans, including tax benefits	1,366,612		51.5			10.8	62.3
Share-based compensation expense			22.5				22.5
Dividends (\$0.59 per share)				(50.9)			(50.9)
Repurchases of common stock						(235.9)	(235.9)
Balance, December 31, 2006	102,606,425	1.0	2,420.7	617.0	120.6	(685.1)	2,474.2
Comprehensive Income:							
Net earnings				484.7			
Foreign currency translation					106.3		
Unrealized gain on derivatives, net of tax					1.6		
Unrealized gain on investments, net of tax					1.0		
Defined benefit pension plans and retiree health care plan, net of tax					28.1		
Total comprehensive income							621.7
Adjustment to adopt FIN 48				(4.3)			(4.3)
Issuances under equity plans, including tax benefits	807,829		35.1			4.4	39.5
Share-based compensation expense			26.0				26.0
Dividends (\$0.69 per share)				(57.1)			(57.1)
Repurchases of common stock						(430.7)	(430.7)
Balance, December 31, 2007	103,414,254	\$ 1.0	\$ 2,481.8	\$1,040.3	\$ 257.6	\$(1,111.4)	\$2,669.3

The accompanying notes to consolidated financial statements are an integral part of these statements.

**Consolidated Statements of Shareholders' Equity**

**Notes To Consolidated Financial Statements**  
**in millions, except per share data**

**01.**

**Summary Of Significant Accounting Policies**

**Nature of Operations**

Manpower Inc. is a world leader in the employment services industry. Our worldwide network of nearly 4,500 offices in 80 countries and territories enables us to meet the needs of our clients in all industry segments. Our largest operations, based on revenues, are located in the U.S., France, Italy and the U.K. We specialize in permanent, temporary and contract recruitment; employee assessment and selection; training; outsourcing; and outplacement and consulting services. We provide services to a wide variety of clients, none of which individually comprise a significant portion of revenues for us as a whole.

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses for the reporting period. Actual results could differ from these estimates.

**Basis of Consolidation**

The consolidated financial statements include our operating results and the operating results of all of our subsidiaries. For subsidiaries in which we have an ownership interest of 50% or less, but more than 20%, the consolidated financial statements reflect our ownership share of those earnings using the equity method of accounting. These investments, as well as certain other relationships, are also evaluated for consolidation under FASB (Financial Accounting Standards Board) Interpretation No. 46R, "Consolidation of Variable Interest Entities." These investments were \$98.7 and \$92.5 as of December 31, 2007 and 2006, respectively, and are included as Other Assets in the consolidated balance sheets. Included in Shareholders' Equity as of December 31, 2007 and 2006 are \$52.3 and \$50.1 of unremitted earnings from investments accounted for using the equity method. All significant intercompany accounts and transactions have been eliminated in consolidation.

**Revenues and Receivables**

We generate revenues from sales of services by our company-owned branch operations and from fees earned on sales of services by our franchise operations. Revenues are recognized as services are performed. The majority of our revenues are generated by our recruitment business, where billings are generally negotiated and invoiced on a per-hour basis. Accordingly, as contingent workers are placed, we record revenue based on the hours worked. Permanent recruitment revenues are recorded as placements are made. Provisions for sales allowances, based on historical experience, are recognized at the time the related sale is recognized.

Our franchise agreements generally state that franchise fees are calculated based on a percentage of revenues. We record franchise fee revenues monthly based on the amounts due under the franchise agreements for that month. Franchise fees, which are included in Revenues from Services, were \$35.7 for the years ended December 31, 2007 and 2006, and \$35.8 for the year ended 2005.

In our outplacement business, we recognize revenue from individual programs on a straight-line basis over the average length of time for candidates to find jobs based on historical data for the specific type of program. For group programs and large projects within the outplacement business, we defer and recognize revenue over the period within which the contracts are completed. In our consulting business, revenue is recognized upon the performance of the obligations under the consulting service contract. The amount billed for outplacement and consulting services in excess of the amount recognized as revenue is recorded as Deferred Revenue and included in Accrued Liabilities in our consolidated balance sheets. We had \$46.3 and \$46.4 recorded as Deferred Revenue as of December 31, 2007 and 2006, respectively.

We record revenues from sales of services and the related direct costs in accordance with Emerging Issues Task Force ("EITF") Issue No. 99-19, "Reporting Revenue Gross as a Principal versus Net as an Agent" ("EITF Issue No. 99-19"). In situations where we act as a principal in the transaction, we report gross revenues and cost of services. When we act as an agent, we report the revenues on a net basis. Amounts billed to clients for out-of-pocket or other cost reimbursements are included in Revenues from Services, and the related costs are included in Cost of Services.

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### **Allowance for Doubtful Accounts**

We have an Allowance for Doubtful Accounts recorded as an estimate of the Accounts Receivable balance that may not be collected. This allowance is calculated on an entity-by-entity basis with consideration for historical write-off experience, the current aging of receivables and a specific review for potential bad debts. Items that affect this balance mainly include bad debt expense and the write-off of accounts receivable balances.

Bad debt expense is recorded as Selling and Administrative Expenses in our consolidated statements of operations and was \$21.8, \$27.4 and \$22.9 in 2007, 2006 and 2005, respectively. Factors that would cause this provision to increase primarily relate to increased bankruptcies by our clients and other difficulties collecting amounts billed. On the other hand, an improved write-off experience and aging of receivables would result in a decrease to the provision. Write-offs were \$20.8, \$14.1 and \$18.3, for 2007, 2006 and 2005, respectively.

### **Advertising Costs**

We expense production costs of advertising as they are incurred. Advertising expenses were \$69.5, \$69.4 and \$45.8 in 2007, 2006 and 2005, respectively.

### **Employment-Related Items**

In April 2007, we received a letter from the Central Agency for Social Security Organizations in France regarding a modification to the calculation of payroll taxes under certain French social programs aimed at encouraging the employment of low-wage workers. This modification reduced the amount of payroll taxes that we are required to remit, retroactive to January 1, 2006. In July 2007, the French Senate passed an amendment to this social security legislation, which eliminates the payroll tax benefit resulting from the modification effective October 1, 2007.

Included in 2007 is \$149.6 (\$88.6 after tax, or \$1.05 per diluted share) of net benefit related to this modification, including an increase to Gross Profit of \$157.1 and an increase to Selling and Administrative Expenses of \$7.5. The proceeds related to this modification for a portion of 2006 and all of 2007 have been received. The remaining proceeds for 2006 are expected to be received in early 2008.

### **Reorganization Costs**

In the fourth quarter of 2007, we established reserves totaling \$4.4 in France for office closure costs and \$4.0 at Jefferson Wells for severances and other office closure costs related to reorganizations at these entities. Of the \$4.4 recorded in France, no payment has been made as of December 31, 2007. We expect a majority of the \$4.4 will be paid in 2008. Of the \$4.0 recorded at Jefferson Wells, \$0.1 has been paid as of December 31, 2007. We expect a majority of the remaining \$3.9 will be paid in 2008.

In the first quarter of 2006, we recorded expenses totaling \$9.5 in the U.K. and \$1.2 at Right Management for severances and other office closure costs related to reorganizations at these entities. Of the \$9.5 in the U.K., \$7.3 has been paid as of December 31, 2007, of which \$1.9 was paid in 2007. We expect a majority of the remaining \$2.2 will be paid by 2009. All of the reorganization costs at Right Management were paid during the three months ended March 31, 2006. In the fourth quarter of 2006, we recorded expenses totaling \$6.9 at Right Management for severances. As of December 31, 2007, \$4.8 has been paid, of which \$4.5 was paid in 2007. In the second half of 2007, we reversed \$1.6 of this reserve as fewer than expected former employees had claimed the severance. We expect the remaining \$0.5 will be paid in 2008.

In 2005, we recorded total expenses of \$15.3 in France and \$4.0 at Right Management for severance costs related to reorganizations in these entities. As of December 31, 2007, \$13.6 of the amount recorded in France has been paid, of which \$5.0 was paid in 2007. We expect the remaining \$1.7 will be paid in 2008. The full \$4.0 recorded at Right Management was paid in 2005.

### **Income Taxes**

We account for income taxes in accordance with Statement of Financial Accounting Standards ("SFAS") No. 109, "Accounting for Income Taxes." Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between financial statement carrying amounts of existing assets and liabilities and their respective tax basis, and net operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. We record a valuation allowance against deferred tax assets for which utilization of the asset is not likely.

## Notes To Consolidated Financial Statements

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### Accounts Receivable Securitization

We account for the securitization of accounts receivable in accordance with SFAS No. 140, "Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities." Accordingly, transfers of receivables are evaluated for sale accounting treatment and, if such a transfer qualifies as a sale under SFAS No. 140, the related receivable balance is removed from our consolidated balance sheets and the loss related to the transfer is recorded as other expense. If the transfer of receivables does not qualify for sale accounting, the related receivable balance remains on our consolidated balance sheet, the corresponding advance is recorded as debt and the related cost of the transaction is recorded as interest expense. (See Note 6 for further information.)

### Fair Value of Financial Instruments

The carrying values of cash and cash equivalents, accounts receivable, accounts payable, and other current assets and liabilities approximate their fair values because of the short-term nature of these instruments. The carrying value of Long-Term Debt approximates fair value, except for the Euro-denominated notes for which fair value is estimated based on quoted market prices for the same or similar issues.

### Goodwill and Intangible Assets

We have goodwill, amortizable intangible assets and intangible assets that do not require amortization, as follows:

December 31	2007			2006		
	Gross	Accumulated Amortization	Net	Gross	Accumulated Amortization	Net
Goodwill	\$1,045.9	\$ —	\$1,045.9	\$972.6	\$ —	\$972.6
Intangible assets:						
Amortizable:						
Technology	19.6	15.5	4.1	19.6	11.5	8.1
Franchise agreements	18.0	7.1	10.9	18.0	5.3	12.7
Customer relationships	134.2	29.5	104.7	124.9	21.6	103.3
Other	7.8	4.0	3.8	6.6	3.2	3.4
	179.6	56.1	123.5	169.1	41.6	127.5
Non-Amortizable:						
Tradename	193.5	—	193.5	193.5	—	193.5
Reacquired franchise rights	47.8	—	47.8	—	—	—
	241.3	—	241.3	193.5	—	193.5
Intangible assets	\$ 420.9	\$ 56.1	\$ 364.8	\$362.6	\$ 41.6	\$321.0

Amortization expense related to intangibles was \$14.5 in 2007 and \$13.1 in 2006 and 2005. Amortization expense expected in each of the next five years is as follows: 2008 – \$16.9, 2009 – \$12.4, 2010 – \$11.7, 2011 – \$10.1, and 2012 – \$9.8. The weighted-average useful lives of the technology, franchise agreements, and client relationships are 5, 10, and 16 years, respectively. The majority of the non-amortizable tradename results from our acquisition of Right Management. The tradename has been assigned an indefinite life based on our expectation of renewing the tradename, as required, without material modifications and at a minimal cost, and our expectation of positive cash flows beyond the foreseeable future. The reacquired franchise rights result from our franchise acquisitions in the U.S. These rights entitle us to operate permanently in particular territories, and have therefore been assigned an indefinite life.

In connection with SFAS No. 142, "Goodwill and Other Intangible Assets," we are required to perform goodwill and indefinite-lived intangible asset impairment reviews, at least annually, using a fair-value-based approach. The majority of our goodwill and indefinite-lived intangible assets result from our acquisition of Right Management. Our remaining goodwill relates primarily to our acquisitions of Elan and Jefferson Wells.

As part of our impairment reviews, we estimate fair value primarily by using a discounted cash flow analysis and, for certain larger reporting units, we may also consider market comparables. Significant assumptions used in our discounted cash flow analysis include: expected future revenue growth rates, operating unit profit margins, and working capital levels; a discount rate; and a terminal value multiple.

We completed our annual impairment review for 2007 and determined there to be no impairment of either goodwill or indefinite-lived intangible assets. We plan to perform our next annual impairment review during the third quarter of 2008.

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We may be required to perform an impairment review prior to our scheduled annual review if certain events occur, including lower than forecasted earnings levels for certain reporting units. In addition, changes to other assumptions could significantly impact our estimate of the fair value of our reporting units. Such a change may result in an impairment charge, which could have a significant impact on the reportable segments that include the related reporting units and our consolidated financial statements.

### **Marketable Securities**

We account for our marketable security investments under SFAS No. 115, "Accounting for Certain Investments in Debt and Equity Securities," and have determined that all such investments are classified as available-for-sale. Accordingly, unrealized gains and unrealized losses that are determined to be temporary, net of related income taxes, are included in Accumulated Other Comprehensive Income, which is a separate component of Shareholders' Equity. Realized gains and losses, and unrealized losses determined to be other-than-temporary, are recorded in our consolidated statements of operations. As of December 31, 2007 and 2006, our available-for-sale investments had a market value of \$0.3 and \$0.2, respectively, and an adjusted cost basis of \$0.1, and none had unrealized losses. In December 2005, we sold one of our available-for-sale investments for a gain of \$2.6. The proceeds of \$8.8 were received during 2006.

We hold a 49% interest in our Swiss franchise, which maintains an investment portfolio with a market value of \$144.9 and \$131.8 as of December 31, 2007 and 2006, respectively. This portfolio is comprised of a wide variety of European and U.S. debt and equity securities as well as various professionally-managed funds, all of which are classified as available-for-sale. Our net share of realized gains and losses, and declines in value determined to be other-than-temporary, are included in our consolidated statements of operations. Our share of net unrealized gains and unrealized losses that are determined to be temporary related to these investments are included in Accumulated Other Comprehensive Income, with the offsetting amount increasing or decreasing our investment in the franchise. In this portfolio, there were no unrealized losses by investment type as of December 31, 2007 and 2006.

### **Capitalized Software**

We capitalize purchased software as well as internally developed software. Internal software development costs are capitalized from the time the internal use software is considered probable of completion until the software is ready for use. Business analysis, system evaluation, selection and software maintenance costs are expensed as incurred. Capitalized software costs are amortized using the straight-line method over the estimated useful life of the software which ranges from 3 to 10 years. The net capitalized software balance of \$40.4 and \$43.9 as of December 31, 2007 and 2006, respectively, is included in Other Assets in the consolidated balance sheets. Amortization expense related to the capitalized software costs was \$10.7, \$9.5 and \$10.8 for 2007, 2006 and 2005, respectively.

