

FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Quarterly Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the quarterly period ended:
June 30, 2014

or

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

Commission file number: 1-10686

MANPOWERGROUP INC.

(Exact name of registrant as specified in its charter)

Wisconsin

(State or other jurisdiction of incorporation)

39-1672779

(IRS Employer Identification No.)

100 Manpower Place

Milwaukee, Wisconsin

(Address of principal executive offices)

53212

(Zip Code)

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

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

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

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

Large accelerated filer

Non-accelerated filer

(Do not check if a smaller reporting company)

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

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

Class
Common Stock, \$.01 par value

**Shares Outstanding
at August 4, 2014**

79,722,441

ManpowerGroup Inc.

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PART I - FINANCIAL INFORMATION

Item 1 – Financial Statements (unaudited)

ManpowerGroup Inc.

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

ASSETS

	June 30, 2014	December 31, 2013
CURRENT ASSETS:		
Cash and cash equivalents	\$ 638.5	\$ 737.6
Accounts receivable, less allowance for doubtful accounts of \$122.1 and \$118.6, respectively	4,501.0	4,277.9
Prepaid expenses and other assets	132.6	161.3
Future income tax benefits	53.2	66.2
Total current assets	<u>5,325.3</u>	<u>5,243.0</u>
OTHER ASSETS:		
Goodwill	1,125.7	1,090.9
Intangible assets, less accumulated amortization of \$263.7 and \$247.9, respectively	308.4	309.1
Other assets	613.6	479.3
Total other assets	<u>2,047.7</u>	<u>1,879.3</u>
PROPERTY AND EQUIPMENT:		
Land, buildings, leasehold improvements and equipment	716.8	706.2
Less: accumulated depreciation and amortization	556.0	540.2
Net property and equipment	<u>160.8</u>	<u>166.0</u>
Total assets	<u>\$ 7,533.8</u>	<u>\$ 7,288.3</u>

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

ManpowerGroup Inc.

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

LIABILITIES AND SHAREHOLDERS' EQUITY

	June 30, 2014	December 31, 2013
CURRENT LIABILITIES:		
Accounts payable	\$ 1,680.2	\$ 1,523.9
Employee compensation payable	193.6	230.4
Accrued liabilities	505.5	536.1
Accrued payroll taxes and insurance	630.6	680.7
Value added taxes payable	504.2	502.5
Short-term borrowings and current maturities of long-term debt	47.5	36.0
Total current liabilities	<u>3,561.6</u>	<u>3,509.6</u>
OTHER LIABILITIES:		
Long-term debt	481.4	481.9
Other long-term liabilities	408.4	382.6
Total other liabilities	<u>889.8</u>	<u>864.5</u>
SHAREHOLDERS' EQUITY:		
Preferred stock, \$.01 par value, authorized 25,000,000 shares, none issued	-	-
Common stock, \$.01 par value, authorized 125,000,000 shares, issued 112,684,683 and 112,014,673 shares, respectively	1.1	1.1
Capital in excess of par value	3,059.0	3,014.0
Retained earnings	1,458.4	1,317.5
Accumulated other comprehensive income	90.2	82.2
Treasury stock at cost, 32,951,660 and 32,658,685 shares, respectively	<u>(1,526.3)</u>	<u>(1,500.6)</u>
Total shareholders' equity	<u>3,082.4</u>	<u>2,914.2</u>
Total liabilities and shareholders' equity	<u>\$ 7,533.8</u>	<u>\$ 7,288.3</u>

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

ManpowerGroup Inc.

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

	3 Months Ended June 30,		6 Months Ended June 30,	
	2014	2013	2014	2013
Revenues from services	\$ 5,321.7	\$ 5,040.7	\$ 10,225.7	\$ 9,809.6
Cost of services	4,424.4	4,204.3	8,511.9	8,183.1
Gross profit	897.3	836.4	1,713.8	1,626.5
Selling and administrative expenses	709.9	708.3	1,399.5	1,444.0
Operating profit	187.4	128.1	314.3	182.5
Interest and other expenses	7.9	10.3	17.1	21.8
Earnings before income taxes	179.5	117.8	297.2	160.7
Provision for income taxes	69.7	49.6	117.3	68.6
Net earnings	\$ 109.8	\$ 68.2	\$ 179.9	\$ 92.1
Net earnings per share – basic	\$ 1.37	\$ 0.88	\$ 2.25	\$ 1.19
Net earnings per share – diluted	\$ 1.35	\$ 0.87	\$ 2.21	\$ 1.17
Weighted average shares – basic	79.9	77.4	79.9	77.3
Weighted average shares – diluted	81.4	78.6	81.4	78.6

ManpowerGroup Inc.

Consolidated Statements of Comprehensive Income (Unaudited)
(in millions)

	3 Months Ended June 30,		6 Months Ended June 30,	
	2014	2013	2014	2013
Net earnings	\$ 109.8	\$ 68.2	\$ 179.9	\$ 92.1
Other comprehensive income (loss):				
Foreign currency translation adjustments	(9.1)	(8.6)	(12.4)	(39.6)
Translation adjustments on net investment hedge, net of income taxes of \$1.0, \$(3.6), \$0.6 and \$3.8, respectively	1.7	(5.9)	0.9	6.2
Translation adjustments of long-term intercompany loans	14.4	(2.5)	16.7	(26.1)
Unrealized (loss) gain on investments, less income taxes of \$1.0, \$(0.4), \$1.3 and \$0.0, respectively	(0.2)	(1.2)	1.5	–
Defined benefit pension plans and retiree health care plan, less income taxes of \$0.4, \$1.0, \$0.4 and \$1.0, respectively	1.3	2.2	1.3	2.2
Total other comprehensive income (loss)	8.1	(16.0)	8.0	(57.3)
Comprehensive income	\$ 117.9	\$ 52.2	\$ 187.9	\$ 34.8

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

ManpowerGroup Inc.

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

	6 Months Ended June 30,	
	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net earnings	\$ 179.9	\$ 92.1
Adjustments to reconcile net earnings to net cash used in operating activities:		
Depreciation and amortization	43.2	48.0
Deferred income taxes	5.0	3.3
Provision for doubtful accounts	10.3	13.5
Share-based compensation	23.9	14.8
Excess tax benefit on exercise of share-based awards	(2.9)	(0.5)
Changes in operating assets and liabilities, excluding the impact of acquisitions:		
Accounts receivable	(223.6)	(119.0)
Other assets	(99.1)	(61.1)
Other liabilities	47.3	(62.7)
Cash used in operating activities	<u>(16.0)</u>	<u>(71.6)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital expenditures	(20.6)	(25.1)
Acquisitions of businesses, net of cash acquired	(23.7)	(16.9)
Proceeds from the sale of property and equipment	0.3	1.7
Cash used in investing activities	<u>(44.0)</u>	<u>(40.3)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net change in short-term borrowings	15.9	37.6
Proceeds from long-term debt	-	0.1
Repayments of long-term debt	(1.2)	(267.5)
Proceeds from share-based awards	18.9	15.0
Other share-based award transactions	(6.1)	3.0
Repurchases of common stock	(16.7)	-
Dividends paid	(39.0)	(35.5)
Cash used in financing activities	<u>(28.2)</u>	<u>(247.3)</u>
Effect of exchange rate changes on cash	(10.9)	(8.0)
Change in cash and cash equivalents	(99.1)	(367.2)
Cash and cash equivalents, beginning of year	737.6	648.1
Cash and cash equivalents, end of period	<u>\$ 638.5</u>	<u>\$ 280.9</u>
SUPPLEMENTAL CASH FLOW INFORMATION:		
Interest paid	<u>\$ 28.8</u>	<u>\$ 38.0</u>
Income taxes paid, net	<u>\$ 27.0</u>	<u>\$ 17.5</u>

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

Notes to Consolidated Financial Statements (Unaudited)
For the Three and Six Months Ended June 30, 2014 and 2013
(in millions, except share and per share data)

(1) Basis of Presentation and Accounting Policies

Basis of Presentation

Certain information and footnote disclosures normally included in the financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to the rules and regulations of the Securities and Exchange Commission, although we believe that the disclosures are adequate to make the information presented not misleading. These Consolidated Financial Statements should be read in conjunction with the Consolidated Financial Statements included in our 2013 Annual Report to Shareholders.

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

Subsequent Events

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

(2) Recently Issued Accounting Standards

In March 2013, the FASB issued new accounting guidance on cumulative translation adjustment. The new guidance requires that currency translation adjustments should be released into net income only if the sale of a foreign subsidiary results in the complete liquidation of the entity. For an equity method investment that is a foreign entity, a pro rata portion of the currency translation adjustments should be released into net income upon a partial sale of such an equity method investment. The new guidance also clarifies that the sale of an investment in a foreign entity includes both (1) events that result in the loss of a controlling financial interest in the foreign entity and (2) events that result in an acquirer's obtaining control of an acquiree in which it held an equity interest immediately before the acquisition date, otherwise known as a "step acquisition." Accordingly, the cumulative translation adjustment should be released into net income upon the occurrence of those events. We adopted this guidance effective January 1, 2014. There was no impact of this adoption on our Consolidated Financial Statements.

In July 2013, the FASB issued new accounting guidance on presentation of an unrecognized tax benefit. The new guidance requires that, in certain cases, an unrecognized tax benefit should be presented in the financial statements as a reduction to the deferred tax asset when there is an existing net operating loss carryforward, a similar tax loss or an existing tax credit carryforward. We adopted this guidance effective January 1, 2014. There was no impact of this adoption on our Consolidated Financial Statements.

In April 2014, the FASB issued new accounting guidance on reporting discontinued operations and disclosures of disposals of components of an entity. The new guidance changes the requirements for reporting discontinued operations. A discontinued operation may include a component of an entity or a group of components of an entity. A disposal of a component of an entity or a group of components of an entity is required to be reported in discontinued operations if the disposal represents a strategic shift that has (or will have) a major effect on an entity's operations and financial results and when the component or group of components meets the criteria to be classified as held for sale, is disposed by sale or is disposed of by other than by sale. The guidance is effective for us in 2015. We do not expect the adoption of this guidance to have a material impact on our Consolidated Financial Statements.

In May 2014, the FASB issued new accounting guidance on revenue from contracts with customers. The core principle of this amendment is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The guidance is effective for us in 2017 and can be adopted either retrospectively to each prior reporting period presented or as a cumulative-effect adjustment as of the date of adoption. We are currently assessing the impact of the adoption of this guidance on our Consolidated Financial Statements.

(3) Share-Based Compensation Plans

During the three months ended June 30, 2014 and 2013, we recognized share-based compensation expense of \$13.1 and \$8.3, respectively, and \$23.9 and \$14.8 for the six months ended June 30, 2014 and 2013, respectively. The expense relates to stock options, deferred stock, restricted stock and performance share units. Consideration received from share-based awards was \$18.9 and \$15.0 for the six months ended June 30, 2014 and 2013, respectively. We recognize share-based compensation expense in selling and administrative expenses on a straight-line basis over the service period of each award.

(4) Acquisitions

From time to time, we acquire and invest in companies throughout the world, including franchises. The total cash consideration for acquisitions, net of cash acquired, was \$23.7 and \$16.9 for the six months ended June 30, 2014 and 2013, respectively.

(5) Restructuring Costs

We recorded net restructuring costs of \$54.8 for the six months ended June 30, 2013 in selling and administrative expenses, related to severances and office closures. During the six months ended June 30, 2014, we made payments of \$23.5 out of our restructuring reserve. We expect a majority of the remaining \$24.9 reserve will be paid by the end of 2014.

Changes in the restructuring reserve by reportable segment and Corporate are shown below.

