



ManpowerGroup™

Manpower Reports 1st Quarter Results

April 15, 2003

MILWAUKEE, April 15 /PRNewswire-FirstCall/ -- Manpower Inc. (NYSE: MAN) today reported that net income for the three months ended March 31, 2003 was \$14.9 million, or 19 cents per diluted share, an increase of 116 percent, from \$6.9 million, or 9 cents per diluted share, a year earlier. Revenues for the first quarter were \$2.7 billion, an increase of 17 percent from the year-earlier period. Systemwide sales were \$2.9 billion. Results for the first quarter were positively impacted by relatively stronger foreign currencies compared to the first quarter of 2002. On a constant currency basis, earnings per share increased 44 percent on a 3 percent improvement in revenues.

"The Manpower team around the world continues to make progress, despite the downward economic pressure," Manpower Chairman and CEO, Jeffrey A. Joerres, said. "We executed well in all geographies and our results reflect that. Despite the paralysis of the economy, we were able to achieve growth in both revenue and profit.

"The intra-quarter trends, as well as the figures from the first few weeks in April, indicate that demand for our customers' products and services have stalled, therefore, we are entering the second quarter with caution," Joerres stated. "Given the current trends, we anticipate our second quarter earnings per share to be in the range of 31 to 35 cents, which includes an estimated favorable currency impact of 6 cents."

In conjunction with its first quarter earnings release, Manpower will broadcast its conference call live over the Internet on April 15, 2003 at 7:30 a.m. CDT (8:30 a.m. EDT). Interested parties are invited to listen by logging on to <http://investor.manpower.com>.

The Systemwide Sales and constant currency amounts included in this press release are further explained on the attached Results of Operations.

Manpower Inc. is a world leader in the staffing industry, providing workforce management services and solutions to customers through over 3,900 offices in 63 countries. The firm annually provides employment to 2 million people worldwide and is an industry leader in employee assessment and training. Manpower also provides a range of staffing solutions, engagement and consulting services worldwide under the subsidiary brands of Brook Street, Elan, The Employer Group and Jefferson Wells. More information on Manpower Inc. can be found at the company's Web site, www.manpower.com.

This news release contains statements, including earnings projections, that are forward-looking in nature and, accordingly, are subject to risks and uncertainties regarding the Company's expected future results. The Company's actual results may differ materially from those described or contemplated in the forward-looking statements. Factors that may cause the Company's actual results to differ materially from those contained in the forward-looking statements can be found in the Company's reports filed with the SEC, including its Annual Report on Form 10K for the year ended December 31, 2002, which information is incorporated herein by reference, and such other factors as may be described from time to time in the Company's SEC filings.

Manpower Inc.
Results of Operations
(In millions, except per share data)

	Three Months Ended March 31			
	Amount		% Variance	
	2003	2002	Reported	Constant
	(Unaudited)			
Systemwide sales (a)	\$2,939.4	\$2,540.0	15.7%	
Revenue from services	2,678.7	2,284.0	17.3%	3.4%
Cost of services	2,212.7	1,869.2	18.4%	
Gross profit	466.0	414.8	12.3%	-1.2%
Selling and administrative expenses	433.0	396.1	9.3%	-3.1%
Operating profit	33.0	18.7	76.5%	38.8%
Interest and other expenses	8.6	8.0	8.5%	
Earnings before income taxes	24.4	10.7	126.7%	
Provision for income taxes	9.5	3.8	145.6%	
Net earnings	\$14.9	\$6.9	116.1%	48.1%
Net earnings per share - basic	\$0.19	\$0.09	111.1%	
Net earnings per share - diluted	\$0.19	\$0.09	111.1%	44.4%

Weighted average shares - basic	77.3	76.1	1.6%
Weighted average shares - diluted	77.9	77.3	0.7%

(a) Systemwide sales represents revenue from our branch offices plus the sales activity of locations operating under a franchise agreement with us. Systemwide sales is calculated as follows:

Revenue from services	\$2,678.7	\$2,284.0
Less: Franchise fees	6.0	6.4
Add: Franchise sales	266.7	262.4
Systemwide sales	\$2,939.4	\$2,540.0

Manpower Inc.
Operating Unit Results
(In millions)

Three Months Ended March 31
% Variance
Amount Constant
2003 2002 Reported Currency
(Unaudited)

Revenues from services:

United States (a)	\$463.5	\$428.7	8.1%	8.1%
France	954.6	767.1	24.4%	1.6%
EMEA	886.4	764.2	16.0%	-1.6%
Other Operations	374.2	324.0	15.5%	12.9%
	\$2,678.7	\$2,284.0	17.3%	3.4%