### **Property and Equipment**

A summary of property and equipment as of December 31 is as follows:

	<u>2007</u>	<u>2006</u>
Land	\$ 1.6	\$ 2.6
Buildings	17.4	31.5
Furniture, fixtures and autos	230.2	213.0
Computer equipment	189.3	176.6
Leasehold improvements	322.3	269.5
Property and Equipment	<u>\$760.8</u>	<u>\$693.2</u>

Property and equipment are stated at cost and are depreciated using primarily the straight-line method over the following estimated useful lives: buildings – up to 40 years; leasehold improvements – lesser of life of asset or expected lease term; furniture and equipment – 3 to 15 years. Expenditures for renewals and betterments are capitalized whereas expenditures for repairs and maintenance are charged to income as incurred. Upon sale or disposition of property and equipment, the difference between the unamortized cost and the proceeds is recorded as either a gain or a loss and is included in our consolidated statements of operations. Long-lived assets are evaluated for impairment in accordance with the provisions of SFAS No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets."

**Notes To Consolidated Financial Statements**  
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**Derivative Financial Instruments**

We account for our derivative instruments in accordance with SFAS Nos. 133, 137, and 149 related to “Accounting for Derivative Instruments and Hedging Activities.” Derivative instruments are recorded on the balance sheet as either an asset or liability measured at their fair value. If the derivative is designated as a fair value hedge, the changes in the fair value of the derivative and of the hedged item attributable to the hedged risk are recognized in earnings. If the derivative is designated as a cash flow hedge, the effective portions of the changes in the fair value of the derivative are recorded as a component of Accumulated Other Comprehensive Income and recognized in the consolidated statements of operations when the hedged item affects earnings. The ineffective portions of the changes in the fair value of hedges are recognized in earnings.

**Foreign Currency Translation**

The financial statements of our non-U.S. subsidiaries have been translated in accordance with SFAS No. 52, “Foreign Currency Translation.” Under SFAS No. 52, asset and liability accounts are translated at the current exchange rate and income statement items are translated at the weighted-average exchange rate for the year. The resulting translation adjustments are recorded as a component of Accumulated Other Comprehensive Income, which is included in Shareholders’ Equity.

Certain foreign currency denominated borrowings are accounted for as a hedge of our net investment in our subsidiaries with the related functional currencies. Since our net investment in these subsidiaries exceeds the amount of the related borrowings, all translation gains or losses related to these borrowings are included as a component of Accumulated Other Comprehensive Income.

**Shareholders’ Equity**

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. In October 2006, 2005 and 2004, the Board of Directors authorized the repurchase of 5.0 million shares of our common stock, not to exceed a total purchase price of \$325.0, \$250.0 and \$250.0, respectively. 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. As of December 31, 2007, we have repurchased 1.7 million shares at a total cost of \$105.7 under the 2007 authorization. Under the 2006 authorization, we repurchased 4.4 million shares of common stock at a total cost of \$325.0 during 2007. Under the 2005 authorization, we repurchased 4.3 million shares at a total cost of \$250.0 during 2005 and the first eight months of 2006. Under the 2004 authorization, we repurchased 5.0 million shares at a total cost of \$203.5 during 2005.

**Statement of Cash Flows**

We consider all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

**Recently Issued Accounting Standards**

In January 2007, we adopted the Financial Accounting Standards Board (“FASB”) Interpretation No. 48, “Accounting for Uncertainty in Income Taxes, and Related Implementation Issues” (“FIN 48”). FIN 48 prescribes a comprehensive model for how a company should recognize, measure, present, and disclose in its financial statements uncertain tax positions that the company has taken or expects to take on a tax return. We adopted FIN 48 as of January 1, 2007. The net impact of the initial application of FIN 48 was a \$4.3 million increase in the net liability for unrecognized tax benefits, which was accounted for as an adjustment to Retained Earnings on our consolidated balance sheet. (See Note 5 for further information regarding the application of FIN 48.)

In December 2007, the FASB issued Statement No. 141 (revised 2007), “Business Combinations” (“SFAS 141R”). SFAS 141R changes the requirements for an acquirer’s recognition and measurement of the assets acquired and the liabilities assumed in a business combination. SFAS 141R is effective for us in 2009. We are currently assessing the impact of the adoption of this statement.

In September 2006, the FASB issued Statement No. 157, “Fair Value Measurements” (“SFAS 157”). SFAS 157 defines fair value, establishes a framework for measuring fair value in accordance with generally accepted accounting principles, and expands disclosures about fair value measurements. Subsequently, in February 2007, the FASB issued Statement No. 159, “The Fair Value Option for Financial Assets and Financial Liabilities” (“SFAS 159”). SFAS 159 permits entities to choose to measure many financial assets and financial liabilities at fair value. Unrealized gains and losses on items for which the fair value option has been elected are reported in earnings. Both SFAS 157 and SFAS 159 are effective for us in 2008. We do not expect the adoption of these statements to have a material impact on our consolidated financial statements.

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In December 2006, we adopted SFAS No. 158, “Employers’ Accounting for Defined Benefit Pension and Other Postretirement Plans, an amendment of FASB Statements No. 87, 88, 106, and 132(R), (“SFAS 158”). SFAS 158 requires that we recognize the overfunded or underfunded status of our defined benefit and retiree medical plans (our “Plans”) as an asset or liability in our consolidated balance sheets, with changes in the funded status recognized through comprehensive income in the year in which they occur. SFAS 158 also requires us to measure the funded status of our Plans as of the balance sheet date, rather than as of an earlier measurement date, in 2008. We do not expect the change in measurement date to have a material impact on our consolidated financial statements.

In December 2007, the FASB issued Statement No. 160, “Noncontrolling Interests in Consolidated Financial Statements, an amendment of ARB No. 51” (“SFAS 160”). SFAS 160 requires (a) that noncontrolling (minority) interests be reported as a component of shareholders’ equity, (b) that net income attributable to the parent and to the noncontrolling interest be separately identified in the consolidated statement of operations, (c) that changes in a parent’s ownership interest while the parent retains its controlling interest be accounted for as equity transactions, (d) that any retained noncontrolling equity investment upon the deconsolidation of a subsidiary be initially measured at fair value, and (e) that sufficient disclosures are provided that clearly identify and distinguish between the interests of the parent and the interests of the noncontrolling owners. SFAS 160 is effective for us in 2009 and shall be applied prospectively. However, the presentation and disclosure requirements of the statement shall be applied retrospectively for all periods presented. We are currently assessing the impact of the adoption of this statement.

## 02.

### Acquisitions And Discontinued Operations

From time to time, we acquire and invest in companies throughout the world, including franchises. The total cash consideration paid for acquisitions was \$122.8, primarily related to franchise acquisitions, \$13.0 and \$12.9 in 2007, 2006 and 2005, respectively.

### Discontinued Operations

In January 2006, we sold a non-core payroll processing business in Sweden. In addition, in December 2006, we sold a non-core facilities management services business in the Nordics. Pre-tax gains of \$123.5 (\$89.5 after tax, or \$1.02 per share – diluted) related to these sales were recorded in Income from Discontinued Operations in 2006. The cash proceeds from the sales of these operations of \$123.9 was received in 2006. Also in December 2006, we recorded a net loss of \$1.7 on the disposal of one of our Right Management subsidiaries. We have recorded the results of these operations as discontinued operations for the years ended December 31, 2006 and 2005, respectively.

Summarized financial information for the discontinued operations is as follows:

<u>Year Ended December 31</u>	<u>2006</u>	<u>2005</u>
Revenues from services	\$224.0	\$235.0
Cost of services and Selling and administrative expenses	217.0	227.4
Earnings before income taxes	7.0	7.6
Provision for income taxes	(2.5)	(2.6)
Net gain on sale of businesses, net of income taxes of \$ 34.0	87.8	—
Income from discontinued operations, net of income taxes	<u>\$ 92.3</u>	<u>\$ 5.0</u>

**Notes To Consolidated Financial Statements**  
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**03.**

**Stock Compensation Plans**

We adopted Statement of Financial Accounting Standards SFAS No. 123(R), "Share-Based Payment" ("SFAS 123R"), effective January 1, 2006, using the modified prospective application transition method. The modified prospective application transition method requires compensation cost to be recognized beginning on the effective date (a) based on the requirements of SFAS 123R for all share-based payments granted after the effective date and (b) based on the requirements of SFAS 123 for all awards granted to employees prior to the effective date of SFAS 123R that remain unvested on the effective date. As such, prior periods do not reflect restated amounts. Prior to January 1, 2006, we accounted for all of our fixed stock option plans and our 1990 Employee Stock Purchase Plan in accordance with APB Opinion No. 25, "Accounting for Stock Issued to Employees," and related Interpretations. No stock-based employee compensation expense related to stock options or our stock purchase plans was reflected in Net Earnings prior to January 1, 2006. SFAS 123R requires us to report the tax benefit from the tax deduction that is in excess of the recognized compensation costs (excess tax benefits) as a financing cash flow. Prior to January 1, 2006, we reported the entire tax benefit related to the exercise of stock options as an operating cash flow.

During 2007 and 2006, we recognized approximately \$26.0 and \$22.5, respectively, in share-based compensation expense related to stock options, deferred stock, restricted stock, and the stock purchase plan, all of which is recorded in Selling and Administrative Expenses. The total income tax benefit recognized related to share-based compensation during 2007 and 2006 was \$3.3 and \$3.0, respectively. Cash received from stock option exercises for 2007 and 2006 was \$35.0 and \$54.0, respectively. The excess income tax benefit recognized related to share-based compensation awards, which is recorded in Capital in Excess of Par Value, for 2007 and 2006 was approximately \$5.3 and \$8.2, respectively. We recognize compensation expense on grants of share-based compensation awards on a straight-line basis over the service period of each award recipient.

The following table illustrates the effect on Net Earnings and Net Earnings Per Share had we applied the fair value recognition provisions of SFAS 123R to share-based employee compensation for periods prior to its adoption:

<u>Year Ended December 31</u>	<u>2005</u>
<b>Net Earnings from Continuing Operations</b>	
Net earnings from Continuing Operations, as reported	\$255.1
Add: Total share-based employee compensation expense under APB 25, net of related tax effects <sup>(1)</sup>	1.1
Less: Total share-based employee compensation expense determined under the fair value method for all awards, net of related tax effects	11.5
Net earnings from continuing operations, pro forma	<u>\$244.7</u>
<b>Net Earnings Per Share – Continuing Operations</b>	
Basic – as reported	\$ 2.89
Basic – pro forma	2.78
Diluted – as reported	2.81
Diluted – pro forma	<u>2.70</u>

(1) The share-based employee compensation is related to restricted stock and deferred stock.

**Stock Options**

All share-based compensation is currently granted under our 2003 Equity Incentive Plan of Manpower Inc. ("2003 Plan"). Options and stock appreciation rights are granted at a price not less than 100% of the fair market value of the common stock at the date of grant. Generally, options are granted with a vesting period of up to four years and expire ten years from date of grant. As of December 31, 2007 and 2006, no stock appreciation rights had been granted or were outstanding.

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A summary of stock option activity is as follows:

	Shares (000)	Wtd. Avg. Exercise Price Per Share	Wtd. Avg. Remaining Contractual Term (years)	Aggregate Intrinsic Value (in millions)
Outstanding, January 1, 2005	5,136	\$ 33		
Granted	1,236	44		
Exercised	(774)	30		\$ 12
Expired or cancelled	(269)	36		
Outstanding, December 31, 2005	5,329	\$ 36	6.9	\$ 56
Exercisable, December 31, 2005	2,640	\$ 32	5.6	\$ 39
Outstanding, January 1, 2006	5,329	\$ 36		
Granted	958	53		
Exercised	(1,525)	33		\$ 41
Expired or cancelled	(265)	43		
Outstanding, December 31, 2006	4,497	\$ 41	6.9	\$ 154
Exercisable, December 31, 2006	2,159	\$ 34	5.4	\$ 88
Outstanding, January 1, 2007	4,497	\$ 41		
Granted	835	77		
Exercised	(703)	36		\$ 31
Expired or cancelled	(250)	51		
Outstanding, December 31, 2007	4,379	\$ 48	6.5	\$ 40
Exercisable, December 31, 2007	2,300	\$ 37	5.1	\$ 45

Options outstanding and exercisable as of December 31, 2007 are as follows:

Exercise Price	Options Outstanding			Options Exercisable	
	Shares (000)	Weighted-Average Remaining Contractual Life (years)	Weighted-Average Exercise Price	Shares (000)	Weighted Average Exercise Price
\$9 – \$ 37	1,289	3.7	\$ 31	1,289	\$ 31
\$38 – \$ 44	1,389	6.5	44	760	43
\$45 – \$ 53	891	7.8	52	251	51
\$54 – \$ 93	810	9.1	77	—	—
	4,379	6.5	\$ 48	2,300	\$ 37

We have recognized expense of \$13.3 and \$13.0 related to stock options for the years ended December 31, 2007 and 2006, respectively. The total fair value of options vested during the same periods were \$12.8 and \$15.9, respectively. As of December 31, 2007, total unrecognized compensation cost was approximately \$24.8, net of estimated forfeitures, which we expect to recognize over a weighted-average period of approximately 1.8 years.

We estimated the fair value of each stock option on the date of grant using the Black-Scholes option pricing model and the following assumptions:

Year Ended December 31	2007	2006	2005
Average risk-free interest rate	4.8%	4.7%	3.8%
Expected dividend yield	0.9%	1.1%	0.9%
Expected volatility	27.0%	30.0%	30.0%
Expected term (years)	4.7	5.0	4.7

The average risk-free interest rate is based on the five-year U.S. Treasury security rate in effect as of the grant date. The expected dividend yield is based on the expected annual dividend as a percentage of the market value of our common stock as of the grant date. We determined expected volatility using a weighted average of daily historical volatility (weighted 40 percent) of our stock price over the past five years and implied volatility (weighted 60 percent) based upon exchange traded options for

## Notes To Consolidated Financial Statements

in millions, except per share data

our common stock. We believe that a blend of historical volatility and implied volatility better reflects future market conditions and better indicates expected volatility than considering purely historical volatility. We determined the expected term of the stock options using historical data. The weighted-average grant-date fair value of options granted during the year was \$22.27, \$16.26 and \$12.98 in 2007, 2006 and 2005, respectively.

### Deferred Stock

Our non-employee directors may elect to receive deferred stock in lieu of part or all of their annual cash retainer otherwise payable to them. The number of shares of deferred stock is determined pursuant to a formula set forth in the terms and conditions adopted under the 2003 Plan and the deferred stock is settled in shares of common stock according to the terms and conditions under the 2003 Plan. As of December 31, 2007 and 2006, there were 9,743 and 7,446, respectively, shares of deferred stock awarded under this arrangement, all of which are vested.