	<u>Americas⁽¹⁾</u>	<u>Southern Europe⁽²⁾</u>	<u>Northern Europe</u>	<u>APME</u>	<u>Right Management⁽³⁾</u>	<u>Corporate⁽³⁾</u>	<u>Total</u>
Balance, January 1, 2014	\$ 6.8	\$ 4.5	\$ 22.2	\$ 1.8	\$ 12.3	\$ 0.8	\$ 48.4
Costs paid or utilized	(2.7)	(1.5)	(11.5)	(1.0)	(7.5)	0.7	(23.5)
Balance, June 30, 2014	\$ 4.1	\$ 3.0	\$ 10.7	\$ 0.8	\$ 4.8	\$ 1.5	\$ 24.9

(1) Balances related to the United States were \$5.1 and \$3.8 as of January 1, 2014 and June 30, 2014, respectively.

(2) Balances related to France were \$3.5 and \$2.9 as of January 1, 2014 and June 30, 2014, respectively. Balances related to Italy were \$0.9 and none as of January 1, 2014 and June 30, 2014, respectively.

(3) "Costs paid or utilized" include an intercompany transfer of severance liability totaling \$2.0 from Right Management to Corporate during the first quarter of 2014.

(6) Income Taxes

We recorded an income tax expense at an effective rate of 38.8% for the three months ended June 30, 2014, as compared to an effective rate of 42.1% for the three months ended June 30, 2013. The 2014 rate was favorably impacted by a change in the overall mix of earnings, primarily an increase to non-U.S. income. The 38.8% effective tax rate in the quarter was higher than the United States Federal statutory rate of 35%, and we currently expect a similar annual effective tax rate due primarily to the French business tax, repatriations, valuation allowances and other permanent items.

We recorded an income tax expense at an effective rate of 39.5% for the six months ended June 30, 2014, as compared to an effective rate of 42.7% for the six months ended June 30, 2013. The 2014 rate was favorably impacted by a change in the overall mix of earnings, primarily an increase to non-U.S. income. The 39.5% effective tax rate for the six months ended June 30, 2014, was higher than the United States Federal statutory rate of 35% due primarily to the French business tax, repatriations, valuation allowances and other permanent items.

As of June 30, 2014, we had gross unrecognized tax benefits related to various tax jurisdictions, including interest and penalties, of \$33.3. We had related tax benefits of \$1.9, and the net amount of \$31.4 would favorably impact the effective tax rate if recognized. As of December 31, 2013, we had gross unrecognized tax benefits related to various tax jurisdictions, including interest and penalties, of \$32.3. We had related tax benefits of \$1.9 for a net amount of \$30.4. We do not expect our unrecognized tax benefits to change significantly over the next 12 months.

We conduct business globally and, as a result, we are routinely audited by the various tax jurisdictions in which we operate. Generally, the tax years that remain subject to tax examination are 2009 through 2013 for our major operations in Germany, Italy, France, Japan, United States and United Kingdom. As of June 30, 2014, we are subject to tax audits in France, Germany, Denmark, Austria, Italy, Norway and Spain. We believe that the resolution of these audits will not have a material impact on earnings.

(7) Net Earnings Per Share

The calculations of net earnings per share – basic and net earnings per share – diluted were as follows:

	3 Months Ended June 30,		6 Months Ended June 30,	
	2014	2013	2014	2013
Net earnings per share – basic:				
Net earnings available to common shareholders	\$ 109.8	\$ 68.2	\$ 179.9	\$ 92.1
Weighted-average common shares outstanding	79.9	77.4	79.9	77.3
	<u>\$ 1.37</u>	<u>\$ 0.88</u>	<u>\$ 2.25</u>	<u>\$ 1.19</u>
Net earnings per share – diluted:				
Net earnings available to common shareholders	\$ 109.8	\$ 68.2	\$ 179.9	\$ 92.1
Weighted-average common shares outstanding	79.9	77.4	79.9	77.3
Effect of dilutive securities – stock options	0.7	0.6	0.7	0.6
Effect of other share-based awards	0.8	0.6	0.8	0.7
	<u>81.4</u>	<u>78.6</u>	<u>81.4</u>	<u>78.6</u>
	<u>\$ 1.35</u>	<u>\$ 0.87</u>	<u>\$ 2.21</u>	<u>\$ 1.17</u>

There were 0.2 million and 2.1 million share-based awards excluded from the calculation of net earnings per share – diluted for the three months ended June 30, 2014 and 2013, respectively, and 0.2 million and 2.3 million share-based awards excluded from the calculation of net earnings per share – diluted for the six months ended June 30, 2014 and 2013, respectively, as the exercise price for these awards was greater than the average market price of the common shares during the period.

(8) Goodwill and Other Intangible Assets

We have goodwill, amortizable intangible assets and intangible assets that do not require amortization, as follows:

	June 30, 2014			December 31, 2013		
	Gross	Accumulated Amortization	Net	Gross	Accumulated Amortization	Net
Goodwill ⁽¹⁾	\$ 1,125.7	\$ -	\$ 1,125.7	\$ 1,090.9	\$ -	\$ 1,090.9
Intangible assets:						
Finite-lived:						
Technology	\$ 19.6	\$ 19.6	\$ -	\$ 19.6	\$ 19.6	\$ -
Franchise agreements	18.0	18.0	-	18.0	17.9	0.1
Customer relationships	367.4	212.3	155.1	351.5	196.4	155.1
Other	15.4	13.8	1.6	16.2	14.0	2.2
	<u>420.4</u>	<u>263.7</u>	<u>156.7</u>	<u>405.3</u>	<u>247.9</u>	<u>157.4</u>
Indefinite-lived:						
Tradenames ⁽²⁾	54.0	-	54.0	54.0	-	54.0
Reacquired franchise rights	97.7	-	97.7	97.7	-	97.7
	<u>151.7</u>	<u>-</u>	<u>151.7</u>	<u>151.7</u>	<u>-</u>	<u>151.7</u>
Total intangible assets	<u>\$ 572.1</u>	<u>\$ 263.7</u>	<u>\$ 308.4</u>	<u>\$ 557.0</u>	<u>\$ 247.9</u>	<u>\$ 309.1</u>

(1) Balances were net of accumulated impairment loss of \$513.4 as of both June 30, 2014 and December 31, 2013.

(2) Balances were net of accumulated impairment loss of \$139.5 as of both June 30, 2014 and December 31, 2013.

Total consolidated amortization expense related to intangible assets for the remainder of 2014 is expected to be \$17.0 and in each of the next five years is expected to be as follows: 2015- \$30.3, 2016 - \$27.4, 2017 - \$23.5, 2018 - \$20.7, and 2019 – \$16.1.

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

	Americas ⁽¹⁾	Southern Europe ⁽²⁾	Northern Europe	APME	Right Management	Corporate ⁽³⁾	Total
Balance, January 1, 2014	\$ 465.9	\$ 107.8	\$ 318.2	\$ 72.0	\$ 62.1	\$ 64.9	\$ 1,090.9
Goodwill acquired	-	-	27.4	3.9	-	-	31.3
Currency and other impacts	(0.1)	(0.3)	1.4	2.5	-	-	3.5
Balance, June 30, 2014	<u>\$ 465.8</u>	<u>\$ 107.5</u>	<u>\$ 347.0</u>	<u>\$ 78.4</u>	<u>\$ 62.1</u>	<u>\$ 64.9</u>	<u>\$ 1,125.7</u>

(1) Balances related to the United States were \$448.5 as of both January 1, 2014 and June 30, 2014.

(2) Balances related to France were \$87.3 and \$87.0 as of January 1, 2014 and June 30, 2014, respectively. Balances related to Italy were \$5.7 as of both January 1, 2014 and June 30, 2014.

(3) The majority of the Corporate balance relates to goodwill attributable to our acquisition of Jefferson Wells (\$55.5) which is now part of the United States reporting unit. For purposes of monitoring our total assets by segment, we do not allocate the Corporate balance to the respective reportable segments as this is commensurate with how we operate our business. We do, however, include these balances within the appropriate reporting units for our goodwill impairment testing. See table below for the breakout of goodwill balances by reporting unit.

Goodwill balances by reporting unit were as follows:

	June 30, 2014	January 1, 2014
United States	\$ 504.0	\$ 504.0
Netherlands	97.2	84.1
United Kingdom	92.0	84.6
France	87.0	87.3
Right Management	62.1	62.1
Other reporting units	283.4	268.8
Total goodwill	<u>\$ 1,125.7</u>	<u>\$ 1,090.9</u>

We did not perform an interim impairment test of our goodwill and indefinite-lived intangible assets in the six months ended June 30, 2014 as we noted no significant indicators of impairment as of June 30, 2014.

(9) Retirement Plans

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

	Defined Benefit Pension Plans			
	3 Months Ended June 30,		6 Months Ended June 30,	
	2014	2013	2014	2013
Service cost	\$ 2.1	\$ 2.2	\$ 4.1	\$ 4.4
Interest cost	3.4	3.0	6.7	6.1
Expected return on assets	(3.5)	(2.8)	(6.8)	(5.6)
Curtailement gain	-	(2.3)	-	(2.3)
Other	1.0	1.0	2.0	1.9
Total benefit cost	<u>\$ 3.0</u>	<u>\$ 1.1</u>	<u>\$ 6.0</u>	<u>\$ 4.5</u>

Retiree Health Care Plan

	3 Months Ended		6 Months Ended	
	June 30,		June 30,	
	2014	2013	2014	2013
Interest cost	\$ 0.2	\$ 0.3	\$ 0.4	\$ 0.6
Net loss	-	0.1	-	0.2
Total benefit cost	\$ 0.2	\$ 0.4	\$ 0.4	\$ 0.8

During the three and six months ended June 30, 2014, contributions made to our pension plans were \$2.9 and \$6.2, respectively, and contributions made to our retiree health care plan were \$0.4 and \$0.9, respectively. During 2014, we expect to make total contributions of \$13.3 to our pension plans and to fund our retiree health care payments as incurred.

(10) Shareholders' Equity

The components of accumulated other comprehensive income, net of tax, were as follows:

	June 30, 2014	December 31, 2013
Foreign currency translation	\$ 227.1	\$ 239.5
Translation loss on net investment hedge, net of income taxes of \$(36.1) and \$(36.7), respectively	(59.7)	(60.6)
Translation loss on long-term intercompany loans	(56.9)	(73.6)
Unrealized gain on investments, net of income taxes of \$2.9 and \$1.6, respectively	13.0	11.5
Defined benefit pension plans, net of income taxes of \$(21.2) and \$(21.8), respectively	(38.0)	(39.7)
Retiree health care plan, net of income taxes of \$2.5 and \$2.7, respectively	4.7	5.1
Accumulated other comprehensive income	\$ 90.2	\$ 82.2

On April 29, 2014, the Board of Directors declared a semi-annual cash dividend of \$0.49 per share, which was paid on June 16, 2014 to shareholders of record on June 2, 2014.

(11) Interest and Other Expenses

Interest and other expenses consisted of the following:

	3 Months Ended		6 Months Ended	
	June 30,		June 30,	
	2014	2013	2014	2013
Interest expense	\$ 9.3	\$ 10.3	\$ 17.9	\$ 21.0
Interest income	(1.1)	(0.9)	(2.0)	(1.8)
Foreign exchange (gain) loss	(0.9)	1.4	(2.1)	1.8
Miscellaneous expense (income), net	0.6	(0.5)	3.3	0.8
Interest and other expenses	\$ 7.9	\$ 10.3	\$ 17.1	\$ 21.8

(12) Derivative Financial Instruments and Fair Value Measurements

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

A portion of the €350.0 (\$479.1) notes due June 2018 were designated as an economic hedge of our net investment in our foreign subsidiaries with a Euro functional currency as of June 30, 2014. For derivatives designated as an economic hedge of the foreign currency exposure of a net investment in a foreign operation, the gain or loss associated with foreign currency translation is recorded as a component of accumulated other comprehensive income, net of taxes. As of June 30, 2014 and December 31, 2013, we had an unrealized translation loss of \$59.7 and \$60.6, respectively, included in accumulated other comprehensive income, net of taxes, as the net investment hedge was deemed effective.