Operating Unit Profit:

United States	\$2.7	\$(4.9)	N/A	N/A
France	26.9	22.2	21.5%	-1.0%
EMEA	9.8	11.0	-10.6%	-25.0%
Other Operations	2.4	(1.8)	N/A	N/A
	41.8	26.5		
Corporate expenses	8.8	7.8		
Amortization of intangibles	-	-		
Operating profit	33.0	18.7	76.5%	38.8%
Interest and other expense (b)	8.6	8.0		
Earnings before taxes	\$24.4	\$10.7		

(a) Systemwide sales in the United States represents revenue from our branch offices plus the sales activity of locations operating under a franchise agreement with us. Systemwide sales in the United States is calculated as follows:

Revenue from services	\$463.5	\$428.7
Less: Franchise fees	5.2	4.9
Add: Franchise sales	229.6	230.2
Systemwide sales	\$687.9	\$654.0

(b) The components of interest and other expense (income) were:

Interest expense	\$10.0	\$9.9
Interest income	(2.4)	(2.6)
Foreign exchange (gains) losses	(1.2)	0.2
Miscellaneous, net	2.2	0.5
	\$8.6	\$8.0

Manpower Inc.
Consolidated Balance Sheets
(In millions)

Mar. 31 Dec. 31
2003 2002
(Unaudited)

ASSETS

Current assets:

Cash and cash equivalents	\$328.7	\$284.0
Accounts receivable, net	2,137.2	2,214.2
Prepaid expenses and other assets	80.9	76.0
Future income tax benefits	76.3	79.1
Total current assets	2,623.1	2,653.3

Other assets:

Intangible assets, net	542.7	545.7
Investments in licensees	62.2	60.5
Other assets	272.4	253.4
Total other assets	877.3	859.6

Property and equipment:

Land, buildings, leasehold improvements and equipment	543.7	533.4
Less: accumulated depreciation and amortization	360.2	344.6
Net property and equipment	183.5	188.8
Total assets	\$3,683.9	\$3,701.7

LIABILITIES AND SHAREHOLDERS' EQUITY

Current liabilities:

Accounts payable	\$478.4	\$447.0
Employee compensation payable	96.7	96.2
Accrued liabilities	263.9	295.7
Accrued payroll taxes and insurance	332.7	391.6
Value added taxes payable	306.0	309.0
Short-term borrowings and current maturities of long-term debt	19.8	22.8
Total current liabilities	1,497.5	1,562.3

Other liabilities:

Long-term debt	810.1	799.0
Other long-term liabilities	347.1	340.5
Total other liabilities	1,157.2	1,139.5

Shareholders' equity:

Common stock	0.9	0.9
Capital in excess of par value	1,702.8	1,696.2
Accumulated deficit	(274.8)	(289.7)
Accumulated other comprehensive income (loss)	(115.9)	(123.7)
Treasury stock, at cost	(283.8)	(283.8)
Total shareholders' equity	1,029.2	999.9
Total liabilities and shareholders' equity	\$3,683.9	\$3,701.7

Manpower Inc.
Consolidated Statements of Cash Flows
(In millions)

Three Months Ended
March 31
2003 2002
(Unaudited)

Cash Flows from Operating Activities:

Net earnings	\$14.9	\$6.9
Adjustments to reconcile net earnings to net cash provided by operating activities:		

Depreciation and amortization	15.6	14.9
Amortization of discount on convertible debentures	1.9	1.8
Deferred income taxes	3.6	1.2
Provision for doubtful accounts	3.0	4.9
Changes in operating assets and liabilities:		
Accounts receivable	124.6	40.0
Other assets	(1.3)	(12.1)
Other liabilities	(103.1)	(27.2)
Cash provided by operating activities	59.2	30.4

Cash Flows from Investing Activities:

Capital expenditures	(12.1)	(14.1)
Acquisitions of business, net of cash acquired	(0.7)	(21.5)
Proceeds from the sale of property and equipment	1.0	1.3
Cash used by investing activities	(11.8)	(34.3)

Cash Flows from Financing Activities:

Net repayments of short-term facilities and long-term debt	(13.6)	(7.0)
Proceeds from stock option and purchase plans	6.6	9.2
Repurchase of common stock	-	(30.7)
Cash used by financing activities	(7.0)	(28.5)

Effect of exchange rate changes on cash	4.3	(2.6)
Change in cash and cash equivalents	44.7	(35.0)

Cash and cash equivalents, beginning of period	284.0	245.8
Cash and cash equivalents, end of period	\$328.7	\$210.8

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