Effective January 1, 2006, non-employee directors also receive an annual grant of deferred stock (or restricted stock, if they so elect) as additional compensation for board service. The award vests in equal quarterly installments and the vested portion of the deferred stock is settled in shares of common stock after three years (which may in most cases be extended at the directors' election) in accordance with the terms and conditions under the 2003 Plan. As of December 31, 2007 and 2006, there were 10,864 and 15,725, respectively, shares of deferred stock and 2,331 and 7,548, respectively, shares of restricted stock granted under this arrangement, all of which are vested. We recognized expense of \$1.0 and \$0.8 related to deferred stock in 2007 and 2006, respectively.

### Restricted Stock

We grant restricted stock awards to certain employees and to non-employee directors who may elect to receive restricted stock rather than deferred stock as described above. Restrictions lapse over periods ranging up to six years. We value restricted stock awards at the closing market value of our common stock on the date of grant.

A summary of restricted stock activity is as follows:

	Shares (000)	Wtd. Avg. Price Per Share	Wtd. Avg. Remaining Contractual Term (years)	Aggregate Intrinsic Value
Unvested, January 1, 2005	97	\$ 37		
Granted	112	44		
Vested	(7)	31		
Forfeited	—	—		
Unvested, December 31, 2005	202	\$ 41	1.3	\$ 1.1
Granted	54	\$ 52		
Vested	(46)	39		
Forfeited	(5)	44		
Unvested, December 31, 2006	205	\$ 44	1.8	\$ 6.2
Granted	26	\$ 83		
Vested	(12)	51		
Forfeited	(4)	53		
Unvested, December 31, 2007	215	\$ 49	2.2	\$ 1.9

During 2007, 2006 and 2005, we recognized \$2.7, \$2.4 and \$1.7, respectively, of expense, related to restricted stock grants. As of December 31, 2007, there was approximately \$5.1 of total unrecognized compensation cost related to unvested restricted stock, which we expect to recognize over a weighted-average period of approximately 2.7 years.

### Performance Share Units

In 2005, we amended our 2003 Plan to permit the grant of performance share units. Vesting of units occurs at the end of the performance period, generally three years, except in the case of death, disability or termination of employment. A payout multiple is applied to the units awarded based on the performance criteria determined by the Executive Compensation Committee of the Board of Directors. The performance criteria for performance share units granted in February 2006 and 2007 was average Operating Profit Margin growth. The vested units are settled in shares of our common stock. Holders of performance share units do not receive dividends during the performance period. Accordingly, the fair value of these units is the quoted market value of our stock on the date of the grant.

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The Target Awards for the 2006-2008 and the 2007-2009 performance periods are based on average Operating Profit Margin growth over the performance period. In the event this measure exceeds the target, an additional number of shares up to 175% of the Target Award may be granted. In the event this measure falls below the target performance level, a reduced number of shares as few as the Threshold Award, which is equal to 25% of the Target Award, may be granted. If Operating Profit Margin falls below the threshold performance level, no shares will be granted.

A summary of the performance share unit activity is as follows:

	<u>Share Units</u>
Outstanding, January 1, 2006	—
Granted	210,875
Forfeited	(17,500)
Outstanding, December 31, 2006	<u>193,375</u>
Granted	118,000
Forfeited	(13,125)
Outstanding, December 31, 2007	<u>298,250</u>

The Threshold, Target and Outstanding Award amounts for each outstanding grant are as follows:

	<u>2006 – 2008</u>	<u>2007 – 2009</u>
Threshold Award	30,125	29,500
Target Award	120,500	118,000
Outstanding Award	<u>210,875</u>	<u>206,500</u>

We recognize compensation expense when it becomes probable that the performance criteria specified in the award will be achieved. The compensation expense is recognized over the performance period and is recorded in Selling and Administrative Expenses. We currently believe the average Operating Profit Margin growth for the 2006-2008 performance period will likely exceed the target performance level; accordingly, we recognized compensation expense of \$2.9 and \$3.4 related to this performance period in 2007 and 2006, respectively. We currently believe the average Operating Profit Margin growth for the 2007-2009 performance period will likely approximate the target performance level; accordingly we recognized compensation expense of \$2.9 related to this performance period in 2007.

### **Other Stock Plans**

Under the 1990 Employee Stock Purchase Plan, designated employees meeting certain service requirements may purchase shares of our common stock through payroll deductions. These shares may be purchased at the lesser of 85% of their fair market value at the beginning or end of each year.

The fair value of each share purchased under the plan is estimated using the Black-Scholes option-pricing model and the following weighted-average assumptions:

<u>Year Ended December 31</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Average risk-free interest rate	5.0%	4.4%	2.8%
Expected dividend yield	0.9%	1.1%	0.9%
Expected volatility	27.0%	30.0%	30.0%
Expected term (years)	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>

These assumptions are determined using the same methodology applied in determining the assumptions used in calculating the fair value of our stock options.

We recognized expense of \$3.0 and \$2.6 for shares purchased under the plan in 2007 and 2006, respectively.

We also maintain the Savings Related Share Option Scheme for U.K. employees with at least one year of service. The employees are offered the opportunity to obtain an option for a specified number of shares of common stock at not less than 85% of its market value on the day prior to the offer to participate in the plan. Options vest after either three, five or seven years, but may lapse earlier. Funds used to purchase the shares are accumulated through specified payroll deductions over a 60-month period. We recognized expense of \$0.2 and \$0.3 for shares purchased under the plan in 2007 and 2006, respectively.

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in millions, except per share data**04.**  
**Earnings Per Share**

The calculation of Net Earnings Per Share – Basic is as follows:

<u>Year Ended December 31</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Net earnings from continuing operations	\$484.7	\$305.7	\$255.1
Income from discontinued operations, net of taxes	—	92.3	5.0
Net earnings available to common shareholders	\$484.7	\$398.0	\$260.1
Weighted-average common shares outstanding (in millions)	83.1	86.2	88.1
Net earnings per share from continuing operations – basic	\$ 5.83	\$ 3.55	\$ 2.89
Net earnings per share from discontinued operations – basic	—	1.07	0.06
Total net earnings per share – basic	<u>\$ 5.83</u>	<u>\$ 4.62</u>	<u>\$ 2.95</u>

The calculation of Net Earnings Per Share – Diluted is as follows:

<u>Year Ended December 31</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Net earnings from continuing operations	\$484.7	\$305.7	\$255.1
Add: Amortization of contingently convertible debt, net of taxes	—	—	1.2
Net earnings from continuing operations – diluted	484.7	305.7	256.3
Income from discontinued operations, net of taxes	—	92.3	5.0
Net earnings available to common shareholders	\$484.7	\$398.0	\$261.3
Weighted-average common shares outstanding (in millions)	83.1	86.2	88.1
Effect of restricted stock grants (in millions)	0.2	0.3	0.2
Effect of dilutive securities – stock options (in millions)	1.3	1.2	1.3
Effect of convertible debentures (in millions)	—	—	1.5
	84.6	87.7	91.1
Net earnings per share from continuing operations – diluted	\$ 5.73	\$ 3.48	\$ 2.81
Net earnings per share from discontinued operations – diluted	—	1.06	0.06
Total net earnings per share – diluted	<u>\$ 5.73</u>	<u>\$ 4.54</u>	<u>\$ 2.87</u>

The calculations of Net Earnings Per Share – Diluted for the years ended December 31, 2007 and 2005 do not include certain stock option grants because the exercise price for these options is greater than the average market price of the common shares during that year. The number, exercise prices and weighted-average remaining life of these antidilutive options is as follows:

	<u>2007</u>	<u>2005</u>
Shares (in thousands)	785	1,312
Exercise price ranges	\$ 76-\$93	\$ 44-\$49
Weighted-average remaining life	9.3 years	9.1 years

There were no antidilutive options during 2006.

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**05.**

**Income Taxes**

The provision for income taxes from continuing operations is as follows:

<u>Year Ended December 31</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
<b>Current</b>			
United States:			
Federal	\$ 19.4	\$ 28.7	\$ 12.9
State	6.4	6.2	8.4
Non U.S.	255.3	160.9	61.5
Total current	<u>281.1</u>	<u>195.8</u>	<u>82.8</u>
<b>Deferred</b>			
United States:			
Federal	25.8	(1.6)	38.6
State	1.4	(1.1)	2.4
Non U.S.	(1.8)	(16.9)	8.1
Total deferred	<u>25.4</u>	<u>(19.6)</u>	<u>49.1</u>
Total provision	<u>\$306.5</u>	<u>\$176.2</u>	<u>\$131.9</u>

A reconciliation between taxes computed at the U.S. Federal statutory rate of 35% and the consolidated effective tax rate is as follows:

<u>Year Ended December 31</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Income tax based on statutory rate	\$276.9	\$168.7	\$135.5
Increase (decrease) resulting from:			
State income taxes, net of federal benefit	4.8	1.9	5.5
Non-U.S. tax rate difference	(6.4)	4.2	1.0
Repatriation of non-U.S. earnings	1.4	(2.9)	(5.3)
Change in valuation reserve	23.2	13.4	(5.1)
Other, net	6.6	(9.1)	0.3
Tax provision	<u>\$306.5</u>	<u>\$176.2</u>	<u>\$131.9</u>

Deferred income taxes are recorded on temporary differences at the tax rate expected to be in effect when the temporary differences reverse. Temporary differences, which gave rise to the deferred taxes are as follows:

<u>Year Ended December 31</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
<b>Current Future Income Tax Benefits (Expense)</b>			
Accrued payroll taxes and insurance	\$ 10.7	\$ 12.1	\$ 15.2
Employee compensation payable	23.7	19.6	20.8
Pension and postretirement benefits	(0.6)	4.2	0.2
Other	21.0	33.7	38.1
Valuation allowance	(4.5)	(3.2)	(3.2)
	<u>50.3</u>	<u>66.4</u>	<u>71.1</u>
<b>Noncurrent Future Income Tax Benefits (Expense)</b>			
Accrued payroll taxes and insurance	22.4	33.5	46.7
Pension and postretirement benefits	41.8	46.7	33.6
Intangible assets	(120.1)	(121.3)	(126.5)
Net operating losses and other	185.3	179.9	120.5
Valuation allowance	(101.0)	(68.8)	(62.8)
	<u>28.4</u>	<u>70.0</u>	<u>11.5</u>
Total future tax benefits	<u>\$ 78.7</u>	<u>\$ 136.4</u>	<u>\$ 82.6</u>
Current tax asset	\$ 76.3	\$ 66.4	\$ 71.1
Current tax liability	(26.0)	—	—
Noncurrent tax asset	28.4	70.0	11.5
Total future tax benefits	<u>\$ 78.7</u>	<u>\$ 136.4</u>	<u>\$ 82.6</u>

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**in millions, except per share data**

The current tax liability is recorded in Accrued Liabilities and the noncurrent future income tax benefits are recorded in Other Assets in the consolidated balance sheets.

We have U.S. Federal and non-U.S. net operating loss carryforwards and U.S. state net operating loss carryforwards totaling \$375.1 and \$88.3, respectively, as of December 31, 2007. The net operating loss carryforwards expire as follows:

	<u>U.S. Federal &amp; non-U.S.</u>	<u>U.S. State</u>
2008	\$ 10.0	\$ 1.8
2009	9.5	6.2
2010	4.3	2.7
2011	8.0	5.4
2012	6.0	1.0
Thereafter	103.6	71.2
No expirations	233.7	—
Total net operating loss carryforwards	<u>\$ 375.1</u>	<u>\$ 88.3</u>

We have recorded a deferred tax asset of \$116.8 as of December 31, 2007, for the benefit of these net operating losses. Realization of this asset is dependent on generating sufficient taxable income prior to the expiration of the loss carryforwards. A valuation allowance of \$105.5 has been recorded as of December 31, 2007, as management believes that realization of certain loss carryforwards and other deferred tax assets is unlikely.

Pretax income of non-U.S. operations was \$567.5, \$264.9 and \$189.7 in 2007, 2006 and 2005, respectively. We have not provided U.S. income taxes and non-U.S. withholding taxes on \$1,114.9 of unremitted earnings of non-U.S. subsidiaries that is considered to be reinvested indefinitely. Deferred taxes are provided on unremitted earnings of non-U.S. subsidiaries when we plan to remit those earnings. As of December 31, 2007, 2006 and 2005, we have recorded a deferred tax liability of \$56.9, \$23.5 and \$9.8, respectively, related to non-U.S. earnings that we plan to remit.

As a result of our adoption of FIN 48, we recognized a \$4.3 increase in the net liability for unrecognized tax benefits, which was accounted for as an adjustment to retained earnings as of January 1, 2007. As of the date of adoption, we had gross unrecognized tax benefits which relate to various tax jurisdictions, including interest and penalties, of \$67.0 on our consolidated balance sheet and related tax benefits of \$24.5. The net amount of \$42.5 would favorably affect the effective tax rate if recognized.

As of December 31, 2007, we have gross unrecognized tax benefits related to various tax jurisdictions, including interest and penalties, of \$67.2, of which \$3.1 is recorded as a current deferred tax liability. We have related tax benefits of \$22.6, and the net amount of \$44.6 would favorably affect the effective tax rate if recognized. There were no material settlements in 2007. We do not expect our unrecognized tax benefits to change significantly over the next 12 months.

We recognize accrued interest and penalties related to unrecognized tax benefits in income tax expense. We accrued net interest and penalties of \$0.6 during 2007. We have recorded a liability for potential interest and penalties of \$6.7 as of December 31, 2007.

The following table summarizes the activity related to our unrecognized tax benefits during 2007:

Gross unrecognized tax benefits, January 1, 2007	\$ 60.9
Increases in prior year tax positions	5.7
Decreases in prior year tax positions	(10.0)
Increases in current year tax positions	8.4
Expiration of statute of limitations for the assessment of taxes	(4.5)
Gross unrecognized tax benefits, December 31, 2007	<u>\$ 60.5</u>
Potential interest and penalties	<u>6.7</u>
Balance, December 31, 2007	<u>\$ 67.2</u>

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We conduct business globally in 80 countries and territories. Accordingly, we are routinely audited by the various tax jurisdictions in which we operate. Generally, the tax years that remain subject to examination are 2004 through 2007 for our major operations in the U.S., France, the U.K., Germany, Italy and Japan. As of December 31, 2007, we are subject to tax audits in France, the U.K. and the U.S., and we believe that resolution of such audits would not have a material impact on earnings.