Our forward contracts are not designated as hedges. Consequently, any gain or loss resulting from the change in fair value is recognized in the current period earnings. These gains or losses are offset by the exposure related to receivables and payables with our foreign subsidiaries and to interest due on our Euro-denominated notes, which is paid annually in June. We recorded a gain in interest and other expenses of \$0.2 for both the three and six months ended June 30, 2014, and a loss in interest and other expenses of \$0.1 and \$0.3 for the three and six months ended June 30, 2013, respectively, associated with our forward contracts, which offset the loss and gain recorded for the items noted above.

The fair value measurements of those items recorded in our Consolidated Balance Sheets as of June 30, 2014 and December 31, 2013 were as follows:

	June 30, 2014	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Deferred compensation plan assets	\$ 77.8	\$ 77.8	\$ -	\$ -
Foreign currency forward contracts	0.3	-	0.3	-
	<u>\$ 78.1</u>	<u>\$ 77.8</u>	<u>\$ 0.3</u>	<u>\$ -</u>
Liabilities				
Foreign currency forward contracts	\$ 0.1	\$ -	\$ 0.1	\$ -
	<u>\$ 0.1</u>	<u>\$ -</u>	<u>\$ 0.1</u>	<u>\$ -</u>

	December 31, 2013	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Deferred compensation plan assets	\$ 71.6	\$ 71.6	\$ -	\$ -
Foreign currency forward contracts	0.3	-	0.3	-
	<u>\$ 71.9</u>	<u>\$ 71.6</u>	<u>\$ 0.3</u>	<u>\$ -</u>

The carrying value of long-term debt approximates fair value, except for the Euro-denominated notes. The fair value of the Euro-denominated notes, as observable at commonly quoted intervals (level 2 inputs), was \$534.3 and \$520.1 as of June 30, 2014 and December 31, 2013, respectively, compared to a carrying value of \$479.1 and \$480.9, respectively.

(13) Segment Data

We are organized and managed primarily on a geographic basis, with Right Management currently operating as a separate global business unit. Each country and business unit generally has its own distinct operations and management team, providing services under our global brands, and maintains its own financial reports. We have an executive sponsor for each global brand who is responsible for ensuring the integrity and consistency of delivery locally. We develop and implement global workforce solutions for our clients that deliver the outcomes that help them achieve their business strategy. 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: Americas, which includes United States and Other Americas; Southern Europe, which includes France, Italy and Other Southern Europe; Northern Europe; APME; and Right Management.

The Americas, Southern Europe, Northern Europe and APME segments derive a significant majority of their revenues from the placement of contingent workers. The remaining revenues within these segments are derived from other workforce solutions and services, including recruitment and assessment, training and development, and ManpowerGroup Solutions. ManpowerGroup Solutions includes Talent Based Outsourcing (TBO), TAPPIN - Managed Service Provider (MSP), Recruitment Process Outsourcing (RPO), Borderless Talent Solutions (BTS), Strategic Workforce Consulting (SWC) and Language Services. The Right Management segment revenues are derived from career management and talent management services. Segment revenues represent sales to external clients. Due to the nature of our business, we generally do not have export sales. We provide services to a wide variety of clients, none of which individually comprise a significant portion of revenues for us as a whole.

	3 Months Ended June 30,		6 Months Ended June 30,	
	2014	2013	2014	2013
Revenues from services:				
Americas:				
United States (a)	\$ 775.9	\$ 748.5	\$ 1,496.4	\$ 1,454.6
Other Americas	375.2	387.2	725.8	774.1
	<u>1,151.1</u>	<u>1,135.7</u>	<u>2,222.2</u>	<u>2,228.7</u>
Southern Europe:				
France	1,412.1	1,320.6	2,629.4	2,465.8
Italy	313.9	278.4	588.6	536.3
Other Southern Europe	243.0	203.0	473.0	396.4
	<u>1,969.0</u>	<u>1,802.0</u>	<u>3,691.0</u>	<u>3,398.5</u>
Northern Europe	1,527.8	1,398.8	2,991.7	2,769.1
APME	594.0	623.3	1,167.7	1,255.8
Right Management	79.8	80.9	153.1	157.5
Consolidated (b)	<u>\$ 5,321.7</u>	<u>\$ 5,040.7</u>	<u>\$ 10,225.7</u>	<u>\$ 9,809.6</u>
Operating unit profit: (c)				
Americas:				
United States	\$ 29.7	\$ 30.6	\$ 43.1	\$ 38.0
Other Americas	14.0	11.9	26.6	20.6
	<u>43.7</u>	<u>42.5</u>	<u>69.7</u>	<u>58.6</u>
Southern Europe:				
France	71.9	40.9	123.1	70.6
Italy	18.3	14.7	30.9	26.4
Other Southern Europe	5.7	1.2	10.3	3.5
	<u>95.9</u>	<u>56.8</u>	<u>164.3</u>	<u>100.5</u>
Northern Europe	46.2	33.2	84.6	43.8
APME	21.0	20.2	41.2	35.0
Right Management	12.7	7.4	21.0	9.4
	<u>219.5</u>	<u>160.1</u>	<u>380.8</u>	<u>247.3</u>
Corporate expenses	(23.7)	(23.6)	(49.9)	(48.0)
Intangible asset amortization expense (c)	(8.4)	(8.4)	(16.6)	(16.8)
Operating profit	187.4	128.1	314.3	182.5
Interest and other expenses	(7.9)	(10.3)	(17.1)	(21.8)
Earnings before income taxes	<u>\$ 179.5</u>	<u>\$ 117.8</u>	<u>\$ 297.2</u>	<u>\$ 160.7</u>

- (a) In the United States, where a majority of our franchises operate, revenues from services included fees received from the related franchise offices of \$3.9 and \$3.8 for the three months ended June 30, 2014 and 2013, respectively, and \$7.3 and \$7.0 for the six months ended June 30, 2014 and 2013, respectively. These fees are primarily based on revenues generated by the franchise offices, which were \$190.3 and \$175.3 for the three months ended June 30, 2014 and 2013, respectively, and \$359.4 and \$330.4 for the six months ended June 30, 2014 and 2013, respectively.
- (b) Our consolidated revenues from services include fees received from our franchise offices of \$6.4 and \$6.1 for the three months ended June 30, 2014 and 2013, respectively, and \$11.9 and \$11.4 for the six months ended June 30, 2014 and 2013, respectively. These fees are primarily based on revenues generated by the franchise offices, which were \$286.6 and \$272.3 for the three months ended June 30, 2014 and 2013, respectively, and \$543.2 and \$507.0 for the six months ended June 30, 2014 and 2013, respectively.
- (c) We evaluate segment performance based on operating unit profit (“OUP”), which is equal to segment revenues less cost of services and branch and national headquarters operating costs. This profit measure does not include goodwill and intangible asset impairment charges or amortization of intangibles related to acquisitions, interest and other income and expense amounts or income taxes.

(14) Contingencies

For the three and six months ended June 30, 2014, we accrued legal costs of \$9.0 in the United States related to a settlement agreement in connection with a lawsuit in California involving allegations regarding our wage statements. The settlement agreement is still subject to final court approval which is expected later this year. We believe that the settlement is in our best interest to avoid the costs and disruption of ongoing litigation.

In France, during the second quarter of 2013, we experienced a significant increase in claims against us, requesting refunds for various payroll tax subsidies that we have received dating back to 2003 related to our French temporary associates. In March 2014, the French Supreme Court ruled in our favor on this matter, confirming that, as a matter of law, the benefit of the payroll tax subsidies belongs to the direct employer of the temporary associates. Therefore, we do not expect to incur any significant losses related to these claims.

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

See the financial measures section on pages 23 and 24 for further information on constant currency and organic constant currency.

Operating Results - Three Months Ended June 30, 2014 and 2013

Client demand for workforce solutions and 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 staffing services. During these periods of increasing demand as we saw in the second quarter of 2014, we are able to improve our profitability and operating leverage as our cost base can support some increase in business without a similar increase in selling and administrative expenses.

In the three months ended June 30, 2014, we experienced continued revenue growth in several of our markets as the global economy continued to stabilize. The improving economic conditions were seen in our consolidated revenue growth as we have maintained a steady trend of improvement each quarter over the past year, from a slight revenue decline of 0.3% in the third quarter of 2013 to a 3.7% increase for the second quarter of 2014 in constant currency. We saw this improving trend in many of our markets in the Americas and Europe; however, our APME segment continued to experience revenue declines. Our staffing/interim business increased in the quarter, along with a 4.3% constant currency increase in our permanent recruitment business and growth in all our ManpowerGroup Solutions offerings. At Right Management, we continued to experience revenue declines as the demand for our outplacement services decreased due to the improving economic conditions in several of our markets and the counter-cyclical nature of these services, while revenues from our talent management services increased 5.6% in constant currency.

Our gross profit margin in the second quarter of 2014 compared to 2013 increased as our staffing/interim gross profit margin improved and was partially offset by declining demand for our higher-margin Right Management outplacement services. Our staffing/interim gross profit margin improvement in the second quarter of 2014 compared to 2013 reflects strong price discipline, focused pricing initiatives, and additional payroll tax credits related to the Credit d’Impôt pour la Compétitivité et l’Emploi (“CICE”) in France. The CICE law provides credits based on a percentage of wages paid to employees receiving less than two-and-a-half times the French minimum wage, which we account for as a reduction of our cost of services in the period earned. The payroll tax credit increased to 6% of eligible wages in 2014 from 4% of eligible wages in 2013.

Our profitability improved in the quarter, with operating profit up 46.3%, or 43.2% in constant currency, and operating profit margin up 100 basis points compared to the second quarter of 2013. Included in the second quarter of 2013 was \$20.0 million of restructuring charges as a result of our simplification and cost recalibration plan that began in the fourth quarter of 2012. Excluding these charges, our operating profit was up 23.9% in constant currency and 60 basis points compared to the second quarter of 2013. Our simplification and cost recalibration plan initiatives have resulted in a lower cost basis for the company. We saw the benefit of this in the quarter, resulting in the improved operational leverage as we were able to support the higher revenue level without a similar increase in expenses.

The following table presents selected consolidated financial data for the three months ended June 30, 2014 as compared to 2013.

(in millions, except per share data)	2014	2013	Variance	Constant Currency Variance
Revenues from services	\$ 5,321.7	\$ 5,040.7	5.6%	3.7%
Cost of services	4,424.4	4,204.3	5.2	3.3
Gross profit	897.3	836.4	7.3	5.6
<i>Gross profit margin</i>	16.9%	16.6%		
Selling and administrative expenses	709.9	708.3	0.2	(1.2)
Operating profit	187.4	128.1	46.3	43.2
<i>Operating profit margin</i>	3.5%	2.5%		
Interest and other expenses	7.9	10.3	(24.0)	
Earnings before income taxes	179.5	117.8	52.5	48.7
Provision for income taxes	69.7	49.6	40.8	
<i>Effective income tax rate</i>	38.8%	42.1%		
Net earnings	\$ 109.8	\$ 68.2	61.0	57.4
Net earnings per share – diluted	\$ 1.35	\$ 0.87	55.2	51.7
Weighted average shares – diluted	81.4	78.6	3.5%	

The year-over-year increase in revenues from services of 5.6% (3.7% in constant currency and 3.1% on an organic constant currency basis) was attributed to:

- increased demand for services in several of our markets within Southern Europe and Northern Europe, where revenues increased 9.3% (4.2% in constant currency and 3.8% in organic constant currency) and 9.2% (4.6% in constant currency and 3.5% in organic constant currency), respectively. This included revenue increases in our larger markets of France and Italy of 6.9% (1.9% in constant currency) and 12.8% (7.5% in constant currency and 7.1% in organic constant currency), respectively, as we continued to experience stabilization in France and improving demand in Italy; and
- revenue increase in the United States of 3.7% primarily driven by growth in our larger national accounts and in the small/medium-sized business within our Manpower business, as well as solid growth in our MSP and RPO offerings within the ManpowerGroup Solutions business; partially offset by
- revenue decrease in APME of 4.7% (-1.8% in constant currency and -2.4% in organic constant currency) primarily due to a decrease in our staffing/interim business in Japan as we were challenged to recruit candidates in a tight labor market even though we experienced gradual improvement in demand for our staffing/services, and in China where legislative changes restricted the use of temporary employment; and
- decreased demand for outplacement services at Right Management, where these revenues decreased 3.8% (-5.1% in constant currency); and
- the unfavorable impact of 1.0% due to approximately one fewer billing day in the period.

