



ManpowerGroup™

## Manpower Reports 4th Quarter and Full-Year 2000 Results

February 5, 2001

*Earnings per share rise 11% for 4th Quarter, 16% for 2000  
Systemwide sales rise 8% to \$12.4 billion*

5 February 2001  
Milwaukee, WI

MILWAUKEE, February 5, 2001 – Manpower Inc. (NYSE:MAN) today reported that net income for the three months ended December 31, 2000 rose 10 percent to \$53.5 million, or 70 cents per diluted share, from \$48.7 million, or 63 cents per diluted share, a year earlier. Revenues for the fourth quarter totaled \$2.7 billion, a gain of 3 percent from the year-earlier period. Results for the fourth quarter were affected by the decline in the Euro. On a constant currency basis, earnings per share for the quarter rose 29% on a 16% revenue gain.

Commenting on the quarterly and annual results Manpower President and CEO Jeffrey Joerres stated, "Our operations finished the year with a very solid performance evidencing the strength of our globally diversified network and the quality of the Manpower brand. During 2000, we significantly enhanced our market position with the opening of almost 300 new offices and the expansion of specialty services through the acquisition of Elan and the formation of The Empower Group." Joerres also noted that the company's operations in mainland Europe, representing over 60% of worldwide profits, had an exceptional year, as revenues were up 23% and operating profits were up 50%.

Joerres added that, while the global economic outlook is a bit cloudy, barring any significant further slowing, he is comfortable with analysts' consensus estimates calling for an earnings per share growth in the 10% range for 2001. "The strength of our European operations should provide a positive counter to the slowing U.S. economy. We experienced that balance from our operations in the fourth quarter and it is likely we will see the same in the first quarter of 2001."

Net income for the year ended December 31, 2000 totaled \$171.2 million, or \$2.22 per diluted share, up 14 percent from \$150.0 million, or \$1.91 per diluted share in 1999. Revenues for the year rose 11 percent to \$10.8 billion, while systemwide sales grew 8 percent to \$12.4 billion. On a constant currency basis, earnings per share for the year rose 32% on a revenue increase of 21%.

In conjunction with its fourth quarter earnings release, Manpower will broadcast its conference call live over the Internet on February 6, 2001 at 9:00 a.m. CST (10:00 a.m. EST). Interested parties are invited to listen by logging on to [investor.manpower.com](http://investor.manpower.com).

This news release contains statements, including earning 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 statement can be found in the Company's reports filed with the SEC, including its Annual Report on Form 10-K for the year ended December 31, 1999, which information is incorporated herein by reference.

Manpower Inc. is a world leader in the staffing industry, providing workforce management services and solutions to customers through 3,685 offices in 59 countries. The firm annually provides employment to more than 2 million people worldwide and is an industry leader in employee assessment and training. Manpower also offers organizational performance consulting services worldwide through its independent operating division, The Empower Group. More information on Manpower Inc. can be found at the company's website, [www.manpower.com](http://www.manpower.com). More information can also be found about The Empower Group at its website, [www.empowergrp.com](http://www.empowergrp.com).

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

	<b>Three Months Ended Dec. 31</b>		
	<b>2000</b>	<b>1999</b>	<b>Variance</b>
Systemwide sales	\$ 3,121.3	\$ 3,121.4	-- %
Revenue from services	2,739.5	2,660.5	3.0%
Cost of services	2,223.9	2,192.3	1.4%
Gross profit	515.6	468.2	10.1%
Selling and administrative expenses	420.7	384.6	9.4%
Operating profit	94.9	83.6	13.6%
Interest and other expenses	12.2	7.9	57.2%
Earnings before income taxes	82.7	75.7	9.1%
Provision for income taxes	29.2	27.0	7.7%
Net earnings	<u>\$ 53.5</u>	<u>\$ 48.7</u>	9.8%
Net earnings per share - basic	<u>\$ 0.71</u>	<u>\$ 0.64</u>	10.9%
Net earnings per share - diluted	<u>\$ 0.70</u>	<u>\$ 0.63</u>	11.1%
Weighted average shares - basic	<u>75.7</u>	<u>76.0</u>	(0.3%)
Weighted average shares - diluted	<u>76.8</u>	<u>77.7</u>	(1.1%)

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

	<b>Year Ended December 31</b>		
	<b>2000</b>	<b>1999</b>	<b>Variance</b>
Systemwide sales	\$12,444.9	\$11,511.4	8.1%
Revenue from services	10,842.8	9,770.1	11.0%
Cost of services	8,896.1	8,065.2	10.3%
Gross profit	1,946.7	1,704.9	14.2%
Selling and administrative expenses	1,635.7	1,474.3	10.9%
Operating profit	311.0	230.6	34.8%
Interest and other expenses	45.8	24.8	84.7%
Earnings before income taxes	265.2	205.8	28.8%
Provision for income taxes	94.0	55.8	68.3%
Net earnings	<u>\$ 171.2</u>	<u>\$ 150.0</u>	14.1%
Net earnings per share - basic	<u>\$ 2.26</u>	<u>\$ 1.94</u>	16.5%
Net earnings per share - diluted	<u>\$ 2.22</u>	<u>\$ 1.91</u>	16.2%
Weighted average shares - basic	<u>75.9</u>	<u>77.3</u>	(1.8%)
Weighted average shares - diluted	<u>77.1</u>	<u>78.7</u>	(2.0%)