### 06.

#### Accounts Receivable Securitization

We and certain of our U.S. subsidiaries have an agreement (the "Receivables Facility") with a financial institution whereby we may transfer on a continuous basis an interest in all eligible trade accounts receivable. Pursuant to the Receivables Facility, we formed Ironwood Capital Corporation ("ICC"), a wholly owned, special purpose, bankruptcy-remote subsidiary that is fully consolidated in our financial statements. ICC was formed for the sole purpose of transferring receivables that we and certain of our subsidiaries generate. Under the Receivables Facility, we and certain of our subsidiaries, irrevocably and without recourse, may transfer all of our accounts receivable to ICC. ICC, in turn, subject to certain conditions, may from time to time transfer an undivided interest in these receivables and is permitted to receive advances of up to \$200.0 for the transfer of such undivided interest. In July 2007, we amended the Receivables Facility to extend its maturity to July 2008 and reduce the fees for the facility. All other terms remain substantially unchanged.

Under the Receivables Facility, ICC has the ability to repurchase, in full or in part, the accounts receivable it transferred to the third party. Therefore, transfers made do not qualify for sale accounting, and accordingly, the receivables transferred to the third party remain on our consolidated balance sheet with the corresponding advance being recorded as debt and amounts charged on outstanding borrowings during the year are recorded as interest expense. No amounts were advanced under this facility as of December 31, 2007 and 2006.

Fees associated with the amounts advanced were \$0.3, \$0.4, and \$0.4 in 2007, 2006 and 2005, respectively, and were recorded as Other Expense in the consolidated statements of operations.

### 07.

#### Goodwill

Changes in the carrying value of goodwill by reportable segment are as follows:

	<u>United States</u>	<u>France</u>	<u>Other EMEA</u>	<u>Italy</u>	<u>Jefferson Wells</u>	<u>Right Management</u>	<u>Other Operations</u>	<u>Total</u>
Balance, December 31, 2005	\$ 81.1	\$ —	\$ 191.9	\$ 1.7	\$ 149.2	\$ 448.6	\$ 51.4	\$ 923.9
Goodwill acquired throughout the year	0.4	—	1.5	—	0.6	14.0	—	16.5
Currency impact and other	—	—	25.7	—	0.0	6.1	0.4	32.2
Balance, December 31, 2006	\$ 81.5	\$ —	\$ 219.1	\$ 1.7	\$ 149.8	\$ 468.7	\$ 51.8	\$ 972.6
Goodwill acquired throughout the year	34.2	0.2	2.0	—	—	7.1	18.1	61.7
Currency impact and other	—	—	5.5	0.2	—	0.8	5.2	11.6
Balance, December 31, 2007	<u>\$ 115.7</u>	<u>\$ 0.2</u>	<u>\$ 226.6</u>	<u>\$ 1.9</u>	<u>\$ 149.8</u>	<u>\$ 476.6</u>	<u>\$ 75.1</u>	<u>\$1,045.9</u>

There were no significant reductions to goodwill as a result of dispositions or impairments during 2007 or 2006.

**Notes To Consolidated Financial Statements**  
in millions, except per share data**08.**  
**Debt**

Information concerning Short-Term Borrowings is as follows:

<u>December 31</u>	<u>2007</u>	<u>2006</u>
Short-term borrowings	\$39.0	\$30.2
Weighted-average interest rates	12.7%	10.8%

We maintain separate bank credit lines with financial institutions to meet working capital needs of our subsidiary operations. As of December 31, 2007, such credit lines totaled \$338.7, of which \$299.7 was unused. We have no significant compensating balance requirements or commitment fees related to these lines. Due to limitations on subsidiary borrowings in our revolving credit agreement, additional borrowings of \$258.8 could be made under these facilities as of December 31, 2007.

A summary of Long-Term Debt is as follows:

<u>December 31</u>	<u>2007</u>	<u>2006</u>
Euro-denominated notes:		
€300 due June 2012	\$436.6	\$394.6
€200 due June 2013	290.5	262.4
Revolving credit agreement:		
Euro-denominated borrowings, at a rate of 5.71%	145.9	132.0
Other	2.5	4.0
	<u>875.5</u>	<u>793.0</u>
Less – current maturities	0.7	1.8
Long-term debt	<u>\$874.8</u>	<u>\$791.2</u>

**Euro Notes**

On June 14, 2006, we offered and sold €200.0 aggregate principal amount of 4.75% notes due June 14, 2013 (the “€200.0 Notes”). The net proceeds of €198.1 (\$249.5) were invested in cash equivalents until July 26, 2006, when they were used to repay our €200.0 notes due July 2006 (the “1999 €200.0 Notes”) as described below. The €200.0 Notes were issued at a price of 99.349% to yield an effective interest rate of 4.862%. The discount of €1.3 (\$1.6) is being amortized to interest expense over the term of the €200.0 Notes. Interest is payable annually on June 14. The €200.0 Notes are unsecured senior obligations and rank equally with all of our existing and future senior unsecured debt and other liabilities. We may redeem the €200.0 Notes, in whole but not in part, at our option at any time for a redemption price determined in accordance with the term of the €200.0 Notes. The €200.0 Notes also contain certain customary restrictive covenants and events of default.

On June 1, 2005, we offered and sold €300.0 aggregate principal amount of 4.50% notes due June 1, 2012 (the “€300.0 Notes”). Net proceeds of approximately €297.7 (\$372.3) were used to repay a portion of the outstanding indebtedness under our revolving credit facility and U.S. Receivables Facility, to fund our share repurchase program, and for general corporate purposes. The €300.0 Notes were issued at a price of 99.518% to yield an effective interest rate of 4.58%. The discount of €1.4 (\$1.8) is being amortized to interest expense over the term of the notes. Interest is payable annually on June 1. The €300.0 Notes are unsecured senior obligations and rank equally with all of our existing and future senior unsecured debt and other liabilities. We may redeem the €300.0 Notes, in whole but not in part, at our option at any time for a redemption price as defined in the agreement. These notes also contain certain customary restrictive covenants and events of default.

Our 1999 €200.0 Notes (\$254.3) were retired on July 26, 2006 with the net proceeds from the €200.0 Notes and other available cash.

The €300.0 Notes, €200.0 Notes and other Euro-denominated borrowings have been designated as a hedge of our net investment in subsidiaries with a Euro functional currency. Since our net investment in these subsidiaries exceeds the respective amount of the designated borrowings, all translation gains or losses related to these borrowings are included as a component of Accumulated Other Comprehensive Income.

### Revolving Credit Agreement

We have a \$625.0 revolving credit agreement with a syndicate of commercial banks. The revolving credit agreement allows for borrowings in various currencies and up to \$150.0 may be used for the issuance of stand-by letters of credit. Outstanding letters of credit issued under the agreement totaled \$3.7 and \$4.0 as of December 31, 2007 and 2006, respectively. Beginning in 2006, the letters of credit outstanding under the revolving credit agreement were substantially reduced as certain letters of credit have been issued directly by third parties rather than under the revolving credit agreement. Additional borrowings of \$475.4 were available to us under this revolving credit agreement as of December 31, 2007.

In November 2007, the revolving credit agreement was amended (the "amended agreement") to extend the expiration date to November 2012 from October 2010, to revise certain covenant calculations, and increase the amount of subsidiary borrowings allowed under the agreement.

The borrowing margin and facility fee on the amended agreement, as well as the fee paid for the issuance of letters of credit on the facility, vary based on our public debt ratings and borrowing level. As of December 31, 2007, the interest rate under the amended agreement was LIBOR plus 0.40% (for U.S. Dollar borrowings, or alternative base rate for foreign currency borrowings), and the facility and issuance fees were 0.10% and 0.40%, respectively.

The amended agreement requires, among other things, that we comply with a Debt-to-EBITDA ratio of less than 3.25 to 1 and a fixed charge ratio of greater than 2.00 to 1. As defined in the amended agreement, we had a Debt-to-EBITDA ratio of 0.99 to 1 and a fixed charge ratio of 4.31 to 1 as of December 31, 2007. Based upon current forecasts, we expect to be in compliance with these covenants throughout the coming year.

There were no borrowings outstanding under our \$125.0 U.S. commercial paper program at December 31, 2007 and 2006.

### Interest Rate Swap Agreements

We have entered into various interest rate swap agreements to manage the interest rate and currency risk associated with our debt instruments. (See Note 13 for further information.)

### Fair Value of Debt

The carrying value of Long-Term Debt approximates fair value, except for the Euro-denominated notes which had a fair value, as determined by quoted market prices, as of December 31, is as follows:

	<u>2007</u>	<u>2006</u>
Euro-denominated notes	\$ 722.5	\$ 653.7

### Debt Maturities

The maturities of Long-Term Debt payable within each of the four years subsequent to December 31, 2008 are as follows: 2009 – \$ 1.4, 2010 – \$146.1, 2011 – \$0.1, 2012 – \$436.6, and \$290.6 thereafter.

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**Notes To Consolidated Financial Statements**  
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**09. Retirement And Deferred Compensation Plans**

**Defined Benefit Plans**

We sponsor several qualified and nonqualified pension plans covering permanent employees. The reconciliation of the changes in the plans' benefit obligations and the fair value of plan assets and the funded status of the plans are as follows:

<u>Year Ended December 31</u>	<u>2007</u>	<u>U.S. Plans 2006</u>	<u>2007</u>	<u>Non-U.S. Plans 2006</u>
<b>Change in Benefit Obligation</b>				
Benefit obligation, beginning of year	\$ 50.0	\$ 52.6	\$250.4	\$ 234.2
Service cost	0.1	0.2	14.0	11.7
Interest cost	2.8	2.8	11.5	10.1
Plan amendments	—	—	0.3	0.4
Curtailments	—	—	(0.5)	(0.3)
Transfers	—	—	(6.0)	(0.8)
Actuarial loss (gain)	1.3	(0.7)	(37.6)	(3.4)
Plan participant contributions	—	—	2.4	1.2
Benefits paid	(4.4)	(4.9)	(5.0)	(5.9)
Divestiture due to discontinued operations	—	—	—	(22.5)
Currency exchange rate changes	—	—	14.3	25.7
Benefit obligation, end of year	<u>\$ 49.8</u>	<u>\$ 50.0</u>	<u>\$243.8</u>	<u>\$ 250.4</u>
<b>Change in Plan Assets</b>				
Fair value of plan assets, beginning of year	\$ 38.8	\$ 39.1	\$172.6	\$ 145.0
Actual return on plan assets	4.7	2.2	6.3	5.5
Curtailments	—	—	(0.3)	—
Transfers	—	—	(6.4)	—
Plan participant contributions	—	—	2.4	1.7
Company contributions	2.8	2.4	16.8	16.4
Benefits paid	(4.4)	(4.9)	(5.0)	(5.9)
Divestiture due to discontinued operations	—	—	—	(6.7)
Currency exchange rate changes	—	—	9.5	16.6
Fair value of plan assets, end of year	<u>\$ 41.9</u>	<u>\$ 38.8</u>	<u>\$195.9</u>	<u>\$ 172.6</u>
<b>Funded Status</b>				
Funded status of plan at measurement date	\$ (7.9)	\$ (11.2)	\$ (47.9)	\$ (77.8)
Contributions between measurement date and fiscal year end	0.5	0.5	—	—
Funded status, end of year	<u>\$ (7.4)</u>	<u>\$ (10.7)</u>	<u>\$ (47.9)</u>	<u>\$ (77.8)</u>
<b>Amounts Recognized</b>				
Noncurrent assets	\$ 12.1	\$ 8.4	\$ 2.7	\$ —
Current liabilities	(1.8)	(1.7)	(0.3)	(0.4)
Noncurrent liabilities	(17.7)	(17.4)	(50.3)	(77.4)
Net amount recognized	<u>\$ (7.4)</u>	<u>\$ (10.7)</u>	<u>\$ (47.9)</u>	<u>\$ (77.8)</u>

Amounts recognized in Accumulated Other Comprehensive Income, net of tax, consist of:

<u>Year Ended December 31</u>	<u>2007</u>	<u>U.S. Plans 2006</u>	<u>2007</u>	<u>Non-U.S. Plans 2006</u>
Net (gain) loss	\$(3.2)	\$(2.7)	\$ 9.0	\$ 34.8
Prior service cost	0.4	—	1.7	1.8
Transitional obligation	—	—	0.1	0.1
Amounts recognized in Accumulated Other Comprehensive Income	<u>\$(2.8)</u>	<u>\$(2.7)</u>	<u>\$10.8</u>	<u>\$ 36.7</u>

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The measurement dates for our U.S. plans are primarily September 30 and for our non-U.S. plans are December 31.

The accumulated benefit obligation for our plans that have plan assets was \$230.1 and \$228.3 as of December 31, 2007 and 2006, respectively. The accumulated benefit obligation for certain of these plans exceeded the fair value of plan assets as follows:

<u>December 31</u>	<u>2007</u>	<u>2006</u>
Projected benefit obligation	\$ 143.8	\$ 229.4
Accumulated benefit obligation	140.5	198.2
Plan assets	<u>129.0</u>	<u>172.7</u>

By their nature, certain of our plans do not have plan assets. The accumulated benefit obligation for these plans was \$34.5 and \$32.8 as of December 31, 2007 and 2006, respectively. The components of the net periodic benefit cost and other amounts recognized in Other Comprehensive Income for all plans are as follows:

<u>Year Ended December 31</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
<b>Net Periodic Benefit Cost</b>			
Service cost	\$ 14.1	\$ 11.9	\$ 11.7
Interest cost	14.3	12.9	13.0
Expected return on assets	(12.5)	(10.5)	(10.4)
Net loss	2.5	3.1	3.6
Prior service cost (credit)	0.8	(0.6)	0.3
Net periodic benefit cost	<u>19.2</u>	<u>16.8</u>	<u>18.2</u>
<b>Other Changes in Plan Assets and Benefit Obligations Recognized in Other Comprehensive Income</b>			
Net gain	(33.6)	—	—
Amortization of net loss	(2.5)	—	—
Prior service cost	0.4	—	—
Amortization of prior service cost	(0.8)	—	—
Total recognized in other comprehensive income	<u>(36.5)</u>	<u>—</u>	<u>—</u>
Total recognized in net periodic benefit cost and other comprehensive income	<u>\$ (17.3)</u>	<u>\$ 16.8</u>	<u>\$ 18.2</u>

The estimated net gain and prior service cost for the defined benefit pension plans that will be amortized from Accumulated Other Comprehensive Income into net periodic benefit cost during 2008 are \$0.5 and \$0.4, respectively.