The year-over-year 30 basis point (0.30%) increase in gross profit margin was primarily attributed to:

- a 40 basis point (0.40%) favorable impact from the improvement in our staffing/interim margin as increases in the Americas, Southern Europe and APME were offset by a decrease in Northern Europe. Overall, our Manpower business was up 50 basis points and Experis was up 40 basis points; partially offset by
- a 10 basis point (-0.10%) unfavorable impact from a decreased demand in our higher-margin outplacement services at Right Management.

The 0.2% increase in selling and administrative expenses in the second quarter of 2014 (a decrease of -1.2% in constant currency and -2.2% in organic constant currency) was attributed to:

- a 4.9% increase in organic salary-related costs primarily from an increase in our variable incentive-based costs due to improved operating results;
- legal costs of \$9.0 million recorded in the United States related to a settlement agreement (see the Employment-Related Items section of Management's Discussion and Analysis for additional information);
- the additional recurring selling and administrative costs incurred as a result of the acquisitions in Southern Europe, Northern Europe and APME; and
- a 1.0% increase due to the impact of currency exchange rates; partially offset by
- a decrease of restructuring costs from \$20.0 million for the three months ended June 30, 2013, comprised of \$4.4 million in the Americas, \$3.3 million in Southern Europe, \$9.3 million in Northern Europe, \$0.4 million in APME, \$2.6 million at Right Management to zero for the three months ended June 30, 2014;
- a property insurance recovery of \$3.5 million recorded in corporate expenses;
- a 4.6% decrease in lease and office-related costs because we closed over 150 offices since the second quarter of 2013 as a result of office consolidations and delivery model changes; and
- a decrease in other non-personnel related costs, excluding the property insurance recovery and lease and office-related costs noted above, as a result of the simplification and cost recalibration actions taken.

Selling and administrative expenses as a percent of revenues decreased 80 basis points (-0.80%) in the second quarter of 2014 compared to 2013. The change in selling and administrative expense as a percent of revenues consisted of:

- a 60 basis point (-0.60%) favorable impact due to the decrease of non-personnel related costs: -20 basis points due to the decrease in our lease and office-related costs, -10 basis points favorable impact due to the property insurance recovery noted above, and the remaining -30 basis points was due to other non-personnel related costs as a result of the simplification and cost recalibration actions taken; and
- a 40 basis point (-0.40%) favorable impact due to the decrease of restructuring costs noted above; partially offset by
- a 20 basis point (0.20%) increase due to the United States legal costs noted above.

Interest and other expenses are comprised of interest, foreign exchange gains and losses and other miscellaneous non-operating income and expenses. Interest and other expenses were \$7.9 million in the second quarter of 2014 compared to \$10.3 million in the second quarter of 2013. Net interest expense decreased \$1.2 million in the second quarter of 2014 to \$8.2 million from \$9.4 million in the second quarter of 2013 due to lower debt levels as we repaid our €200.0 million Notes in June 2013 with cash. Other income was \$0.3 million in the second quarter of 2014 compared to other expenses of \$0.9 million in the second quarter of 2013 due to translation gains recorded in the second quarter of 2014.

We recorded an income tax expense at an effective rate of 38.8% for the three months ended June 30, 2014, as compared to an effective rate of 42.1% for the three months ended June 30, 2013. The 2014 rate was favorably impacted by a change in the overall mix of earnings, primarily an increase to non-U.S. income. The 38.8% effective tax rate in the quarter was higher than the United States Federal statutory rate of 35%, and we currently expect a similar annual effective tax rate due primarily to the French business tax, repatriations, valuation allowances and other permanent items.

Net earnings per share - diluted was \$1.35 for the three months ended June 30, 2014 compared to \$0.87 for the three months ended June 30, 2013. Foreign currency exchange rates favorably impacted net earnings per share - diluted by approximately \$0.03 per share for the three months ended June 30, 2014.

Weighted average shares - diluted increased 3.5% to 81.4 million for the three months ended June 30, 2014 from 78.6 million for the three months ended June 30, 2013. This increase is due to shares issued as a result of exercises and vesting of share-based awards since the second quarter of 2013 and the dilutive effect of share-based awards because of the increase in our share price, partially offset by the impact of share repurchases completed in the first quarter of 2014.

Operating Results - Six Months Ended June 30, 2014 and 2013

The following table presents selected consolidated financial data for the six months ended June 30, 2014 as compared to 2013.

(in millions, except per share data)	2014	2013	Variance	Constant Currency Variance
Revenues from services	\$ 10,225.7	\$ 9,809.6	4.2%	3.3%
Cost of services	8,511.9	8,183.1	4.0	3.1
Gross profit	1,713.8	1,626.5	5.4	4.6
<i>Gross profit margin</i>	16.8%	16.6%		
Selling and administrative expenses	1,399.5	1,444.0	(3.1)	(3.7)
Operating profit	314.3	182.5	72.3	70.5
<i>Operating profit margin</i>	3.1%	1.9%		
Interest and other expenses	17.1	21.8	(21.7)	
Earnings before income taxes	297.2	160.7	85.0	82.6
Provision for income taxes	117.3	68.6	71.2	
<i>Effective income tax rate</i>	39.5%	42.7%		
Net earnings	\$ 179.9	\$ 92.1	95.3	93.5
Net earnings per share – diluted	\$ 2.21	\$ 1.17	88.9	87.2
Weighted average shares – diluted	81.4	78.6	3.6%	

The year-over-year increase in revenues from services of 4.2% (3.3% in constant currency and 2.8% on an organic constant currency basis) was attributed to:

- increased demand for services in several of our markets within Southern Europe and Northern Europe, where revenues increased 8.6% (4.0% in constant currency and 3.6% in organic constant currency) and 8.0% (4.6% in constant currency and 3.4% in organic constant currency), respectively. This included revenue increases in our larger markets of France and Italy of 6.6% (2.1% in constant currency) and 9.8% (5.1% in constant currency and 4.7% in organic constant currency), respectively, as we continued to experience stabilization in France and improving demand in Italy; and
- revenue increase in the United States of 2.9% primarily driven by growth in our larger national accounts and in the small/medium-sized business within our Manpower business as well as solid growth in our MSP and RPO offerings within the ManpowerGroup Solutions business; partially offset by
- revenue decrease in APME of 7.0% (-1.5% in constant currency and -1.9% in organic constant currency) primarily due to a decrease in our staffing/interim business in Japan as we were challenged to recruit candidates in a tight labor market even though we experienced gradual improvement in demand for our staffing/services, and in China where legislative changes restricted the use of temporary employment; and
- decreased demand for outplacement services at Right Management, where these revenues decreased 3.5% (-4.0% in constant currency).

The year-over-year 20 basis point (0.20%) increase in gross profit margin was primarily attributed to:

- a 30 basis point (0.30%) favorable impact from the improvement in our staffing/interim margin as increases in the Americas and Southern Europe were partially offset by a decrease in Northern Europe while APME remained flat; and
- a 10 basis point (0.10%) favorable impact resulting from a 6.6% constant currency increase in our permanent recruitment business; partially offset by
- a 10 basis point (-0.10%) unfavorable impact from decreased demand for our higher-margin outplacement services at Right Management; and
- a 10 basis point (-0.10%) decline from our ManpowerGroup Solutions business, primarily a result of costs related to a contract termination.

The 3.1% decline in selling and administrative expenses for the six months ended June 30, 2014 (-3.7% in constant currency and -4.5% in organic constant currency) was attributed to:

- a decrease in restructuring costs from \$54.8 million for the six months ended June 30, 2013, comprised of \$10.3 million in the Americas, \$4.5 million in Southern Europe, \$26.4 million in Northern Europe, \$2.8 million in APME, \$6.4 million at Right Management and \$4.4 million in corporate expenses to zero for the six months ended June 30, 2014;
- a property insurance recovery of \$3.5 million recorded in corporate expenses;
- a 6.4% decrease in lease and office-related costs because we closed over 150 offices since the second quarter of 2013 as a result of office consolidations and delivery model changes; and
- a decrease in other non-personnel related costs, excluding the property insurance recovery and lease and office-related costs noted above, as a result of the simplification and cost recalibration actions taken; partially offset by
- legal costs of \$9.0 million recorded in the United States related to a settlement agreement (see the Employment-Related Items section of Management's Discussion and Analysis for additional information);
- a 1.8% increase in organic salary-related costs primarily from an increase in our variable incentive-based costs due to improved operating results; and
- the additional recurring selling and administrative costs incurred as a result of the acquisitions in Southern Europe, Northern Europe and APME.

Selling and administrative expenses as a percent of revenues decreased 100 basis points (-1.00%) for the six months ended June 30, 2014. The change in selling and administrative expense as a percent of revenues consisted of:

- a 60 basis point (-0.60%) favorable impact due to the decrease of restructuring costs noted above; and
- a 40 basis point (-0.40%) favorable impact due to the decrease of non-personnel related costs: -20 basis points due to the decrease in our lease and office-related costs and -20 basis points due to the decrease in other non-personnel related costs as a result of the simplification and cost recalibration actions taken.

Interest and other expenses were \$17.1 million for the six months ended June 30, 2014 compared to \$21.8 million for the six months ended June 30, 2013. Net interest expense decreased \$3.3 million for the six months ended June 30, 2014 to \$15.9 million from \$19.2 million for the six months ended June 30, 2013 due to lower debt levels as we repaid our €200.0 million Notes in June 2013 with cash. Other expenses were \$1.2 million for the six months ended June 30, 2014 compared to \$2.6 million for the six months ended June 30, 2013 due to translation gains recorded in the first half of 2014.

We recorded an income tax expense at an effective rate of 39.5% for the six months ended June 30, 2014, as compared to an effective rate of 42.7% for the six months ended June 30, 2013. The 2014 rate was favorably impacted by a change in the overall mix of earnings, primarily an increase to non-U.S. income. The 39.5% effective tax rate for the six months ended June 30, 2014 was higher than the United States Federal statutory rate of 35% due primarily to the French business tax, repatriations, valuation allowances and other permanent items.

Net earnings per share - diluted was \$2.21 for the six months ended June 30, 2014 compared to \$1.17 for the six months ended June 30, 2013. Foreign currency exchange rates favorably impacted net earnings per share - diluted by approximately \$0.02 per share for the six months ended June 30, 2014.

Weighted average shares - diluted increased 3.6% to 81.4 million for the six months ended June 30, 2014 from 78.6 million for the six months ended June 30, 2013. This increase is due to shares issued as a result of exercises and vesting of share-based awards since the second quarter of 2013 and the dilutive effect of share-based awards because of the increase in our share price, partially offset by the impact of share repurchases completed in the first quarter of 2014.

Segment Operating Results

Americas

In the Americas, revenues from services increased 1.4% (5.0% in constant currency) in the second quarter of 2014 compared to 2013. In the United States, revenues from services increased 3.7% in the second quarter of 2014 compared to 2013. The revenue increase in the United States was attributable to growth in our larger national accounts and in the small/medium-sized business within our Manpower business, specifically the industrial and light industrial sectors, and strong growth in our MSP and RPO offerings within the ManpowerGroup Solutions business. These increases were partially offset by a decrease in revenue from our larger global accounts primarily due to stronger pricing discipline. In Other Americas, revenues from services declined 3.1% (7.7% increase in constant currency) in the second quarter of 2014 compared to 2013. We experienced constant currency revenue growth in Canada, Argentina due to inflation, Colombia and Brazil of 5.1%, 18.4%, 44.4% and 10.4%, respectively, offset by a 0.6% constant-currency decline in Mexico.

