

## THE ADECCO GROUP REFINES STRATEGY AND UPDATES FINANCIAL COMMITMENTS TO 2020

Capital Markets Day in London presents vision to Make the Future Work for everyone and showcases digital innovations

Zurich, Switzerland, 22 September 2017: The Adecco Group, the world's leading HR solutions provider, is today holding its Capital Markets Day in London. Management will present details of the key initiatives within its Perform, Transform and Innovate strategic agenda, along with updated financial commitments to 2020. A short trading update will be provided, highlighting that revenue trends from Q2 2017 continued into Q3 2017.

At the Capital Markets Day, CEO Alain Dehaze will share his vision of the megatrends shaping the industry, and how the Adecco Group is capturing these opportunities by leveraging its strengths and creating true differentiation. Two key pillars underpin our strategy. Our GrowTogether programme will drive revenue growth and strengthen profitability by transforming the core of the business. Our Digital Ventures will capture new revenue opportunities and enhance profitability by expanding our activities into higher-margin 'new frontiers'.

Hans Ploos van Amstel, Group CFO, will present updated financial commitments, underpinning our ambition to deliver leading total shareholder returns. These commitments are:

- (1) Accelerate **structural organic revenue growth**, and increase the revenue growth GDP multiplier from 3x to 4x by 2020;
- (2) Achieve sustained EBITA margin improvement, and deliver SG&A productivity savings of EUR 250m per annum by 2020 (a 100bps reduction in SG&A/revenues);
- (3) Maintain our **progressive dividend policy, even in a recession,** and deliver continued strong free cash flow while making strategic investments.

Investments in GrowTogether and Digital Ventures have already begun. These investments are holding back EBITA margin progression in 2017-18, but will strengthen and enhance our profitability and growth in 2019-20 and beyond. Further details of the benefits and investment costs of GrowTogether and Digital Ventures are shown in the Appendix.

New technologies offer the Adecco Group exciting opportunities for growth and margin enhancement. Today we showcase six examples of digital innovation, driven by our distinctive co-creation approach. Adia is a mobile-first, end-to-end platform that enables employers to easily request temporary staff for hourly or daily assignments; it was developed in close collaboration with Infosys, who will join us today to share their perspectives on our partnership. Mya is an Al-enabled chatbot that automates outreach, screening, and communications with jobseekers; with our global partnership agreement with Mya Systems, these tools will be integrated into our solutions. Virtual Reality recruiting from Penna and legal eDiscovery from D4 demonstrate how our selective acquisitions add new capabilities that we can leverage across our businesses. And Adecco Analytics and Lee Hecht Harrison's Active Placement show how we harness the entrepreneurial spirit within the Group to drive innovation.



In conjunction with today's presentations, the Adecco Group is also providing an update on current trading. In July and August, revenues increased by 6% organically and trading days adjusted, in line with the trend in Q2 2017. So far in September, volume growth indicates a continuation of this trend.

CEO, Alain Dehaze, said: "We have a clear vision for the successful future of the Adecco Group. The megatrends shaping our industry bring exciting new opportunities for profitable growth. With our strategic agenda to Perform, Transform and Innovate, we will capitalise on these opportunities. By strengthening the core of our business and leading in digital innovation, we will accelerate growth, enhance our margin and deliver increased total shareholder returns."

The Capital Markets Day morning session will be webcast from 11.00 to 13.00 CEST.

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## **About the Adecco Group**

The Adecco Group is the world's leading provider of HR solutions, transforming the world of work through talent and technology. Each year, the Adecco Group provides over 1 million people around the world with career opportunities, guidance and insights. Through its global brands Adecco, Modis, Badenoch & Clark, Spring Professional, Lee Hecht Harrison, Pontoon and Adia, the Adecco Group offers total workforce solutions including temporary staffing, permanent placement, career transition, talent development, and outsourcing. The Adecco Group partners with employers, candidates, colleagues and governments, sharing its labour market expertise and insights to empower people, fuel economies, and enrich societies.

The Adecco Group is a Fortune Global 500 company, based in Zurich, Switzerland, with more than 33,000 FTE employees in 60 countries and territories around the world. Adecco Group AG is registered in Switzerland (ISIN: CH0012138605) and listed on the SIX Swiss Exchange (ADEN).

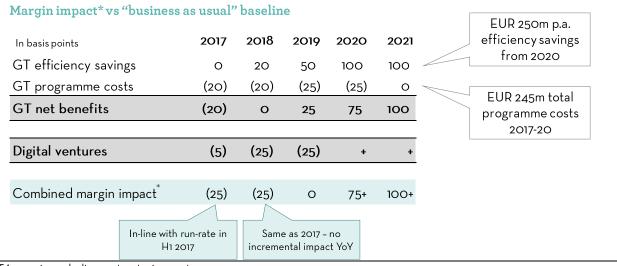


## **Appendix**

Investing in GrowTogether and Digital Ventures to drive growth and margin

	GrowTogether	Digital Ventures
Revenues	Profitable market share gains	Market expansion to 'new frontiers'
Margins	Efficiency savings starting 2018, growing to EUR 250m p.a. in 2020	Higher-margin new businesses
Investment	EUR 245m total programme costs 2017-20	Accelerating digital ventures 2018-19; c.25bps p.a. EBITA margin impact
	Approximately EUR 200m total restructuring costs 2018-19	Capital expenditure EUR 10-20m p.a. and selective external investments

## Path to 2020: net investments in 2017-18 to drive sustainable margin improvement



<sup>\*</sup> EBITA margin excluding restructuring costs

GT = GrowTogether