The weighted-average assumptions used in the measurement of the benefit obligation are as follows:

<u>Year Ended December 31</u>	<u>2007</u>	<u>U.S. Plans 2006</u>	<u>2007</u>	<u>Non-U.S. Plans 2006</u>
Discount rate	6.3%	5.8%	5.2%	4.6%
Rate of compensation increase	<u>4.5%</u>	<u>4.5%</u>	<u>4.4%</u>	<u>4.2%</u>

The weighted-average assumptions used in the measurement of the net periodic benefit cost are as follows:

<u>Year Ended December 31</u>	<u>2007</u>	<u>2006</u>	<u>U.S. Plans 2005</u>	<u>2007</u>	<u>2006</u>	<u>Non-U.S. Plans 2005</u>
Discount rate	5.8%	5.5%	5.8%	4.6%	4.6%	5.0%
Expected long-term return on plan assets	8.0%	8.0%	8.3%	5.4%	5.1%	5.8%
Rate of compensation increase	<u>4.5%</u>	<u>4.5%</u>	<u>4.5%</u>	<u>4.1%</u>	<u>3.9%</u>	<u>3.7%</u>

We determine our assumption for the discount rate to be used for purposes of computing annual service and interest costs based on an index of high-quality corporate bond yields and matched-funding yield curve analysis as of the measurement date.

## Notes To Consolidated Financial Statements

in millions, except per share data

Our overall expected long-term rate of return on U.S. plan assets is 8.0%. Our overall expected long-term rate of return on our non-U.S. plans varies by country and ranges from 1.0% to 6.1%. For a majority of our plans, a building block approach has been employed to establish this return. Historical markets are studied and long-term historical relationships between equity securities and fixed income instruments are preserved consistent with the widely accepted capital market principle that assets with higher volatility generate a greater return over time. Current market factors such as inflation and interest rates are evaluated before long-term capital market assumptions are determined. The long-term portfolio return is established via a building block approach with proper consideration of diversification and rebalancing. We also use guaranteed insurance contracts for one of our foreign plans. Peer data and historical returns are reviewed to check for reasonableness and appropriateness of our expected rate of return.

Projected salary levels utilized in the determination of the projected benefit obligation for the pension plans are based upon historical experience.

We generally use an external investment manager to assist us in establishing our investment strategies and policies. Our long-term objective is to minimize plan expenses and contributions by outperforming plan liabilities. We have historically used a balanced portfolio strategy based primarily on a target allocation of equity securities and fixed-income instruments, which vary by location. These target allocations, which are similar to the 2007 allocations, are determined based on the favorable risk tolerance characteristics of the plan and, at times, may be adjusted within a specified range to advance our overall objective.

The weighted-average asset allocation of our plans as of December 31 is as follows:

	<u>2007</u>	<u>2006</u>
<b>Asset Category</b>		
Equity securities	42.1%	41.2%
Fixed-income securities	48.0%	46.6%
Cash and other	<u>9.9%</u>	<u>12.2%</u>

Plan assets are primarily comprised of domestic and foreign equity securities, professionally-managed equity and bond funds, government and agency securities and guaranteed insurance contracts. None of our plan assets include any of our debt or equity securities.

### Retiree Health Care Plan

We provide medical and dental benefits to certain eligible retired employees in the U.S. Due to the nature of the plan, there are no plan assets. The reconciliation of the changes in the plan's benefit obligation and the statement of the funded status of the plan are as follows:

<u>Year Ended December 31</u>	<u>2007</u>	<u>2006</u>
<b>Change in Benefit Obligation</b>		
Benefit obligation, beginning of year	\$ 23.5	\$ 21.4
Service cost	0.3	0.4
Interest cost	1.3	1.1
Actuarial (gain) loss	(1.4)	2.0
Benefits paid	(1.2)	(1.5)
Medicare Part D subsidy receipts	0.1	0.1
Benefit obligation, end of year	<u>\$ 22.6</u>	<u>\$ 23.5</u>
<b>Funded Status</b>		
Funded status of plan, end of year	<u>\$(22.6)</u>	<u>\$(23.5)</u>
<b>Amounts Recognized</b>		
Current liabilities	\$ (1.5)	\$ (1.5)
Noncurrent liabilities	(21.1)	(22.0)
Net amount recognized	<u>\$(22.6)</u>	<u>\$(23.5)</u>

Amount recognized in Accumulated Other Comprehensive Income, net of tax, represents a net gain of \$5.0 and \$2.9 in 2007 and 2006, respectively.

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We use a December 31 measurement date for the retiree health care plan. The discount rate used in the measurement of the benefit obligation was 6.4% and 5.8% in 2007 and 2006, respectively. The discount rate used in the measurement of net periodic benefit cost was 5.8%, 5.5% and 5.8% in 2007, 2006 and 2005, respectively. The components of net periodic benefit cost for this plan are as follows:

<u>Year Ended December 31</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
<b>Net Periodic Benefit Cost</b>			
Service cost	\$ 0.3	\$ 0.4	\$ 0.4
Interest cost	1.3	1.1	1.3
Net gain	<u>(0.4)</u>	<u>(0.6)</u>	<u>(0.3)</u>
Net periodic benefit cost	<u>1.2</u>	<u>0.9</u>	<u>1.4</u>
<b>Other Changes in Plan Assets and Benefit Obligations Recognized in Other Comprehensive Income</b>			
Net gain	(1.4)	—	—
Amortization of net gain	<u>0.4</u>	<u>—</u>	<u>—</u>
Total recognized in other comprehensive income	<u>(1.0)</u>	<u>—</u>	<u>—</u>
Total recognized in net periodic benefit cost and other comprehensive income	<u>\$ 0.2</u>	<u>\$ 0.9</u>	<u>\$ 1.4</u>

The estimated net gain for the retiree health care plan that will be amortized from Accumulated Other Comprehensive Income into net periodic benefit cost during 2008 is \$0.6.

The health care cost trend rate was assumed to be 8.5% for 2007, decreasing gradually to 5.0% for the years 2014 and beyond. Assumed health care cost trend rates have a significant effect on the amounts reported. A one-percentage point change in the assumed health care cost trend rate would have the following effects:

	<u>1% Increase</u>	<u>1% Decrease</u>
Effect on total of service and interest cost components	\$ 0.2	(0.2)
Effect on benefit obligation	<u>2.6</u>	<u>(2.4)</u>

We plan to contribute \$19.3 to our pension plans and \$1.5 to our retiree health care plan in 2008. Projected benefit payments from the plans as of December 31, 2007 are estimated as follows:

<u>Year</u>	<u>Pension Plans</u>	<u>Retiree Health</u>
2008	\$ 9.5	\$ 1.5
2009	10.1	1.5
2010	10.2	1.6
2011	10.9	1.7
2012	11.8	1.7
2013-2017	<u>66.7</u>	<u>8.8</u>
Total projected benefit payments	<u>\$ 119.2</u>	<u>\$ 16.8</u>

### **Defined Contribution Plans**

We have defined contribution plans covering substantially all permanent U.S. employees and various other employees throughout the world. Employees may elect to contribute a portion of their salary to the plans and we match a portion of their contributions up to a maximum percentage of the employee's salary. In addition, profit sharing contributions are made if a targeted earnings level is reached. The total expense for our match and any profit sharing contributions was \$22.9, \$20.6 and \$22.9 for 2007, 2006 and 2005, respectively.

We have the Senior Management Performance-Based Deferred Compensation Plan, which was frozen effective February 1, 2006. No benefits were earned in 2007 and 2006, however any deferred benefits earn interest based on the effective yield on a fixed 10-year U.S. Treasury note at the beginning of each year. Participants become vested in the deferred benefits if they are still employed by Manpower when they reach age 50 with 15 years of service, when they reach age 62, or in certain other circumstances. There was approximately \$0.1, \$0.2 and \$1.4 earned under this plan in 2007, 2006 and 2005, respectively.

We also maintain a non-qualified deferred compensation plan for certain employees at Right Management. Under the plan, participants may defer from their pre-tax income, up to a maximum of 6% of their total compensation. A matching contribution is made of 50% of the participating employees' contributions to the plan. Contributions vest at 33.3% over a three-year period from the employee's date of hire. Our contributions were \$0.1 for 2007 and 2006, and \$0.2 for 2005.

### **Notes to Consolidated Financial Statements**

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in millions, except per share data**10.**  
**Accumulated Other Comprehensive Income (Loss)**

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

<u>December 31</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Foreign currency translation	\$253.9	\$147.6	\$ 15.8
Unrealized gain on investments	9.9	8.9	6.9
Unrealized loss on derivatives	(3.2)	(4.8)	(8.4)
Defined benefit pension plans (Note 9)	(8.0)	(34.0)	(23.8)
Retiree health care plan (Note 9)	5.0	2.9	(1.5)
Accumulated other comprehensive income (loss)	<u>\$257.6</u>	<u>\$120.6</u>	<u>\$(11.0)</u>

**11.**  
**Leases**

We lease property and equipment primarily under operating leases. Renewal options exist for substantially all leases. Future minimum payments, by year and in the aggregate, under noncancelable operating leases with any remaining terms consist of the following as of December 31, 2007:

<u>Year</u>	
2008	\$211.3
2009	174.8
2010	134.8
2011	87.9
2012	64.4
Thereafter	182.2
Total minimum lease payments	<u>\$855.4</u>

Rental expense for all operating leases was \$240.3, \$217.5 and \$213.1 for the years ended December 31, 2007, 2006 and 2005, respectively.

**12.**  
**Interest and Other Expense**

Interest and Other Expense consists of the following:

<u>Year Ended December 31</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Interest expense	\$ 53.4	\$ 50.0	\$45.8
Interest income	(24.4)	(14.2)	(8.9)
Foreign exchange (gain) loss	(0.6)	3.2	—
Miscellaneous expenses, net	5.8	11.2	4.9
Interest and other expense	<u>\$ 34.2</u>	<u>\$ 50.2</u>	<u>\$41.8</u>

**13.****Derivative Financial Instruments****Foreign Currency Exchange Rate Risk Management**

In certain circumstances, we enter into foreign currency forward exchange contracts to reduce the effects of fluctuating foreign currency exchange rates on cash flows with foreign subsidiaries. All such contracts entered into during 2007 and 2006, whether designated as cash flow hedges or fair value hedges, were considered highly effective, as defined by SFAS No. 133, as amended.

As of December 31, 2007, there was a £5.5 (\$10.9) forward contract that relates to cash flows owed to our foreign subsidiaries in March 2008. In addition, a €2.0 (\$2.9) forward contract is outstanding relating to cash flows owed for interest due on our €200 Notes and €300 Notes in June 2008.

Our revolving credit agreement borrowings of €100.0 (\$145.9), the €200.0 (\$290.5) unsecured notes and the €300.0 (\$436.6) unsecured notes have been designated and are effective as economic hedges of our net investment in our foreign subsidiaries with a Euro functional currency. Therefore, all translation gains or losses related to these borrowings are recorded as a component of Accumulated Other Comprehensive Income.

We had derivative financial instruments which expired in March 2005 to swap our €150.0 (\$198.4) unsecured notes, at 6.25% due March 2005, to floating U.S. LIBOR. Cash received from settlement of the foreign currency component of these derivative financial instruments was approximately \$50.7. Gains and losses arising from foreign exchange fluctuations throughout the contract term on the derivative instruments were recorded in the consolidated statements of operations, offsetting the foreign exchange gain or loss recorded on the notes.

**Interest Rate Risk Management**

Our exposure to market risk for changes in interest rates relates primarily to our Long-Term Debt obligations. We have historically managed interest rates through the use of a combination of fixed and variable rate borrowings and interest rate swap agreements.

We have various interest rate swap agreements to fix our interest costs on a portion of our Euro-denominated variable rate borrowings. The Euro interest rate swap agreements have a notional value of €100.0 (\$145.9), which fix the interest rate, on a weighted-average basis, at 5.71% and expire in 2010. Such contracts have been designated as cash flow hedges and were considered highly effective, as defined by SFAS No. 133, as amended, as of December 31, 2007. For the years ended December 31, 2007, 2006 and 2005 these instruments increased interest expense by \$2.2, \$3.6, and \$4.6 respectively.

**Fair Value of Derivative Financial Instruments**

The fair value of our derivative financial instruments are reflected in the consolidated balance sheets as follows:

<u>December 31</u>	<u>2007</u>	<u>2006</u>
<b>Other Long-Term Liabilities</b>		
€100.0 Interest Rate Swaps	\$(5.1)	\$(7.8)
Forward contracts	—	—
	<u>\$(5.1)</u>	<u>\$(7.8)</u>

**Notes To Consolidated Financial Statements**  
in millions, except per share data

**14.**  
**Contingencies**

**Litigation**

We are involved in a number of lawsuits arising in the ordinary course of business which will not, in the opinion of management, have a material effect on our results of operations, financial position or cash flows.

In November 2004, French authorities commenced an investigation at our French headquarters. According to the search warrant, the investigation stems from a complaint submitted during 2003 to the European Commission and subsequently transferred to France's Direction Generale de la Concurrence, de la Consommation et de la Repression des Fraudes (the 'Competition Council'), a body of the French Financial Department that investigates frauds and competition violations. In November 2007, we received a Statement of Objections from the Competition Council in connection with their investigation. The Statement of Objections alleges illegal information sharing between us and certain of our competitors.

A Statement of Objections is a further step in the proceedings under French competition law with respect to the matter. We have reviewed the allegations made in the Statement of Objections with our legal counsel, have responded to the Competition Council and intend to vigorously defend our position as the proceedings continue. We have had discussions with representatives of the Competition Council and with our legal counsel, and at this time, we are not able to predict the outcome of the proceedings, the ultimate exposure or the timing of any resolution. However, based on the probability that we will incur liability and other information currently available, we recorded a reserve of \$15.0 in the fourth quarter related to this matter. The final resolution of this matter could differ significantly from the amount that we have recorded.

**Guarantees**

We have entered into certain guarantee contracts and stand-by letters of credit that total \$129.3 (\$78.2 for guarantees and \$51.1 for stand-by letters of credit). The guarantees primarily relate to indebtedness and bank accounts. The stand-by letters of credit relate to insurance requirements and debt facilities. If certain conditions were met under these arrangements, we would be required to satisfy our obligation in cash. Due to the nature of these arrangements and our historical experience, we do not expect to make any significant payments under these arrangements.