In the Americas, revenues from services decreased 0.3% (3.8% increase in constant currency) in the first half of 2014 compared to 2013. In the United States, revenues from services increased 2.9% in the first half of 2014 compared to 2013. The revenue increase in the United States was attributable to growth in our larger national accounts and in the small/medium-sized business within our Manpower business and solid growth in our MSP and RPO offerings within the ManpowerGroup Solutions business. These increases were partially offset by severe weather conditions in certain areas of the United States that negatively impacted demand for our services in the first quarter of 2014, as well as a decrease in revenue from our larger global accounts primarily due to stronger pricing discipline. In Other Americas, revenues from services declined 6.3% (5.7% increase in constant currency) in the first half of 2014 compared to 2013. We experienced constant currency revenue growth in Canada, Argentina due to inflation, Colombia and Brazil of 2.6%, 15.0%, 26.8%, and 12.6%, respectively, offset by a 0.2% constant-currency decline in Mexico.

Gross profit margin increased in the second quarter of 2014 compared to 2013 due to the favorable impact from improved Experis interim margins resulting from strong price discipline in selectively accepting new business opportunities and aggressively managing the pay bill gap with our clients. This increase was partially offset by a 3.9% decrease (-1.1% in constant currency) in our permanent recruitment business, business mix changes in our Manpower staffing revenue as growth came from some of our lower-margin business, and pricing pressures within the small/medium-sized business in the United States.

Gross profit margin was flat in the first half of 2014 compared to 2013 as the favorable impact from improved Experis interim margins resulting from strong price discipline in selectively accepting new business opportunities and aggressively managing the pay bill gap with our clients, was offset by business mix changes in our Manpower staffing revenue as growth came from some of our lower-margin business, and pricing pressures within the small/medium-sized business in the United States.

In the second quarter of 2014, selling and administrative expenses increased 1.4% (4.3% in constant currency) due to legal costs of \$9.0 million recorded in the second quarter of 2014, partially offset by the \$4.4 million of restructuring costs incurred in the second quarter of 2013 that we did not incur in the second quarter of 2014.

In the first half of 2014, selling and administrative expenses decreased 3.4% (-0.4% in constant currency) due to the \$10.3 million of restructuring costs incurred in the first half of 2013 that we did not incur in the first half of 2014 and the declines in non-personnel related costs, excluding the legal costs noted above, as a result of the simplification and cost recalibration actions taken in 2013, partially offset by \$9.0 million of legal costs recorded in the first half of 2014.

Operating Unit Profit (“OUP”) margin in the Americas was 3.8% and 3.7% for the second quarter of 2014 and 2013, respectively. In the United States, OUP margin was 3.8% in the second quarter of 2014 compared to 4.1% in 2013. The margin decrease in the second quarter of 2014 in the United States was due to the legal costs noted above partially offset by a decrease in restructuring costs. Excluding the legal costs and restructuring costs, OUP margin increased due to higher gross profit margin and better operational leverage, as we were able to support an increase in revenues without a similar increase in expenses. Other Americas OUP margin was 3.7% in the second quarter of 2014 compared to 3.1% in the second quarter of 2013. The increase in the Other Americas OUP margin was due to declines in restructuring costs and in salary-related and lease costs as a result of the simplification and cost recalibration actions taken in 2013, which were partially offset by the decline in the gross profit margin.

OUP margin in the Americas was 3.1% and 2.6% for the first half of 2014 and 2013, respectively. In the United States, OUP margin was 2.9% in the first half of 2014 compared to 2.6% in 2013. The margin increase in the first half of 2014 in the United States was due to better operational leverage, as we were able to support an increase in revenues while expenses remained relatively flat, partially offset by the legal costs noted above. Other Americas OUP margin was 3.7% in the first half of 2014 compared to 2.7% in the first half of 2013. The increase in the Other Americas OUP margin was due to declines in restructuring costs and in salary-related and lease costs as a result of the simplification and cost recalibration actions taken in 2013, partially offset by a decline in the gross profit margin.

Southern Europe

In Southern Europe, which includes operations in France and Italy, revenues from services increased 9.3% (4.2% in constant currency and 3.8% in organic constant currency) in the second quarter of 2014 compared to 2013. In the second quarter of 2014, revenues from services increased 1.9% in constant currency in France (which represents 72% of Southern Europe’s revenues) and increased 7.1% in organic constant currency in Italy (which represents 16% of Southern Europe’s revenues). The increase in France is due primarily to the continued stabilization of the French economic market. The increase in Italy is mostly due to the improvement in demand for our Manpower staffing services as clients opted for more flexible labor solutions during the current economic conditions and a 30.9% constant currency increase in the permanent recruitment business, partially offset by one fewer billing day in the second quarter. In Other Southern Europe, revenues from services increased 19.7% (14.9% in constant currency and 11.5% in organic constant currency) during the second quarter of 2014 compared to 2013 driven by the revenue increase in Spain due to improving economic conditions and clients acquired from a local competitor in July 2013.

Revenues from services increased 8.6% (4.0% in constant currency and 3.6% in organic constant currency) in the first half of 2014 compared to 2013. In the first half, revenues from services increased 2.1% in constant currency in France, and increased 4.7% in organic constant currency in Italy. The increase in France is due primarily to the continued stabilization of the French economic market. The increase in Italy is mostly due to the improvement in demand for our Manpower staffing services as clients opted for more flexible labor solutions during the current economic conditions and a 29.8% constant currency increase in the permanent recruitment business, partially offset by two fewer billing days in the first half of 2014 compared to 2013. In Other Southern Europe, revenues from services increased 19.3% (14.8% in constant currency and 11.5% in organic constant currency) during the first half of 2014 compared to 2013 driven by the revenue increase in Spain due to improving economic conditions and clients acquired from a local competitor in July 2013.

Gross profit margin increased in both the second quarter and first half of 2014 compared to 2013 due to strong price discipline, enhanced CICE payroll tax credits in France and an increase in our permanent recruitment business, partially offset by the continued pricing pressures in some markets.

Selling and administrative expenses increased 1.8% (-2.9% decrease in constant currency and -3.0% in organic constant currency) during the second quarter of 2014 compared to 2013 primarily related to an increase in organic salary-related costs, partially offset by \$3.3 million of restructuring costs incurred in the second quarter of 2013 that we did not incur in the second quarter of 2014 and the simplification and cost recalibration actions taken in 2013.

Selling and administrative expenses increased 2.7% (-1.6% decrease in constant currency and -1.8% in organic constant currency) during the first half of 2014 compared to 2013 primarily related to an increase in organic salary-related costs, partially offset by \$4.5 million of restructuring costs incurred in the first half of 2013 that we did not incur in the first half of 2014 and the simplification and cost recalibration actions taken in 2013.

OUP margin in Southern Europe was 4.9% for the second quarter of 2014 compared to 3.1% for 2013. In France, the OUP margin was 5.1% for the second quarter of 2014 compared to 3.1% for 2013, due to the improvement in our gross profit margin and improved operational leverage as we were able to support the higher revenue level with lower expenses. In Italy, the OUP margin was 5.8% for the second quarter of 2014 compared to 5.3% for 2013, as we were able to effectively manage selling and administrative expenses while revenues increased, partially offset by the decrease in our gross profit margin and the impact of one fewer billing day. Other Southern Europe's OUP margin increased to 2.4% for the second quarter of 2014 from 0.6% in 2013 as we were able to effectively manage selling and administrative expenses while revenues increased.

OUP margin in Southern Europe was 4.5% for the first half of 2014 compared to 3.0% for 2013. In France, the OUP margin was 4.7% for the first half of 2014 compared to 2.9% for 2013, due to the improvement in our gross profit margin and improved operational leverage as we were able to support the higher revenue level with lower expenses. In Italy, the OUP margin was 5.3% for the first half of 2014 compared to 4.9% for 2013, as we were able to effectively manage selling and administrative expenses while revenues increased, partially offset by the decrease in our gross profit margin and the impact of two fewer billing days. Other Southern Europe's OUP margin increased to 2.2% for the first half of 2014 from 0.9% in 2013 as we were able to effectively manage selling and administrative expenses while revenues increased and the decrease in restructuring costs, partially offset by the decrease of the gross profit margin.

Northern Europe

In Northern Europe, which includes operations in the United Kingdom, the Nordics, Germany and the Netherlands (comprised of 34%, 21%, 12%, and 10%, respectively, of Northern Europe's revenues), revenues from services increased 9.2% (4.6% in constant currency and 3.5% in organic constant currency) in the second quarter of 2014 as compared to 2013. The increase in revenues from services was primarily attributable to the increase in our staffing/interim business as a result of the improving economic conditions in most Northern European countries, a 12.3% constant currency increase in our permanent recruitment business mostly due to growth in the United Kingdom and the Netherlands, partially offset by one fewer billing day in the quarter.

Revenues from services increased 8.0% (4.6% in constant currency and 3.4% on an organic constant currency basis) in the first half of 2014 as compared to 2013. The increase in revenues from services was primarily attributable to the increase in our staffing/interim business as a result of the improving economic conditions in most Northern European countries and a 12.1% constant currency increase in our permanent recruitment business mostly due to growth in the United Kingdom and the Netherlands.

Gross profit margin decreased in the second quarter of 2014 compared to 2013 due to the decline in our staffing/interim margins as a result of business mix changes in our staffing/interim revenue, as growth came from our lower-margin countries, and general pricing pressures in several markets, partially offset by an increase in our permanent recruitment business.

Gross profit margin decreased in the first half of 2014 compared to 2013 due to the decline in our staffing/interim margins as a result of business mix changes in our staffing/interim revenue, as growth came from our lower-margin countries, general pricing pressures in several markets and client contract termination costs recorded in the first quarter, partially offset by an increase in our permanent recruitment business.

Selling and administrative expenses increased 3.2% (-0.8% decrease in constant currency and -3.4% in organic constant currency) in the second quarter of 2014 compared to 2013. The increase in selling and administrative expenses was due primarily to the increase in organic salary-related costs because of recruiters added to support the increase in revenue and an increase in our variable incentive-based costs due to improved operating results and additional recurring selling and administrative costs incurred as a result of acquisitions, partially offset by the \$9.3 million of restructuring costs incurred the second quarter of 2013 that we did not incur in the second quarter of 2014.

Selling and administrative expenses decreased 3.1% (-5.9% decrease in constant currency and -8.1% on an organic constant currency basis) in the first half of 2014 compared to 2013. The decrease in selling and administrative expenses was due primarily to the \$26.4 million of restructuring costs incurred in the first half of 2013 that we did not incur in the first half of 2014 and a decrease in lease costs as a result of the simplification and cost recalibration actions taken, partially offset by the additional recurring selling and administrative costs incurred as a result of acquisitions and an increase in organic salary-related costs because of recruiters added to support the increase in revenue and an increase in our variable incentive-based costs due to improved operating results.

OUP margin for Northern Europe was 3.0% and 2.4% for the second quarter of 2014 and 2013, respectively. The increase in OUP margin was the result of better operational leverage, as we were able to support the higher revenue levels with lower expenses.

OUP margin for Northern Europe was 2.8% and 1.6% for the first half of 2014 and 2013, respectively. The increase in OUP margin was the result of better operational leverage, as we were able to support the higher revenue levels with lower expenses.

In APME, revenues from services decreased 4.7% (-1.8% in constant currency and -2.4% in organic constant currency) in the second quarter of 2014 compared to 2013. In Japan (which represents 36% of APME's revenues), revenues from services decreased 7.3% (-3.9% in constant currency) as we were challenged to recruit candidates in a tight labor market even though we experienced gradual improvement in demand for our staffing/interim services. In Australia (which represents 23% of APME's revenues), revenues from services were down 5.2% (0.5% increase in constant currency and -1.1% in organic constant currency) for the second quarter of 2014 compared to 2013 due to the decreased demand for our staffing/interim services and the unfavorable impact of one fewer billing day. The remaining revenue decrease in APME is due to the staffing/interim revenue decline in China as a result of legislative changes that restricted the use of temporary employment.