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**Manpower Inc.**  
**Condensed Balance Sheets**  
(In millions)

	<b>Dec. 31 2000</b>	<b>Dec. 31, 1999</b>
<b>Current assets:</b>		
Cash and cash equivalents	\$ 181.7	\$ 241.7
Accounts receivable	2,094.4	1,897.6
Prepaid expenses and other assets	<u>120.6</u>	<u>118.0</u>
Total current assets	2,396.7	2,257.3
<b>Other assets</b>	453.3	279.0
<b>Property and equipment</b>	<u>191.6</u>	<u>182.4</u>
Total assets	<u>\$ 3,041.6</u>	<u>\$ 2,718.7</u>
<b>Current liabilities:</b>		
Accounts payable	\$ 453.1	\$ 388.0
Employee compensation payable	81.2	71.9
Accrued liabilities	269.2	180.2
Accrued payroll taxes and insurance	341.8	340.9
Value added tax payable	311.0	305.6
Short-term borrowings and current maturities of long-term debt	<u>65.9</u>	<u>131.5</u>
Total current liabilities	1,522.2	1,418.1
<b>Other liabilities:</b>		
Long-term debt	491.6	357.5
Other long-term liabilities	<u>287.4</u>	<u>292.5</u>
Total other liabilities	779.0	650.0
<b>Shareholders' equity</b>	<u>740.4</u>	<u>650.6</u>
Total liabilities and shareholders' equity	<u>\$ 3,041.6</u>	<u>\$ 2,718.7</u>

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# Manpower Inc.

## Operating Unit Results

(In millions)

	<b>Three Months Ended</b>	
	<b>December 31</b>	
	<b>2000</b>	<b>1999</b>
Revenues from services:		
United States (a)	\$ 601.9	\$ 591.0
France	968.2	1,008.6
United Kingdom	372.6	326.7
Other Europe	496.7	469.2
Other Countries	300.1	265.0
	<u>\$ 2,739.5</u>	<u>\$ 2,660.5</u>
Operating Unit Profit:		
United States	\$ 21.1	\$ 23.5
France	39.0	32.6
United Kingdom	13.7	12.8
Other Europe	31.9	22.3
Other Countries	3.7	3.1
	<u>109.4</u>	<u>94.3</u>
Corporate expenses	11.2	8.8
Amortization of intangibles	3.3	1.9
Non-recurring expenses (b)	-	-
Operating profit	<u>94.9</u>	<u>83.6</u>
Interest and other expense (c)	12.2	7.9
Earnings before taxes	<u>\$ 82.7</u>	<u>\$ 75.7</u>

# Manpower Inc.

## Operating Unit Results

(In millions)

	<b>Year Ended</b>	
	<b>December 31</b>	
	<b>2000</b>	<b>1999</b>
Revenues from services:		
United States (a)	\$ 2,413.5	\$ 2,250.5
France	3,939.2	3,775.1
United Kingdom	1,453.1	1,170.3
Other Europe	1,896.3	1,665.5
Other Countries	1,140.7	908.7
	<u>\$ 10,842.8</u>	<u>\$ 9,770.1</u>
 Operating Unit Profit:		
United States	\$ 84.6	\$ 80.3
France	130.6	100.9
United Kingdom	46.2	40.2
Other Europe	89.1	68.0
Other Countries	13.2	10.6
	<u>363.7</u>	<u>300.0</u>
Corporate expenses	39.4	34.5
Amortization of intangibles	13.3	6.9
Non-recurring expenses (b)	-	28.0
Operating profit	<u>311.0</u>	<u>230.6</u>
Interest and other expense (c)	45.8	24.8
Earnings before taxes	<u>\$ 265.2</u>	<u>\$ 205.8</u>

Footnotes:

- (a) Total systemwide sales in the United States, which includes sales of Company-owned branches and franchises were \$936.8 and \$992.2 for the three months ended December 31, 2000 and 1999, respectively, and \$3,814.9 and \$3,758.7 for the years ended December 31, 2000 and 1999, respectively.
- (b) Represents non-recurring items (\$16.4 after tax) in the second quarter of 1999 related to employee severances, retirement costs and other associated realignment costs.
- (c) The components of interest and other expense (income) were:

	<b>Three Months Ended December 31</b>	
	<b>2000</b>	<b>1999</b>
Interest expense	\$ 9.4	\$ 4.6
Interest income	(1.8)	(2.3)
Translation loss (gain)	0.4	0.9
Loss on sale of accounts receivable	2.4	2.7
Miscellaneous	1.8	2.0
	<u>\$ 12.2</u>	<u>\$ 7.9</u>

	<b>Year Ended December 31</b>	
	<b>2000</b>	<b>1999</b>
Interest expense	\$ 35.0	\$ 17.3
Interest income	(7.3)	(8.0)
Translation loss (gain)	2.3	1.9
Loss on sale of accounts receivable	9.8	9.8
Miscellaneous	6.0	3.8
	<u>\$ 45.8</u>	<u>\$ 24.8</u>

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