**15.**  
**Segment Data**

We are organized and managed primarily on a geographic basis, with the exception of Jefferson Wells and Right Management, which are operated as separate global business units. Each country and business unit primarily has its own distinct operations, is managed locally by its own management team and maintains its own financial reports. Each operation reports directly, or indirectly through a regional manager, to a member of executive management. Given this reporting structure, all of our operations have been segregated into the following reporting segments: the United States; France; Other EMEA (Europe, Middle East and Africa, excluding France and Italy); Italy; Jefferson Wells; Right Management; and Other Operations.

The United States, France, Other EMEA, Italy and Other Operations segments derive a significant majority of their revenues from the placement of contingent workers. The remaining revenues within these segments are derived from other human resource services, including permanent employee recruitment, temporary and permanent employee testing, selection, and training and recruitment process outsourcing. The Jefferson Wells segment revenues are derived from services related to internal controls, tax, technology risk management, and finance and accounting. The Right Management segment revenues are derived from outplacement and consulting services. Segment revenues represent sales to external clients primarily within a single segment. Due to the nature of our business, we do not have export or intersegment sales. We provide services to a wide variety of clients, none of which individually comprise a significant portion of revenue for us as a whole.

The accounting policies of the segments are the same as those described in the summary of significant accounting policies. We evaluate performance based on Operating Unit Profit, which is equal to segment revenues less direct costs and branch and national headquarters operating costs. This profit measure does not include amortization of intangibles related to the acquisition of Right Management, interest and other income and expense amounts or income taxes. Total assets for the segments are reported after the elimination of investments in subsidiaries and intercompany accounts.

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Year Ended December 31	2007	2006	2005
<b>Revenues from Services<sup>(a)</sup></b>			
United States <sup>(b)</sup>	\$ 1,962.2	\$ 2,114.9	\$ 2,048.3
France	7,025.3	6,019.1	5,475.8
Other EMEA	6,750.4	5,230.7	4,571.4
Italy	1,398.1	1,132.6	899.8
Jefferson Wells	332.0	373.0	386.2
Right Management	409.9	387.3	401.8
Other Operations	2,622.4	2,304.9	2,062.1
	<u>\$20,500.3</u>	<u>\$17,562.5</u>	<u>\$15,845.4</u>
<b>Operating Unit Profit</b>			
United States	\$ 80.1	\$ 87.4	\$ 68.7
France	390.3	203.3	168.7
Other EMEA	256.7	156.7	100.5
Italy	103.7	63.5	43.6
Jefferson Wells	(5.2)	31.9	33.3
Right Management	34.6	18.3	25.7
Other Operations	73.5	69.9	60.4
	<u>933.7</u>	<u>631.0</u>	<u>500.9</u>
Corporate expenses	95.2	85.8	59.0
Amortization of intangible assets	13.1	13.1	13.1
Interest and other expense	34.2	50.2	41.8
Earnings before income taxes and discontinued operations	<u>\$ 791.2</u>	<u>\$ 481.9</u>	<u>\$ 387.0</u>
<b>Depreciation and Amortization Expense</b>			
United States	\$ 9.7	\$ 8.1	\$ 8.6
France	23.3	18.8	20.0
Other EMEA	21.7	17.4	17.9
Italy	6.7	5.5	5.5
Jefferson Wells	3.1	3.9	3.4
Right Management	10.1	11.0	13.0
Other Operations	11.3	11.0	11.4
Amortization of intangible assets	13.1	13.1	13.1
	<u>\$ 99.0</u>	<u>\$ 88.8</u>	<u>\$ 92.9</u>
<b>Earnings from Equity Investments</b>			
United States	\$ 0.8	\$ 0.9	\$ 0.7
France	(1.1)	(1.2)	(1.0)
Other EMEA	2.6	4.0	2.7
Other Operations	(0.1)	(0.6)	—
	<u>\$ 2.2</u>	<u>\$ 3.1</u>	<u>\$ 2.4</u>

(a) Further breakdown of Revenues from Services by geographical region is as follows:

Revenues from Services	2007	2006	2005
United States	\$ 2,466.8	\$ 2,644.1	\$ 2,593.1
France	7,056.3	6,050.6	5,506.8
Italy	1,401.5	1,135.4	899.8
U.K.	1,544.7	1,554.3	1,848.0
Total Foreign	18,033.5	14,918.4	13,252.3

(b) The U.S. revenues above represent revenues from our Company-owned branches and franchise fees received from our franchise operations. These fees are primarily based on revenues generated by our franchise operations, which are discussed further on the financial highlights page.

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**Notes To Consolidated Financial Statements**  
in millions, except per share data

<u>As Of And For The Year Ended December 31</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
<b>Total Assets</b>			
United States	\$ 602.4	\$ 683.9	\$ 688.3
France	2,389.4	2,067.7	1,664.3
Other EMEA	1,891.3	1,674.7	1,242.7
Italy	343.9	276.4	242.8
Jefferson Wells	67.7	81.7	106.8
Right Management	208.8	228.5	260.8
Other Operations	652.8	645.5	548.5
Corporate <sup>(a)</sup>	1,068.1	855.7	814.2
	<u>\$7,224.4</u>	<u>\$6,514.1</u>	<u>\$5,568.4</u>
<b>Equity Investments</b>			
United States	\$ 17.6	\$ 16.8	\$ 16.0
France	1.6	1.4	1.4
Other EMEA	60.6	56.9	51.4
Right Management	0.4	—	—
Other Operations	18.5	17.4	17.9
	<u>\$ 98.7</u>	<u>\$ 92.5</u>	<u>\$ 86.7</u>
<b>Long-Lived Assets<sup>(b)</sup></b>			
United States	\$ 40.4	\$ 41.2	\$ 44.5
France	65.3	65.6	64.9
Other EMEA	70.9	53.7	45.5
Italy	14.3	14.0	14.1
Jefferson Wells	6.1	7.5	8.5
Right Management	27.6	26.4	31.1
Other Operations	27.7	26.7	26.4
Corporate	9.3	11.1	5.1
	<u>\$ 261.6</u>	<u>\$ 246.2</u>	<u>\$ 240.1</u>
<b>Additions to Long-Lived Assets</b>			
United States	\$ 15.6	\$ 6.4	\$ 5.2
France	18.8	16.3	16.2
Other EMEA	35.5	18.9	16.5
Italy	5.4	4.6	7.3
Jefferson Wells	2.6	3.0	6.8
Right Management	12.3	7.3	10.8
Other Operations	10.5	13.2	10.9
Corporate	0.8	10.3	4.0
	<u>\$ 101.5</u>	<u>\$ 80.0</u>	<u>\$ 77.7</u>

(a) Corporate assets include assets that are not used in the operations of any segment, the most significant of which are goodwill and purchased intangibles.

(b) Further breakdown of Long-Lived Assets by geographical region is as follows:

<u>Long-Lived Assets</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
United States	\$ 57.9	\$ 60.2	\$ 67.6
France	69.1	66.9	68.4
Italy	14.6	14.5	14.1
U.K.	19.9	20.5	23.1
Total Foreign	203.7	186.0	172.5

## 16.

## Quarterly Data ( Unaudited )

	<u>First Quarter</u>	<u>Second Quarter</u>	<u>Third Quarter</u>	<u>Fourth Quarter</u>	<u>Total</u>
<b>Year Ended December 31, 2007</b>					
Revenues from Services	\$ 4,535.6	\$ 5,034.4	\$ 5,295.4	\$ 5,634.9	\$20,500.3
Gross profit	800.0	1,024.1	974.4	1,050.1	3,848.6
Operating profit	103.3	277.0	221.9	223.2	825.4
Net earnings from continuing operations	59.5	160.4	131.7	133.1	484.7
Net earnings per share from continuing operations – basic	\$ 0.70	\$ 1.90	\$ 1.59	\$ 1.65	\$ 5.83
Net earnings per share from continuing operations – diluted	\$ 0.69	\$ 1.86	\$ 1.57	\$ 1.63	\$ 5.73
Dividends per share	\$ —	\$ 0.32	\$ —	\$ 0.37	\$ 0.69
Market price:					
High	\$ 78.86	\$ 94.10	\$ 95.05	\$ 74.74	
Low	71.56	73.00	61.43	56.20	
<b>Year Ended December 31, 2006</b>					
Revenues from Services	\$ 3,877.2	\$ 4,384.6	\$ 4,590.0	\$ 4,710.7	\$17,562.5
Gross profit	693.2	782.8	804.2	865.8	3,146.0
Operating profit	60.3	138.1	163.9	169.8	532.1
Net earnings from continuing operations	29.5	79.6	97.0	99.6	305.7
Income from discontinued operations, net of taxes	23.1	0.8	3.6	64.8	92.3
Net earnings per share from continuing operations – basic	\$ 0.34	\$ 0.91	\$ 1.14	\$ 1.17	\$ 3.55
Net earnings per share from continuing operations – diluted	\$ 0.33	\$ 0.90	\$ 1.12	\$ 1.15	\$ 3.48
Net earnings per share from discontinued operations – basic	\$ 0.26	\$ 0.01	\$ 0.04	\$ 0.77	\$ 1.07
Net earnings per share from discontinued operations – diluted	\$ 0.26	\$ 0.01	\$ 0.04	\$ 0.75	\$ 1.06
Dividends per share	\$ —	\$ 0.27	\$ —	\$ 0.32	\$ 0.59
Market price:					
High	\$ 57.18	\$ 68.82	\$ 64.67	\$ 76.77	
Low	46.14	56.30	55.29	61.19	

## Notes to Consolidated Financial Statements

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**Selected Financial Data**

in millions, except per share data

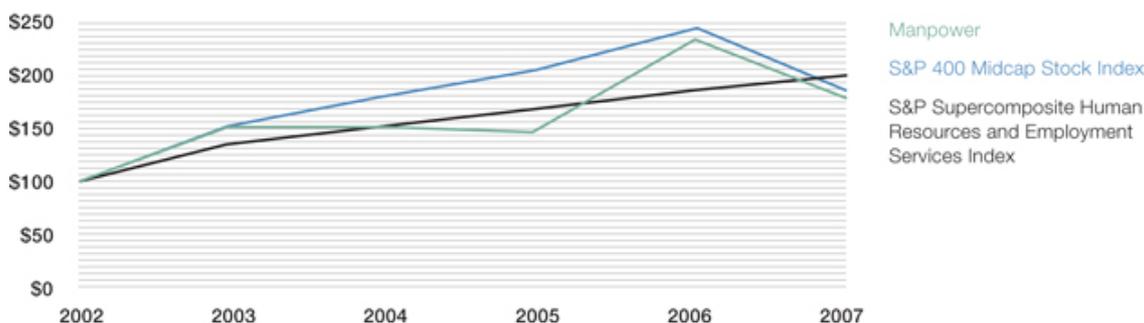
<u>As Of And For The Year Ended December 31</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
<b>Operations Data</b>					
Revenues from Services	\$20,500.3	\$17,562.5	\$15,845.4	\$14,675.0	\$12,084.3
Gross profit	3,848.6	3,146.0	2,861.8	2,669.3	2,003.6
Operating profit	825.4	532.1	428.8	397.8	259.1
Net earnings from continuing operations	484.7	305.7	255.1	247.3	138.7
<b>Per Share Data</b>					
Net earnings from continuing operations – basic	\$ 5.83	\$ 3.55	\$ 2.89	\$ 2.78	\$ 1.79
Net earnings from continuing operations– diluted	5.73	3.48	2.81	2.61	1.70
Dividends	0.69	0.59	0.47	0.30	0.20
<b>Balance Sheet Data</b>					
Total assets	\$ 7,224.4	\$ 6,514.1	\$ 5,568.4	\$ 5,843.1	\$ 4,376.4
Long-term debt	874.8	791.2	475.0	676.1	829.6

The notes to consolidated financial statements should be read in conjunction with the above summary.

**Performance Graph**

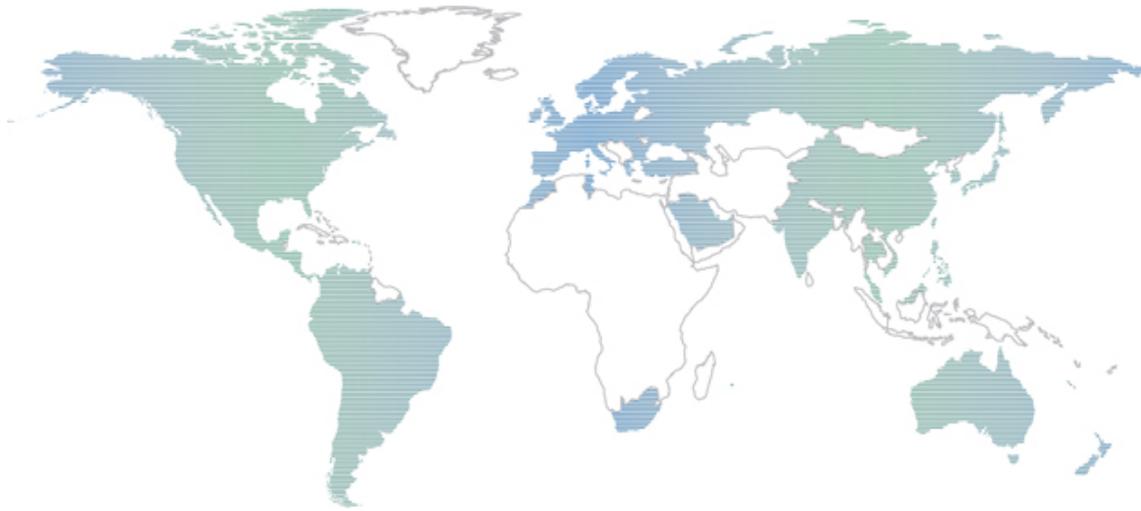
Set forth below is a graph for the periods ending December 31, 2002—2007 comparing the cumulative total shareholder return on our common stock with the cumulative total return of companies in the Standard & Poor’s 400 Midcap Stock Index and the Standard & Poor’s Supercomposite Human Resources and Employment Services Index. We are included in the Standard & Poor’s Supercomposite Human Resources and Employment Services Index and we estimate that we constituted approximately 23.3% of the total market capitalization of the companies included in the index. The graph assumes a \$100 investment on December 31, 2002 in our common stock, the Standard & Poor’s 400 Midcap Stock Index and the Standard & Poor’s Supercomposite Human Resources and Employment Services Index and assumes the reinvestment of all dividends.