Revenues from services decreased 7.0% (-1.5% in constant currency and -1.9% in organic constant currency) in the first half of 2014 compared to 2013. In Japan, revenues from services decreased 9.8% (-3.1% in constant currency) as we were challenged to recruit candidates in a tight labor market even though we experienced gradual improvement in demand for our staffing/interim services, partially offset by the increase of 11.5% in constant currency in the permanent recruitment business. In Australia, revenues from services were down 10.2% (-0.5% in constant currency and -1.8% in organic constant currency) in the first half of 2014 compared to 2013 due to the decreased demand for our staffing/interim services, partially offset by an 8.8% increase in constant currency in the permanent recruitment business. The remaining revenue decrease in APME is due to the staffing/interim revenue decline in China as a result of legislative changes that restricted the use of temporary employment.

Gross profit margin increased in the second quarter of 2014 compared to 2013 due to the slight increase in our staffing/interim gross profit margin due to business mix changes.

Gross profit margin increased in the first half of 2014 compared to 2013 due to the change in business mix as our lower-margin business represented a smaller percentage of the revenue mix and an increase of 5.6% in constant currency in our permanent recruitment business.

Selling and administrative expenses decreased 5.4% (-2.4% in constant currency and -3.5% in organic constant currency) in the second quarter of 2014 compared to 2013 due to a decrease in non-personnel related costs as a result of the simplification and cost recalibration actions taken in 2013, reduced organic compensation-related expenses due to lower headcount and \$0.4 million of restructuring costs incurred in the second quarter of 2013 that we did not incur in the second quarter of 2014.

Selling and administrative expenses decreased 10.3% (-4.6% in constant currency and -5.5% in organic constant currency) in the first half of 2014 compared to 2013 related to reduced organic compensation-related expenses due to lower headcount, a decrease in non-personnel related costs as a result of the simplification and cost recalibration actions taken in 2013 and \$2.8 million of restructuring costs incurred in the first half of 2013 that we did not incur in the first half of 2014.

OUP margin for APME was 3.5% in the second quarter of 2014 compared to 3.3% in 2013. OUP margin increased for the second quarter of 2014 compared to 2013 due to the slight increase in our gross profit margin as well as the decrease in salary-related expenses and restructuring costs.

OUP margin for APME was 3.5% in the first half of 2014 compared to 2.8% in 2013. OUP margin increased in the first half of 2014 compared to 2013 due to the increase in our gross profit margin as well as the decrease in salary-related expenses and restructuring costs.

Right Management

Revenues from services decreased 1.4% (-2.7% in constant currency) in the second quarter of 2014 compared to 2013 primarily due to the 3.8% decrease (-5.1% in constant currency) in our outplacement services as we experienced softer demand due to the stabilization of economic conditions in many of our markets and counter-cyclical nature of this business. Our talent management business increased 7.0% in the second quarter of 2014 compared to 2013 (5.4% in constant currency) due to employers' increasing confidence and resulting investment in their workforce.

Revenues from services decreased 2.8% (-3.4% in constant currency) in the first half of 2014 compared to 2013 primarily due to the 3.5% decrease (-4.0% in constant currency) in our outplacement services as we experienced softer demand due to the stabilization of economic conditions in many of our markets and counter-cyclical nature of this business. Our talent management business increased 2.4% in the first half of 2014 compared to 2013 (1.6% in constant currency).

Gross profit margin decreased in the second quarter and first half of 2014 compared to 2013 due to margin deterioration in the outplacement business and the change in business mix as the lower-margin talent management business represented a greater percentage of the revenue mix, partially offset by the increase in the talent management business gross profit margin.

Selling and administrative expenses decreased 15.3% (-16.5% in constant currency) in the second quarter of 2014 compared to 2013 due to the cost savings from more efficient delivery solutions and the simplification and cost recalibration plan favorably impacting expense levels, as well as the \$2.6 million of restructuring costs incurred in the second quarter of 2013 that we did not incur in the second quarter of 2014.

Selling and administrative expenses decreased 17.0% (-17.4% in constant currency) in the first half of 2014 compared to 2013 due to the cost savings from more efficient delivery solutions and the simplification and cost recalibration plan favorably impacting expense levels, as well as the \$6.4 million of restructuring costs incurred in the first half of 2013 that we did not incur in the first half of 2014.

OUP margin for Right Management was 16.0% in the second quarter of 2014 compared to 9.2% in 2013. OUP margin was 13.7% in the first half of 2014 compared to 6.0% in 2013. The OUP margin for the second quarter and first half of 2014 improved due to the decrease in selling and administrative expenses as a result of the cost savings from more efficient delivery solutions and the simplification and cost recalibration plan and the decrease in restructuring costs, partially offset by the decline in the gross profit margin.

Financial Measures

Constant Currency and Organic Constant Currency Reconciliation

Changes in our financial results include the impact of changes in foreign currency exchange rates. We provide “constant currency” and “organic constant currency” calculations in our quarterly report to remove the impact of these items. We express year-over-year variances that were 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 United States Dollars using the same foreign currency exchange rates that we used to translate financial data for the previous period. We believe that this calculation is a useful measure, indicating the actual growth of our operations. We use constant currency results in our analysis of subsidiary or segment performance. We also use constant currency when analyzing our performance against that of our competitors. Substantially all of our subsidiaries derive revenues and incur expenses within a single country and, consequently, do not generally incur currency risks in connection with the conduct of their normal business operations. Changes in foreign currency exchange rates primarily impact only reported earnings and not our actual cash flow or economic condition.

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

The constant currency and organic constant currency financial measures are used to supplement those measures that are in accordance with United States Generally Accepted Accounting Principles (“GAAP”). These Non-GAAP financial measures may not provide information that is directly comparable to that provided by other companies in our industry, as other companies may calculate such financial results differently. These Non-GAAP financial measures are not measurements of financial performance under GAAP, and should not be considered as alternatives to measures presented in accordance with GAAP.

Reconciliation of these Non-GAAP percentage variances to those calculated based on our GAAP financial results is provided below:

3 Months Ended June 30, 2014 Compared to 2013

	<u>Reported Amount(a)</u>	<u>Reported Variance</u>	<u>Impact of Currency</u>	<u>Variance in Constant Currency</u>	<u>Impact of Acquisitions/ Dispositions (In Constant Currency)</u>	<u>Organic Constant Currency Variance</u>
Revenues from services:						
Americas:						
United States	\$ 775.9	3.7%	-%	3.7%	-%	3.7%
Other Americas	375.2	(3.1)	(10.8)	7.7	-	7.7
	<u>1,151.1</u>	1.4	(3.6)	5.0	-	5.0
Southern Europe:						
France	1,412.1	6.9	5.0	1.9	-	1.9
Italy	313.9	12.8	5.3	7.5	0.4	7.1
Other Southern Europe	243.0	19.7	4.8	14.9	3.4	11.5
	<u>1,969.0</u>	9.3	5.1	4.2	0.4	3.8
Northern Europe	1,527.8	9.2	4.6	4.6	1.1	3.5
APME	594.0	(4.7)	(2.9)	(1.8)	0.6	(2.4)
Right Management	79.8	(1.4)	1.3	(2.7)	-	(2.7)
Consolidated	<u>\$ 5,321.7</u>	5.6	1.9	3.7	0.6	3.1
Gross Profit	\$ 897.3	7.3	1.7	5.6	1.2	4.4
Selling and Administrative Expense	\$ 709.9	0.2	1.4	(1.2)	1.0	(2.2)
Operating Profit	\$ 187.4	46.3	3.1	43.2	2.3	40.9

(a) In millions for the three months ended June 30, 2014.

6 Months Ended June 30, 2014 Compared to 2013

	<u>Reported Amount(a)</u>	<u>Reported Variance</u>	<u>Impact of Currency</u>	<u>Variance in Constant Currency</u>	<u>Impact of Acquisitions/ Dispositions (In Constant Currency)</u>	<u>Organic Constant Currency Variance</u>
Revenues from services:						
Americas:						
United States	\$ 1,496.4	2.9%	-%	2.9%	-%	2.9%
Other Americas	725.8	(6.3)	(12.0)	5.7	-	5.7
	<u>2,222.2</u>	(0.3)	(4.1)	3.8	-	3.8
Southern Europe:						
France	2,629.4	6.6	4.5	2.1	-	2.1
Italy	588.6	9.8	4.7	5.1	0.4	4.7
Other Southern Europe	473.0	19.3	4.5	14.8	3.3	11.5
	<u>3,691.0</u>	8.6	4.6	4.0	0.4	3.6
Northern Europe	2,991.7	8.0	3.4	4.6	1.2	3.4
APME	1,167.7	(7.0)	(5.5)	(1.5)	0.4	(1.9)
Right Management	153.1	(2.8)	0.6	(3.4)	-	(3.4)
Consolidated	<u>\$ 10,225.7</u>	4.2	0.9	3.3	0.5	2.8
Gross Profit	\$ 1,713.8	5.4	0.8	4.6	1.1	3.5
Selling and Administrative Expenses	\$ 1,399.5	(3.1)	0.6	(3.7)	0.8	(4.5)
Operating Profit	\$ 314.3	72.3	1.8	70.5	3.3	67.2

(a) In millions for the six months ended June 30, 2014.

Liquidity and Capital Resources

Cash used to fund our operations is primarily generated through operating activities and provided by our existing credit facilities. We believe that our available cash and our existing credit facilities are sufficient to cover our cash needs for the foreseeable future. We assess and monitor our liquidity and capital resources globally. We use a global cash pooling arrangement, intercompany lending, and some local credit lines to meet funding needs and allocate our capital resources among our various entities. As of June 30, 2014, we had \$445.0 million of cash held by foreign subsidiaries that was not available to fund domestic operations unless repatriated. We anticipate cash repatriations to the United States from certain foreign subsidiaries and have provided for deferred tax related to those foreign earnings not considered to be permanently invested. As of June 30, 2014, we have identified approximately \$433.1 million of non-United States earnings that are not permanently invested. We may repatriate additional earnings in the future as cash needs arise.

Cash used in operating activities was \$16.0 million during the first half of 2014 compared to \$71.6 million during the first half of 2013. This decrease is primarily due to the higher operating earnings in 2014. Changes in operating assets and liabilities utilized \$275.4 million of cash during the first half of 2014 compared to \$242.8 million utilized during the first half of 2013. This additional usage is mainly due to a larger increase in accounts receivable, due to the higher revenue growth this year, and the larger CICE receivable, partly offset by an increase in accounts payable due to the timing of payments.

Accounts receivable increased to \$4,501.0 million as of June 30, 2014 from \$4,277.9 million as of December 31, 2013. This increase is mostly due to the growth in the business. At constant exchange rates, the June 30, 2014 balance would have been approximately \$0.6 million higher than reported.

Capital expenditures were \$20.6 million in the first half of 2014 compared to \$25.1 million in the first half of 2013. These expenditures were primarily comprised of purchases of computer equipment, office furniture and other costs related to office openings and refurbishments.

From time to time, we acquire and invest in companies throughout the world, including franchises. The total cash consideration for acquisitions, net of cash acquired, was \$23.7 million and \$16.9 million for the first half of 2014 and 2013, respectively.

Cash provided by net debt borrowings was \$14.7 million in the first half of 2014 compared to net debt payments of \$229.8 million in the first half of 2013.

Our €350.0 million notes are due June 2018. When the notes mature, we plan to repay the amount with available cash, borrowings under our \$600.0 million revolving credit facility or a new borrowing. The credit terms, including interest rate and facility fees, of any replacement borrowings will be dependent upon the condition of the credit markets at that time. We currently do not anticipate any problems accessing the credit markets should we decide to replace the €350.0 million notes.

As of June 30, 2014, we had letters of credit totaling \$0.9 million issued under our \$600.0 million revolving credit facility. Additional borrowings of \$599.1 million were available to us under the facility as of June 30, 2014.