**Comparison of Five Year Cumulative Return Among Manpower, S&P 400 Midcap Stock Index, and S&P Supercomposite Human Resources and Employment Services Index**



<u>December 31</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Manpower	\$178	\$235	\$146	\$151	\$148	\$100
S&P 400 Midcap Stock Index	\$184	\$243	\$204	\$178	\$149	\$100
S&P Supercomposite Human Resources and Employment Services Index	\$200	\$187	\$172	\$154	\$134	\$100

**Principle Operating Units**



Argentina, Australia, Austria, Bahrain, Belgium, Bolivia, Brazil, Bulgaria, Canada, Chile, China, Colombia, Costa Rica, Czech Republic, Denmark, Dominican Republic, Ecuador, El Salvador, Estonia, Finland, France, Germany, Greece, Guadeloupe, Guatemala, Honduras, Hong Kong, Hungary, India, Ireland, Israel, Italy, Japan, Kazakhstan, Korea, Kuwait, Latvia, Lithuania, Luxembourg, Macau, Malaysia, Martinique, Mexico, Monaco, Morocco, Netherlands, New Caledonia, New Zealand, Nicaragua, Norway, Panama, Paraguay, Peru, Philippines, Poland, Portugal, Puerto Rico, Qatar, Reunion, Romania, Russia, Saudi Arabia, Singapore, Slovakia, Slovenia, South Africa, Spain, Sweden, Switzerland, Taiwan, Thailand, Tunisia, Turkey, Ukraine, United Arab Emirates, U.K., United States, Uruguay, Venezuela and Vietnam



**Manpower Inc. (NYSE: MAN)** is a world leader in the employment services industry; creating and delivering services that enable its clients to win in the changing world of work. Celebrating its 60th anniversary in 2008, the \$21 billion company offers employers a range of services for the entire employment and business cycle including permanent, temporary and contract recruitment; employee assessment and selection; training; outplacement; outsourcing and consulting. Manpower's worldwide network of 4,500 offices in 80 countries and territories enables the company to meet the needs of its 400,000 clients per year, including small and medium size enterprises in all industry sectors, as well as the world's largest multinational corporations. The focus of Manpower's work is on raising productivity through improved quality, efficiency and cost-reduction across their total workforce, enabling clients to concentrate on their core business activities. Manpower Inc. operates under five brands: Manpower, Manpower Professional, Elan, Jefferson Wells and Right Management. More information on Manpower Inc. is available at [www.manpower.com](http://www.manpower.com).

**Principle Operating Units**

**Corporate Information**

**Directors**

**Jeffrey A. Joerres**

Chairman, CEO and President  
Manpower Inc.

**Marc J. Bolland**<sup>2</sup>

CEO  
William Morrison Supermarkets

**Gina R. Boswell**<sup>1</sup>

President of Global Brands  
The Alberto – Culver Company

**J. Thomas Bouchard**<sup>2\*,3</sup>

Retired Senior Vice President, Human Resources  
IBM

**Willie D. Davis**<sup>1,3</sup>

President  
All Pro Broadcasting Inc.

**Cari M. Dominguez**<sup>2</sup>

Former Chair of the Equal  
Employment Opportunity Commission

**Jack M. Greenberg**<sup>2</sup>

Retired Chairman and CEO  
McDonald's Corporation  
Non-Executive Chairman  
Western Union

**Terry A. Hueneke**<sup>1</sup>

Retired Executive Vice President  
Manpower Inc.

**Ulice Payne Jr.**<sup>1</sup>

President and CEO  
Addison-Clifton, LLC

**Rozanne L. Ridgway**<sup>2,3</sup>

Former Assistant Secretary of State  
for Europe and Canada

**John R. Walter**<sup>2,3\*</sup>

Retired President and COO  
AT&T Corp.  
Former Chairman, President and CEO  
R.R. Donnelley & Sons

**Edward J. Zore**<sup>1\*,3</sup>

President and CEO  
Northwestern Mutual

**Board Committees**

<sup>1</sup> Audit Committee

<sup>2</sup> Executive Compensation Committee

<sup>3</sup> Nominating and Governance Committee

\* Denotes Committee Chair

**Management**

**Jeffrey A. Joerres**

Chairman, CEO and President

**Michael J. Van Handel**

Executive Vice President and CFO

**Barbara J. Beck**

Executive Vice President  
President – Europe, Middle East and Africa  
(Excluding France)

**Darryl Green**

Executive Vice President  
President – Asia Pacific

**Françoise Gri**

Executive Vice President  
President – France

**Jonas Prising**

Executive Vice President  
President – United States and Canadian Operations

**Owen J. Sullivan**

Executive Vice President  
CEO of Right Management and Jefferson Wells

**David Arkless**

Senior Vice President  
Corporate Affairs

**Richard B. Davidson**

Senior Vice President  
Global Chief Information Officer

**Kenneth C. Hunt**

Senior Vice President  
General Counsel

**Tammy Johns**

Senior Vice President  
Workforce Strategy

**Mara Swan**

Senior Vice President  
Global Human Resources

**Emma Van Rooyen**

Vice President  
Global Marketing

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### **World Headquarters**

100 Manpower Place  
Milwaukee, WI 53212 USA  
+1.414.961.1000  
www.manpower.com

### **Transfer Agent and Registrar**

BNY Mellon Shareowner Services  
P.O. Box 358015  
Pittsburgh, PA 15252-8015

### **Stock Exchange Listing**

NYSE Symbol: MAN

### **Form 10-K**

A copy of Form 10-K filed with the Securities and Exchange Commission for the year ended December 31, 2007 is available without charge after February 29, 2008 and can be obtained online at: [www.investor.manpower.com](http://www.investor.manpower.com) or by writing to:

Michael J. Van Handel  
Manpower Inc.  
100 Manpower Place  
Milwaukee, WI 53212  
USA

### **Shareholders**

As of February 19, 2008, Manpower Inc. common stock was held by approximately 5,700 record holders.

### **Annual Meeting of Shareholders**

April 29, 2008 at 10 a.m.  
Manpower World Headquarters  
100 Manpower Place  
Milwaukee, WI 53212  
USA

### **Investor Relations Web Site**

The most current corporate and investor information can be found on the Manpower Inc. corporate Web site at [www.manpower.com](http://www.manpower.com). Interested individuals may also choose to receive Manpower press releases and other company information via e-mail by subscribing to our E-mail Alert service at [www.investor.manpower.com](http://www.investor.manpower.com).

### **Governance**

As of February 1, 2008, the Corporate Governance Quotient indicated that Manpower Inc. outperformed 71.3% of the companies in the S&P 400 and 91.1% of the companies in the Commercial Services & Supplies group. The Corporate Governance Quotient index is issued by Institutional Shareholder Services, a respected authority on proxy voting and corporate governance.

Governance Metrics International, an independent corporate governance rating agency, rated Manpower a 8.0 on a scale of 1 to 10, with 10 being the highest ranking, in August 2007. The average score for all U.S. companies rated by GMI is 7.2.

Manpower's governance structure is designed to ensure transparency in our operations and adherence to the regulations set forth by the U.S. Securities and Exchange Commission (SEC). Information on Manpower's governance structure and policies can be found at [www.manpower.com](http://www.manpower.com) in the section titled "About Manpower."

### **Social Responsibility**

Manpower's business is, in itself, socially responsible because everything we do is geared toward connecting people with jobs, which enables individuals to support themselves and their families. We strive to be socially responsible in every aspect of our business; however, we focus our resources primarily on where we can have the most impact, in creating a bridge to employment for disadvantaged individuals through various workforce development programs around the world. Additional details regarding social responsibility efforts at Manpower can be found in our most recent Social Responsibility Report, which is accessible via our corporate Web site at [www.manpower.com/socialresponsibility](http://www.manpower.com/socialresponsibility).

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Manpower Inc.  
World Headquarters  
100 Manpower Place  
Milwaukee, WI 53212

[www.manpower.com](http://www.manpower.com)

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**SUBSIDIARIES OF MANPOWER INC.**  
**As of December 31, 2007**

<u>Corporation Name</u>	<u>Incorporated in State / Country of</u>
Huntsville Service Contractors, Inc.	Alabama
Benefits S.A.	Argentina
Cotecsud S.A.S.E.	Argentina
Right Management SA	Argentina
Rural Power S.A.	Argentina
Compower Pty. Limited	Australia
Empower Research Pty. Ltd.	Australia
ICV International Pty. Ltd.	Australia
Intellectual Capital Pty. Ltd.	Australia
Manpower No. 10 Pty. Ltd.	Australia
Manpower No. 11 Pty. Ltd.	Australia
Manpower No. 12 Pty. Ltd.	Australia
Manpower No. 13 Pty. Ltd.	Australia
Manpower No. 14 Pty. Ltd.	Australia
Manpower No. 15 Pty. Ltd.	Australia
Manpower Services (Australia) Pty. Ltd.	Australia
ORMS Group APS Pty Limited	Australia
Polson Pty. Ltd.	Australia
Right from Home Pty. Ltd.	Australia
Right Management Consultants Holdings Pty. Ltd.	Australia
Right Management Consultants International Pty. Ltd.	Australia
Right Management Consultants (NSW) Pty. Ltd.	Australia
Right Management Consultants (OC) Pty Ltd.	Australia
Right Management Consultants Pty. Ltd.	Australia
Right Management Consultants (QLD) Pty. Ltd.	Australia
Workforce (Vic) Pty. Limited	Australia
Elan Austria	Austria
Human Power Projects GmbH	Austria
Manpower GmbH	Austria
Manpower Holding GmbH	Austria
Manpower Unternehmens und Personalberatungs GmbH	Austria
MTW Personaldienstleistungen GmbH	Austria
Representative office of Manpower CIS LLC in Belarus Republic	Belarus
Coutts Consulting	Belgium
Elan IT Resource S.A.	Belgium
Empower-BCI Europe	Belgium
Horeca HR Solutions	Belgium
Multiskill S.A.	Belgium
Right Management Consultants (Belgium) SA	Belgium
S.A. Manpower (Belgium) N.V.	Belgium
Manpower Brasil Ltda.	Brazil
Manpower Professional Ltda.	Brazil
Manpower Staffing Ltda.	Brazil
Right de Brasil Ltda.	Brazil
Bulgaria Team EOOD	Bulgaria
Manpower Bulgaria OOD	Bulgaria
Coutts Consulting Canada Inc.	Canada
Jefferson Wells International (Canada), Inc.	Canada
Manpower Services Canada Limited	Canada
Murray Axmith & Associates Limited	Canada
Right Management Consultants Canada	Canada

Right Management China	China
Manpower Business Consulting (Shanghai) Co. Ltd.	China
Manpower Caden (China) Co., Ltd.	China
Manpower & Standard Human Resources (Shanghai) Co. Ltd.	China
Manpower de Columbia Ltda.	Colombia
Manpower Professional Ltd.	Colombia
Manpower Costa Rica, S.A.	Costa Rica
Elan IT Resource s.r.o	Czech Republic
Manpower Republique Tcheque	Czech Republic
Ambridge Group, Inc.	Delaware
Ironwood Capital Corporation	Delaware
Jefferson Wells International, Inc.	Delaware
Manpower CIS Inc.	Delaware
Manpower Finances LLC	Delaware
Manpower Franchises, LLC	Delaware
Manpower Holdings, Inc.	Delaware
Manpower International, Inc.	Delaware
Right License Holdings, LLC	Delaware
USCaden Corporation	Delaware
Elan IT Resources A/S	Denmark
Manpower A/S (Denmark)	Denmark
Manpower Europe Holdings Aps	Denmark
Right Management Denmark A/S	Denmark
Right Management Nordic Holding A/S	Denmark
Manpower Republica Dominicana, S.A.	Dominican Republic
Manpower El Salvador, S.A. de C.V.	El Salvador
Manpower OÜ	Estonia
Elan IT Resource OY	Finland
Manpower Business Solutions Oy	Finland
Manpower Direct OY	Finland
Manpower OY	Finland
Alisia SARL	France
Elan I.T. Resource SARL	France
Jefferson Wells SAS	France
Manpower Business Services France	France
Manpower France Holding SAS	France
Manpower France SAS	France
Manpower Placement	France
Manpower Services Aux Particuliers	France
Manpower Services Aux Personnes	France
Right Management SAS	France
Snr Pixid	France
Solertis	France
Supplay S.A.	France
Adservice GmbH	Germany
Ambridge Group GmbH	Germany
AviationPower GmbH	Germany
Bankpower GmbH Personaldienstleistungen	Germany
Consulting by Manpower GmbH	Germany
Elan Computing (Deutschland) GmbH	Germany
Elan IT ReSource GmbH	Germany
Elan IT Services GmbH	Germany
Elan Telecommunications GmbH	Germany
GroundworX GmbH	Germany
Jefferson Wells GmbH	Germany
Manpower Beteiligungsgesellschaft mbH	Germany
Manpower Business Solutions GmbH	Germany
Manpower Deutschland GmbH	Germany
Manpower Erkner GmbH Personaldienstleistungen	Germany

Manpower GmbH & Co. KG Personaldienstleistungen	Germany
Manpower Managed Structures GmbH	Germany
Manpower Professional Engineering GmbH	Germany
Manpower Professional Finance—Personaldienstleistungen GmbH	Germany
Manpower Specialties GmbH	Germany
PSA by Manpower GmbH	Germany
Right Management GMBH	Germany
Vivento Interim Services GmbH	Germany
Manpower Team S.A.	Greece
Project Solutions S.A.	Greece
Manpower Guatemala S.A.	Guatemala
Manpower Honduras, S.A.	Honduras
Elan Computing (Asia) Limited	Hong Kong
Jefferson Wells HK Limited	Hong Kong
Manpower Services (Hong Kong) Limited	Hong Kong
Right Management Consultants Ltd (Hong Kong)	Hong Kong
Right Management Hong Kong Ltd.	Hong Kong
Standard Management Consulting Limited	Hong Kong
Manpower Munkaero Szervezesi KFT	Hungary
Complete Business Services of Illinois, Inc.	Illinois
Right Management Consultants of Illinois	Illinois
Transpersonnel, Inc.	Illinois
Acquire Talent Service Company limited	India
Grow Talent Company, Ltd.	India
Manpower Services India Pvt. Ltd.	India
Right Grow Talent Services Pvt. Ltd.	India
SKA HR Solutions Pvt. Ltd.	India
Elan Recruitment Limited	Ireland
Manpower (Ireland) Group Limited	Ireland
Manpower (Ireland) Limited	Ireland
PHI Transition Limited	Ireland
Right Transition Ltd.	Ireland
Adam Ltd.	Israel
Adi Ltd.	Israel
Career Harmony, Ltd	Israel
Career Ltd.	Israel
Career – Management of Housing for Elderly Ltd.	Israel
Elderly House	Israel
Hahaklai Ltd.	Israel
Manpower Israel Holdings (1999) Limited	Israel
Manpower Israel Ltd.	Israel
Manpower Miluot Ltd.	Israel
M.I.T. (Manpower Information Technology) Ltd.	Israel
M.P.H. Holdings Ltd.	Israel
Nativ 2 Ltd.	Israel
S.T.M Technologies Ltd.	Israel
Storetail	Israel
Telepower Ltd.	Israel
Unison Engineering Projects Ltd.	Israel
Elan IT Resource (formerly Brookstreet Spa)	Italy
Elan Solutions SRL	Italy
Jefferson Wells Srl	Italy
Manpower Business Solutions SRL	Italy
Manpower Formazione Spa	Italy
Manpower Italia S.r.l.	Italy
Manpower S.P.A.	Italy
Payroll Service S.P.A.	Italy
Right Management Consultants (Italy) SRL	Italy
Adgrams, Inc.	Japan