The \$600.0 million revolving credit agreement requires that we comply with a leverage ratio (Debt-to-EBITDA) of not greater than 3.5 to 1 and a fixed charge coverage ratio of not less than 1.5 to 1. As defined in the agreement, we had a Debt-to-EBITDA ratio of 0.39 to 1 and a fixed charge coverage ratio of 3.84 to 1 as of June 30, 2014. Based on our current forecast, we expect to be in compliance with our financial covenants for the next 12 months.

In addition to the previously mentioned facilities, we maintain separate bank credit lines with financial institutions to meet working capital needs of our subsidiary operations. As of June 30, 2014, such credit lines totaled \$371.4 million, of which \$321.6 million was unused. Under the revolving credit agreement, total subsidiary borrowings cannot exceed \$300.0 million in the first, second and fourth quarters, and \$600.0 million in the third quarter of each year. Due to limitations on subsidiary borrowings in our revolving credit agreement, additional borrowings of \$250.2 million could have been made under these lines as of June 30, 2014.

We currently have a Board of Directors authorization to repurchase 8.0 million shares of our common stock. Share repurchases may be made 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. We repurchased 0.2 million shares at a cost of \$16.7 million during the first half of 2014. No repurchases were made during the first half of 2013. As of June 30, 2014, there were 7.8 million shares remaining authorized for repurchase under this authorization.

On April 29, 2014, the Board of Directors declared a semi-annual cash dividend of \$0.49 per share, which was paid on June 16, 2014 to shareholders of record on June 2, 2014.

We had aggregate commitments related to debt repayments, operating leases, severances and office closure costs, and certain other commitments of \$1,552.1 million as of June 30, 2014 compared to \$1,573.6 million as of December 31, 2013.

We also have entered into guarantee contracts and stand-by letters of credit that total approximately \$182.3 million and \$156.5 million as of June 30, 2014 and December 31, 2013, respectively, consisting of \$137.8 million and \$118.2 million for guarantees, respectively, and \$44.5 million and \$38.3 million for stand-by letters of credit, respectively. Guarantees primarily relate to bank accounts, operating leases and indebtedness. The letters of credit relate to workers' compensation, operating leases and indebtedness. If certain conditions were met under these arrangements, we would be required to satisfy our obligations in cash. Due to the nature of these arrangements and our historical experience, we do not expect any significant payments under these arrangements. Therefore, they have been excluded from our aggregate commitments. The cost of these guarantees and letters of credit was \$1.0 million and \$0.9 million in the first half of 2014 and 2013, respectively.

We recorded net restructuring costs of \$54.8 million in the six months ended June 30, 2013 in selling and administrative expenses, related to severances and office closures and had a reserve of \$48.4 million remaining for such costs as of December 31, 2013. During the first half of 2014, we made payments of \$23.5 million out of our restructuring reserve. We expect a majority of the remaining \$24.9 million reserve will be paid by the end of 2014. Changes in the restructuring costs by reportable segment and Corporate are shown in Note 5 to the Consolidated Financial Statements.

Employment-Related Items

For the three and six months ended June 30, 2014, we accrued legal costs of \$9.0 million in the United States related to a settlement agreement in connection with a lawsuit in California involving allegations regarding our wage statements. The settlement agreement is still subject to final court approval which is expected later this year. We believe that the settlement is in our best interest to avoid the costs and disruption of ongoing litigation.

In France, during the second quarter of 2013, we experienced a significant increase in claims against us, requesting refunds for various payroll tax subsidies that we have received dating back to 2003 related to our French temporary associates. In March 2014, the French Supreme Court ruled in our favor on this matter, confirming that, as a matter of law, the benefit of the payroll tax subsidies belongs to the direct employer of the temporary associates. Therefore, we do not expect to incur any significant losses related to these claims.

Recently Issued Accounting Standards

See Note 2 to the Consolidated Financial Statements.

Forward-Looking Statements

Statements made in this quarterly report that are not statements of historical fact are forward-looking statements. In addition, from time to time, we and our representatives may make statements that are forward-looking. All forward-looking statements involve risks and uncertainties. The information in Item 1A. Risk Factors in our annual report on Form 10-K for the year ended December 31, 2013, which information is incorporated herein by reference, provides cautionary statements identifying, for purposes of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, important factors that could cause our actual results to differ materially from those contained in the forward-looking statements. Forward-looking statements can be identified by words such as "expect," "anticipate," "intend," "plan," "may," "believe," "seek," "estimate," and similar expressions. Some or all of the factors identified in our annual report on Form 10-K may be beyond our control. We caution that any forward-looking statement reflects only our belief at the time the statement is made. We undertake no obligation to update any forward-looking statements to reflect subsequent events or circumstances.

Item 3 – Quantitative and Qualitative Disclosures About Market Risk

Our 2013 Annual Report on Form 10-K contains certain disclosures about market risks affecting us. There have been no material changes to the information provided which would require additional disclosures as of the date of this filing.

Item 4 – Controls and Procedures

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

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

PART II - OTHER INFORMATION

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

In December 2012, the Board of Directors authorized the repurchase 8.0 million shares of our common stock. Share repurchases may be made 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. As of June 30, 2014, there were 7.8 million shares remaining authorized for repurchase under this authorization. The following table shows the total amount of shares repurchased during the second quarter of 2014.

ISSUER PURCHASES OF EQUITY SECURITIES

	Total number of shares purchased	Average price paid per share	Total number of shares purchased as part of publicly announced plan	Maximum number of shares that may yet be purchased
April 1- 30, 2014	-	\$ -	-	7,777,305
May 1 - 31, 2014	-	-	-	7,777,305
June 1 - 30, 2014	97 ⁽¹⁾	83.93	-	7,777,305

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

Item 5 – Other Information

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

The Audit Committee of our Board of Directors has approved the following audit-related and non-audit services performed or to be performed for us by our independent registered public accounting firm, Deloitte & Touche LLP, to date in 2014:

- (a) advice and assistance on foreign corporate structures and internal reorganizations;
- (b) preparation and/or review of tax returns, including sales and use tax, excise tax, income tax, local tax, property tax, and value-added tax;
- (c) 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;
- (d) audit services with respect to certain procedures for governmental requirements;
- (e) assistance with the implementation of new accounting standards in a foreign subsidiary; and
- (f) assistance with the due diligence for a potential acquisition.

Item 6 – Exhibits

- 10.1 Letter Amendment to Compensation Agreement between Jeffrey A. Joerres and the Company dated as of May 1, 2014.
- 10.2 Form of Amendment to the 2012 and 2013 Performance Share Unit Agreements for Jeffrey A. Joerres and Michael J. Van Handel.
- 10.3 Amendment to the 2012 and 2013 Stock Option and Restricted Stock Unit Agreements for Jeffrey A. Joerres.
- 10.4 Severance Agreement dated May 1, 2014 between the Company and Jonas Prising.
- 10.5 2011 Equity Incentive Plan of ManpowerGroup Inc. (Amended and Restated Effective April 29, 2014).
- 12.1 Statement regarding Computation of Ratio of Earnings to Fixed Charges.
- 31.1 Certification of Jonas Prising, 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 Jonas Prising, 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.
- 101 The following materials from the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2014, formatted in XBRL (Extensible Business Reporting Language): (i) Consolidated Balance Sheets, (ii) Consolidated Statements of Operations, (iii) Consolidated Statements of Comprehensive Income, (iv) Consolidated Statements of Cash Flows, and (v) Notes to Consolidated Financial Statements.

SIGNATURES

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

ManpowerGroup Inc.
(Registrant)

Date: August 6, 2014

/s/ Michael J. Van Handel
Michael J. Van Handel
Executive Vice President and Chief Financial Officer
(Signing on behalf of the Registrant and as the Principal Financial Officer and Principal Accounting Officer)

EXHIBIT INDEX

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ManpowerGroup Inc.
100 Manpower Place
Milwaukee, Wisconsin 53212

May 1, 2014

Mr. Jeffrey A. Joerres
Executive Chairman
c/o ManpowerGroup Inc.
100 Manpower Place
Milwaukee, Wisconsin 53212

Jeff:

Please refer to our letter agreement dated and accepted by you on February 20, 2014 (the "Compensation Agreement") regarding your compensation and benefits. In connection with the change in your position from CEO to Executive Chairman of the Board, effective as of May 1, 2014, we have agreed to amend the Compensation Agreement as follows:

1. The first sentence of Paragraph 2 shall be amended to read:

"You will be paid a base salary for your services from the date hereof, and during the remainder of 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."

The capitalized terms used above which are not otherwise defined in this letter will have the meanings assigned to them in the Compensation Agreement. Except as modified by this letter, the Compensation Agreement will remain in full force and effect.

Please confirm your agreement with the foregoing by signing and returning to the Corporation a copy of this letter.

MANPOWERGROUP INC.

By:
/s/ Richard Buchband
Richard Buchband
Senior Vice President, General Counsel and Secretary

Agreed as of the 1st day of May, 2014

By:
/s/ Jeffrey A. Joerres
Jeffrey A. Joerres

AMENDMENT TO THE
2012 & 2013 PERFORMANCE SHARE UNIT AWARD AGREEMENTS

This Amendment (“Amendment”) to the Performance Share Unit Agreement between ManpowerGroup Inc. (the “Corporation”) and _____ (“Employee”) dated February 15, 2012 (the “2012 PSU Award”) and the Performance Share Unit Agreement between the Corporation and Employee dated February 13, 2013 (the “2013 PSU Award”), is made effective as of the 1st day of May, 2014.

1. **Vesting Upon Retirement, Involuntary Termination of Employment without Cause or Voluntary Termination of Employment for Good Reason.** Paragraph 4 of the 2012 PSU Award and the 2013 PSU Award is amended in its entirety to state:

“Termination of Employment. Except as otherwise provided in the Plan and except as otherwise provided in this Agreement, Employee must be an employee of ManpowerGroup continuously from the date of this Award until the last day of each of the First Service Period and Second Service Period in order for Employee to become vested in any Performance Share Units he or she may earn hereunder. Notwithstanding the foregoing, Section 10(d) of the Plan, regarding the earning and accelerated vesting of Awards upon a death, Disability, or Retirement shall not apply to this Agreement. Instead, upon Employee’s death, Disability, Retirement, involuntary termination of employment (other than for Cause), or voluntary termination of employment with Good Reason during either of the Service Periods, Employee will immediately become vested in the number of Performance Share Units that Employee would have received if Employee had remained an Employee until the last day of the Second Service Period, determined in accordance with the actual OPMP achieved at the end of the Performance Period, less any Performance Share Units settled in Shares to Employee under this Agreement prior to the date of such death, Disability, Retirement, involuntary termination of employment (other than for Cause) or voluntary termination of employment with Good Reason.”

2. **409A and Payment Timing.** The third sentence of Paragraph 3 of the 2012 PSU Award and the 2013 PSU Award is amended and restated to state:

“Further, to the extent that Performance Share Units granted hereunder become earned and vested upon the Employee’s Retirement, involuntary termination of Employment (other than for Cause) or voluntary termination of employment for Good Reason, if required in order to avoid the imposition of a Section 409A penalty tax to the Employee, such Performance Share Units shall be settled in Shares on the first business day after the date that is six (6) months after the date of the Employee’s “separation of service” as such term is defined under Section 409A of the Code.”

3. **Miscellaneous.** Unless otherwise amended hereby, the provisions of the 2012 PSU Award and the 2013 PSU Award shall remain in full force and effect.

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

ManpowerGroup Inc.

By:

The undersigned Employee hereby accepts the foregoing amendments of performance share unit grants and agrees to the several terms and conditions hereof and of the Plan.

Employee

**AMENDMENT TO THE
2012 & 2013
OPTION AND
RESTRICTED STOCK AWARD AGREEMENTS**

This Amendment (“Amendment”) to (i) the nonstatutory stock option agreement between ManpowerGroup, Inc. (the “Corporation”) and Jeffrey A. Joerres (“Employee”) dated February 15, 2012 (the “2012 Option Award”), (ii) the nonstatutory stock option agreement between the Corporation and Employee dated February 13, 2013 (the “2013 Option Award”), (iii) the restricted stock unit agreement between the Corporation and Employee dated February 15, 2012 (the “2012 RSU Award”), and (iv) the restricted stock unit agreement between the Corporation and Employee dated February 13, 2013 (the “2013 RSU Award”), is made effective as of the 1st day of May, 2014.