JobSearchpower Co. Ltd.	Japan
JobSupportpower Co. Ltd.	Japan
Manpower Japan Co. Limited	Japan
Mates Holdings Co. Ltd.	Japan
Mitsui Life Insurance	Japan
Mobile Com. Tokyo	Japan
Right Management Japan Inc.	Japan
Jordanian American Manpower Company, W.L.L.	Jordan
Support Service Specialist of Topeka, Inc.	Kansas
Representative office of Manpower CIS LLC in Kazakhstan	Kazakhstan
Manpower Korea, Inc.	Korea
Manpower Services, Inc.	Korea
Right Management Korea Co. Ltd.	Korea
Clarendon Parker Kuwait WLL	Kuwait
Representative office of UAB “Manpower Lit” in Latvia	Latvia
Manpower Lit UAB	Lithuania
Aide Temporaire Luxembourg SARL	Luxembourg
Right Management Consultants (Luxembourg) SA	Luxembourg
Agensi Pekerjaan Manpower Recruitment Sdn Bhd	Malaysia
Manpower Business Solutions (M) Sdn Bhd	Malaysia
Manpower Staffing Services (Malaysia) Sdn Bhd	Malaysia
Right Management Consultants International Pty. Ltd.	Malaysia
Right Management Malaysia Sdn Bhd	Malaysia
Techpower Consulting Sdn Bhd	Malaysia
Manpower Antilles	Martinique
Agropower, S.A. de C.V.	Mexico
Factoria Y Manufactura S.A. de C.V.	Mexico
Intelecto Tecnologico, S.A. De C.V.	Mexico
Manpower Corporativo, S.A. de C.V.	Mexico
Manpower Industrial, S.A. de C.V.	Mexico
Manpower Mensajeria, S.A. de C.V.	Mexico
Manpower Professional, S.A. de C.V.	Mexico
Manpower S.A. de C.V.	Mexico
Nurse Co. de Mexico, S.A. de C.V.	Mexico
Payment Services S.A. de C.V.	Mexico
Right Management Mexico, S.A. de C.V.	Mexico
Tecnologia Y Manufactura, S.A. de C.V.	Mexico
Manpower Monaco SAM	Monaco
Societe Marocaine De Travail Temporaire	Morocco
Alternative International (Holdings) N.V.	Netherlands
Elan Computing (Netherlands) B.V.	Netherlands
Jefferson Wells, B.V.	Netherlands
Manpower B.V.	Netherlands
Manpower Direkt B.V.	Netherlands
Manpower Management B.V.	Netherlands
Manpower Nederland B.V.	Netherlands
Manpower Services B.V.	Netherlands
Manpower Solutions B.V.	Netherlands
Manpower Special Staffing B.V.	Netherlands
Performance Improvement Network BV	Netherlands
Right Management Nederland B.V.	Netherlands
Ultraflex B.V.	Netherlands
Ultrasearch B.V.	Netherlands
Manpower Nouvelle Caledonie	New Caledonia
Manpower Incorporated of New York	New York
Manpower Services (New Zealand) Ltd.	New Zealand
Right Management Consultants Ltd. (New Zealand)	New Zealand
Manpower Nicaragua S.A.	Nicaragua
Alubar A/S	Norway

Elan IT Resource A/S	Norway
Elan Staffing Services AS	Norway
Framnaes Installasjon A/S	Norway
Manpower A/S	Norway
Manpower Business Solutions –Retail AS	Norway
Manpower Norway Holdings AS	Norway
Manpower Professional Engineering AS	Norway
Manpower Professional Executive AS	Norway
Manpower Staffing Services AS	Norway
Quality People A/S	Norway
Right Management Norway A/S	Norway
Tri County Business Services, Inc.	Ohio
Manpower Panama, S.A.	Panama
Temporales Panama, S.A.	Panama
Manpower Paraguay S.R.L.	Paraguay
Manpower Peru S.A.	Peru
Manpower Professional Services S.A.	Peru
Right Management Inc.	Pennsylvania
Manpower Outsourcing Services Inc.	Philippines
Prime Manpower Resources Development, Inc.	Philippines
Clarendon Parker Qatar LLC	Qatar
Manpower CIS Ltd.	Russia
Elan IT Resource Sp. ZO.O	Poland
Manpower Polska SP. ZO.O	Poland
Manpower Ocean Indien	Reunion
Manpower Romania SRL	Romania
Clarendon Parker Arabia	Saudi Arabia
Bowker Consultants Pte. Ltd.	Singapore
Manpower Staffing Services (Singapore) Pte. Ltd.	Singapore
Right Management Consultants International Pty. Ltd.	Singapore
Right Management Singapore Pte. Ltd.	Singapore
The Empower Group (Asia) Ltd.	Singapore
Manpower Slovakia SRO	Slovakia
Manpower d.o.o.	Slovenia
Jefferson Wells SA (Proprietary) Limited	South Africa
Manpower Intoto (Pty) Ltd.	South Africa
Manpower S.A. (Pty) Ltd.	South Africa
Vuya Manpower (Pty) Ltd.	South Africa
By Manpower S.L.	Spain
Elan IT Resource Computing S.L.	Spain
Manpower Business Solutions, S.L.U.	Spain
Manpower Team E.T.T., S.A.U.	Spain
Right Management Spain, S.L.U.	Spain
Elan IT Resources AB	Sweden
Manpower AB	Sweden
Manpower Business Solutions Holding AB	Sweden
Manpower Business Solutions Technical Services AB	Sweden
Manpower Contage AB	Sweden
Manpower EL & Tele AB	Sweden
Manpower HalsoPartner AB	Sweden
Manpower Holdings Nordic AB	Sweden
Manpower Network Services AB	Sweden
Manpower Sverige AB	Sweden
Nordea Bemanning AB	Sweden
Ostgotahalsan AB	Sweden
Personec AB	Sweden
Right Management Sweden AB	Sweden
Right Sinova AB	Sweden
Right Sinova Sweden AB	Sweden

Sveriges Akademikerformedling AB	Sweden
Allegra Finanz AG	Switzerland
Elan Computing (Schweiz) AG, Zurich	Switzerland
Elan Telecommunications GmbH	Switzerland
Manpower AG	Switzerland
Manpower Holding AG	Switzerland
Manpower HR Management S.A.	Switzerland
MRC Consulting AG	Switzerland
M.S.A.	Switzerland
Right Coutts (Schweiz) AG	Switzerland
Worklink AG	Switzerland
Manpower Services (Taiwan) Co., Ltd.	Taiwan
Right Management Taiwan Co., Ltd.	Taiwan
Manpower (Pathumwan) Professional Services Co. Ltd.	Thailand
Manpower Recruitment Solutions Co., Ltd.	Thailand
Skillpower Services (Thailand) Co. Ltd.	Thailand
Manpower Tunisie	Tunisia
Manpower İnsan Kaynakları Limited Şirketi	Turkey
Manpower Secme ve Yerlestirme Hizmetleri Limited Şirketi	Turkey
Clarendon Parker Middle East FZ LLC	UAE
Dubai Airport Free Zone	UAE
Representative office of Manpower CIS LLC in Ukraine	Ukraine
Atlas Group Holdings Limited	United Kingdom
Bafin Holdings	United Kingdom
Bafin Services Limited	United Kingdom
Bafin (UK) Limited	United Kingdom
Brook Street Bureau PLC	United Kingdom
Brook Street (UK) Limited	United Kingdom
BS Project Services Limited	United Kingdom
Challoners Limited	United Kingdom
CSCB Ltd.	United Kingdom
DP Support Services Limited	United Kingdom
Elan Computing Limited	United Kingdom
Elan Group Limited	United Kingdom
Elan Resource Support Services Limited	United Kingdom
Elan Telecommunications Group Ltd.	United Kingdom
Elan Telecommunications Ltd.	United Kingdom
Ferribush Limited	United Kingdom
Girlpower Limited	United Kingdom
Jefferson Wells, Ltd	United Kingdom
Manpower Contract Services Limited	United Kingdom
Manpower Holdings Limited	United Kingdom
Manpower IT Services Limited	United Kingdom
Manpower Nominees Limited	United Kingdom
Manpower Public Limited Company	United Kingdom
Manpower Services Ltd.	United Kingdom
Manpower UK Limited	United Kingdom
Nicholas Andrews Limited	United Kingdom
Overdrive Limited	United Kingdom
Psyconsult International Limited	United Kingdom
PWR1 Investments	United Kingdom
Right Associates Limited	United Kingdom
Right Corecare Limited	United Kingdom
Right Management Consultants Limited	United Kingdom
Right Management Limited	United Kingdom
Salespower Limited	United Kingdom
Screenactive Ltd.	United Kingdom
Temp Finance & Accounting Service Limited	United Kingdom
The Empower Group Ltd.	United Kingdom

The Empower Group (UK) Limited  
The Trotman Group Ltd.  
Trotman & Company Ltd.  
Winkfield Place Ltd.  
Working Links Ltd.  
Aris Sociedad Anonima  
Manpower de Venezuela C.A.  
Manpower Empresa de Trabajo Temporal, C.A.  
Servicios Alleray, C.A.  
Right Associates Government Services, Inc.  
Clarendon Parker Holdings Ltd (CPHL)  
Manpower Nominees Inc.  
Manpower of Indiana Limited Partnership  
Manpower of Texas Limited Partnership  
Manpower Professional Services, Inc.  
Manpower Texas Holdings LLC  
Resource Consulting Group, Inc.  
Signature Graphics of Milwaukee, Inc.

United Kingdom  
United Kingdom  
United Kingdom  
United Kingdom  
United Kingdom  
Uruguay  
Venezuela  
Venezuela  
Venezuela  
Virginia  
Virgin Islands  
Wisconsin  
Wisconsin  
Wisconsin  
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Wisconsin  
Wisconsin

**CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

We consent to the incorporation by reference in Registration Statement No. 33-40441, 33-55264, 33-84736, 333-1040, 333-31021, 333-82459, 333-66656, 333-105205, 333-112164, 333-126703 and 333-135000 on Form S-8 and 333-650, 33-95896 and 333-87554 on Form S-4 of our reports dated February 21, 2008 (which report on the consolidated financial statements expresses an unqualified opinion and includes an explanatory paragraph relating to the Company's adoption of Statement of Financial Accounting Standards No. 123(R), *Share-Based Payments*, on January 1, 2006, as described in Note 3), relating to the financial statements and financial statement schedule of Manpower Inc. and subsidiaries and the effectiveness of Manpower Inc.'s internal control over financial reporting, appearing in and incorporated by reference in this Annual Report on Form 10-K of Manpower Inc. for the year ended December 31, 2007.

/s/ Deloitte & Touche LLP

Deloitte & Touche LLP  
Milwaukee, Wisconsin  
February 21, 2008

**POWER OF ATTORNEY FOR ANNUAL REPORT ON FORM 10-K**

Each of the undersigned directors of Manpower Inc. (the "Company") hereby constitutes and appoints Jeffrey A. Joerres and Michael J. Van Handel, and each of them, the undersigned's true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for the undersigned and in the undersigned's name, place and stead, in any and all capacities, to sign for the undersigned and in the undersigned's name in the capacity as a director of the Company the Annual Report on Form 10-K for the Company's fiscal year ended December 31, 2007, and to file the same, with all exhibits thereto, other documents in connection therewith, and any amendments to any of the foregoing, with the Securities and Exchange Commission and any other regulatory authority, granting unto said attorney-in-fact and agent full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully and to all intents and purposes as the undersigned might or could do in person, hereby ratifying and confirming all that said attorney-in-fact and agent, or the undersigned's substitute, may lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, the undersigned have each executed this Power of Attorney for Annual Report on Form 10-K, on one or more counterparts, as of the 23<sup>rd</sup> day of January, 2008.

/s/ J. Thomas Bouchard

J. Thomas Bouchard

/s/ Jeffrey A. Joerres

Jeffrey A. Joerres

/s/ Marc J. Bolland

Marc J. Bolland

/s/ Rozanne L. Ridgway

Rozanne L. Ridgway

/s/ Willie D. Davis

Willie D. Davis

/s/ Terry A. Hueneke

Terry A. Hueneke

/s/ Jack M. Greenberg

Jack M. Greenberg

/s/ John R. Walter

John R. Walter

/s/ Ulice Payne, Jr.

Ulice Payne, Jr.

/s/ Edward J. Zore

Edward J. Zore

/s/ Gina Boswell

Gina Boswell

/s/ Cari Dominquez

Cari Dominquez

## CERTIFICATION

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

1. I have reviewed this annual report on Form 10-K 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: February 25, 2008

/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 annual report on Form 10-K 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: February 25, 2008

/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 Annual Report on Form 10-K for the year ended December 31, 2007 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: February 25, 2008

/s/ Jeffrey A. Joerres

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Jeffrey A. Joerres  
Chairman, Chief Executive Officer

*This certification accompanies this Annual Report on Form 10-K 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 Annual Report on Form 10-K for the year ended December 31, 2007 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: February 25, 2008

/s/ Michael J. Van Handel

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Michael J. Van Handel  
Executive Vice President,  
Chief Financial Officer

*This certification accompanies this Annual Report on Form 10-K 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.*



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