1. Option Awards - Vesting Upon Retirement, Involuntary Termination of Employment Without Cause, and Voluntary Employment Termination for Good Reason. The seventh paragraph of Section 4 of the 2012 Option Award and 2013 Option Award is amended in its entirety to be replaced by the following two paragraphs:

“Further, the provisions of Section 7(g) of the Plan regarding retirement shall not apply to this Agreement. Instead, upon the Employee’s Retirement (as defined below), the Option shall be immediately exercisable as to all Shares covered by the Option that remain outstanding on such date. The Participant shall have three (3) years from the date of such Retirement to exercise any Option granted hereunder as to all or part of the Shares subject to such Option; provided, however, that no Option shall be exercisable subsequent to ten (10) years after its date of grant.

Further, upon the Employee’s involuntary termination of employment (other than for Cause) or a voluntary termination for Good Reason prior to the Employee reaching age 55, the Option shall be immediately exercisable as to all Shares covered by the Option that remain outstanding on such date.”

2. RSU Awards - Vesting Upon Retirement and Involuntary Termination of Employment for Options. The seventh paragraph of Section 2 of the 2012 RSU Award and 2013 RSU Award is amended in its entirety to be replaced with the following two paragraphs:

“Further, the provision of Section 8(d)(2) of the Plan as it relates to vesting upon normal or early retirement shall not apply to this Agreement. Instead, upon the Employee’s Retirement, the RSUs shall immediately vest in full. For the avoidance of doubt, the provisions of Section 8(d)(2) relating to death or Disability prior to vesting will apply such that upon the Employee’s death or Disability prior to the vesting date set forth in paragraph 2 above, Employee will immediately earn and become vested in the RSUs granted hereunder.

Further, upon the Employee’s involuntary termination of employment (other than for Cause) or a voluntary termination for Good Reason prior to the Employee reaching age 55, the RSUs shall immediately vest in full.”

3. RSU Awards - 409A and Payment Timing. Furthermore, Section 5 of the 2012 RSU Award and 2013 RSU Award is amended in its entirety to state:

“Issuance and Delivery of Shares. In accordance with the Plan, Shares shall be distributed to the Participant as of the date on which the RSUs vest; provided, however, that to the extent that the RSUs become vested upon Retirement, involuntary termination of employment (other than for Cause) or voluntary termination for Good Reason, if required in order to avoid the imposition of a Section 409A penalty tax to the Employee, the Shares shall not be distributed to the Participant until the first business day after the date that is six (6) months after the date of the Employee’s “separation of service” as such term is defined under Section 409A of the Code. Shares shall be registered in the name of the Employee (either in book-entry form or otherwise) promptly following the vesting date.”

4. Miscellaneous. Unless otherwise amended hereby, the provisions of the 2012 Option Award, the 2013 Option Award, the 2012 RSU Award, and the 2013 RSU Award shall remain in full force and effect.

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

ManpowerGroup Inc.

By:

/s/ Michael J. Van Handel

Michael J. Van Handel, EVP and CFO

The undersigned Employee hereby accepts the foregoing amendments of the restricted stock unit awards and option awards and agrees to the several terms and conditions hereof and of the Plan.

/s/ Jeffrey A. Joerres

Jeffrey A. Joerres

ManpowerGroup Inc.
100 Manpower Place
Milwaukee, Wisconsin 53212

May 1, 2014

Mr. Jonas Prising:

ManpowerGroup 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 "Consolidated ManpowerGroup"). Accordingly, as an inducement for you to continue your employment in order to assure the continued availability of your services to the Consolidated ManpowerGroup, we have agreed as follows:

1. Definitions. For purposes of this letter:

(a) Cause. Termination by the Consolidated ManpowerGroup of your employment with the Consolidated ManpowerGroup for "Cause" will mean termination upon (i) your repeated failure to perform your duties with the Consolidated ManpowerGroup in a competent, diligent and satisfactory manner as determined by the Executive Compensation and Human Resources 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 and Human Resources 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 Consolidated ManpowerGroup, (iv) any violation by you of a Consolidated ManpowerGroup policy of material import (including, but not limited to, the Code of Business Conduct and Ethics, the Statement of Policy on Securities Trading, the Foreign Corrupt Practices Act Compliance Policy and policies included in the Employee Handbook), (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 Consolidated ManpowerGroup, (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 Consolidated ManpowerGroup, or (viii) the willful engaging by you in conduct which is demonstrably and materially injurious to the Consolidated ManpowerGroup. 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 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 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-12(c); 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 within this letter agreement 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) any material breach of any material obligation of any member of the Consolidated ManpowerGroup for the payment or provision of compensation or other benefits to you;
 - (ii) a material diminution in your base salary;
 - (iii) a material diminution in your authority, duties or responsibilities, accompanied by a material reduction in your target bonus opportunity for a given fiscal year (as compared to the prior fiscal year), except where all senior level executives have similar proportionate reductions in their target bonus percentages;
 - (iv) a material diminution in your authority, duties or responsibilities which is not accompanied by a material reduction in your target bonus opportunity but which diminution occurs within two years after the occurrence of a Change of Control;
 - (v) a material reduction in your target bonus opportunity for a given fiscal year (as compared to the prior fiscal year) which is not accompanied by a material diminution in your authority, duties or responsibilities, but which reduction occurs within two years after the occurrence of a Change of Control; or
 - (vi) 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.

Notwithstanding Subsections 1(c)(i) – (vi) 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 Consolidated ManpowerGroup is terminated by you within ninety (90) days after such diminution or breach occurs.

- (d) 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.
- (e) 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 Consolidated ManpowerGroup.
- (f) 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) May 1, 2017, if no Change of Control occurs between the date of this letter indicated above and May 1, 2017; and (c) the Date of Termination.
- (g) Benefit Plans. “Benefit Plans” means all benefits of employment generally made available to the executives of the Corporation from time to time.
- (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 Consolidated ManpowerGroup 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 unpaid bonus, if any, attributable to any complete fiscal year of the Consolidated ManpowerGroup ended before the Date of Termination (but no incentive bonus will be payable for the fiscal year in which termination occurs) and (ii) all benefits to which you are entitled under any Benefit Plans in accordance with the terms of such plans. The Consolidated ManpowerGroup will have no further obligations to you.

(b) Termination of Reason of Disability or Death. If your employment with the Consolidated ManpowerGroup terminates during the Term by reason of your disability or death, the Corporation will pay you or provide you with (i) your unpaid bonus, if any, attributable to any complete fiscal year ended before the Date of Termination; (ii) 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 (iii) 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 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 Consolidated ManpowerGroup. The Consolidated ManpowerGroup will have no further obligations to you.

(c) Termination for Any Other Reason - Other than in a Change of Control. If your employment with the Consolidated ManpowerGroup terminates during the Term for any reason not specified in Subsections 2(a) or (b), above, and Subsection 2(d), below, does not apply to the termination, you will be entitled to the following:

- (i) the Corporation will pay you, your unpaid bonus, if any, attributable to any complete fiscal year of the Consolidated ManpowerGroup ended before the Date of Termination;
- (ii) 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;
- (iii) the Corporation will pay, as a severance benefit to you, a lump sum payment equal to (1) the amount of your annual base salary at the highest rate in effect during the Term plus (2) 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
- (iv) 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) or other substantially similar coverage based on the medical and dental plans in which you were participating in on the Date of Termination; provided, however, that benefits otherwise receivable by you pursuant to this Subsection 2(c)(iv) 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)(iv), “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 Consolidated ManpowerGroup will pay the total cost of such coverage under the Corporation’s group medical and dental insurance plans 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 dependent 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 dependent shall terminate as of the date you or such dependent 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 Consolidated ManpowerGroup determines that the Corporation-subsidized COBRA payments provided by this Subsection 2(c)(iv) 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.

(d) Termination for Any Other Reason – Change of Control. 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 Consolidated ManpowerGroup terminates for any reason not specified in Subsections 2(a) or (b), above, you will be entitled to the following:

- (i) the Corporation will pay you, your unpaid bonus, if any, attributable to any complete fiscal year of the Consolidated ManpowerGroup ended before the Date of Termination;
- (ii) 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; provided, however, that the bonus payable hereunder will be prorated for the actual number of days you were employed during the fiscal year during which the Date of Termination occurs;
- (iii) the Corporation will pay, as a severance benefit to you, a lump-sum payment equal to three 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; and
- (iv) 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 Consolidated ManpowerGroup’s expense, with Health Insurance Continuation (defined below),

or other substantially similar coverage based on the medical and dental plans in which you were participating in on the Date of Termination; provided, however, that benefits otherwise receivable by you pursuant to this Subsection 2(d)(iv) 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(d)(iv), “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 Consolidated ManpowerGroup 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 dependent 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 dependent shall terminate as of the date you or such dependent 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 Consolidated ManpowerGroup determines that the Corporation-subsidized COBRA payments provided by this Subsection 2(d)(iv) 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.

- (e) Limitation on Benefits. The amounts paid to you pursuant to Subsection 2(c)(iii) or 2(d)(iii) will not be included as compensation for purposes of any qualified or nonqualified pension or welfare benefit plan of the Consolidated ManpowerGroup. 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) the amount to be paid to you pursuant to Subsection 2(d)(iii) 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(d)(iii) were not reduced. If reducing the amount otherwise payable to you pursuant to Subsection 2(d)(iii) 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(d)(iii) would result in a greater after-tax amount to you, the amount payable to you pursuant to Subsection 2(d)(iii) shall not be reduced.
- (f) Payment. The bonus payment provided for in Subsection 2(c)(i) or 2(d)(i) will be made pursuant to the terms of the applicable bonus plan. The bonus payment provided for in Subsection 2(d)(ii) will be paid on the thirtieth (30th) day after the Date of Termination. The bonus payment provided for in Subsection 2(c)(ii) 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)(iii) or 2(d)(iii) will be paid in one lump sum on the thirtieth (30th) day after the Date of Termination. While the parties acknowledge that the payments in the previous three 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 of this letter agreement 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 the first business day immediately following the six month anniversary of 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).
- (g) Release of Claims. Notwithstanding the foregoing, you shall have no right to receive any payment or benefit described in Subsections 2(c)(ii)-(v) or 2(d)(ii)-(v), 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 Consolidated ManpowerGroup and its past and current directors, officers, shareholders, 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 Consolidated ManpowerGroup, 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. The execution by you of the release and the statutory period for revocation must be completed prior to the thirtieth (30th) day after the Date of Termination.
- (h) 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. Nondisclosure.

- (a) You will not, directly or indirectly, at any time during the term of your employment with the Consolidated ManpowerGroup, or during the

two-year period following your termination, for whatever reason, of employment with the Consolidated ManpowerGroup, use or possess for yourself or others or disclose to others except in the good faith performance of your duties for the Consolidated ManpowerGroup 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 Consolidated ManpowerGroup 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, but shall not include business information which constitutes trade secrets under applicable trade secrets law. This obligation will survive the termination of your employment for a period of two years. Notwithstanding the foregoing, the rights of the Consolidated ManpowerGroup to protect business information which constitutes trade secrets under applicable trade secrets law or privileged information shall remain in effect for so long as the information constitutes trade secret or privileged information and such period may extend beyond the two-year period referenced above.

- (b) Upon your termination, for whatever reason, of employment with the Consolidated ManpowerGroup, 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, trade secrets or privileged information which are in your possession or under your control.
4. Nonsolicitation of Employees. You agree that you will not, at any time during the term of your employment with the Consolidated ManpowerGroup or during the one-year period following your termination, for whatever reason, of employment with the Consolidated ManpowerGroup, 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 Consolidated ManpowerGroup (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 Consolidated ManpowerGroup so as to accept employment elsewhere or to diminish or curtail the services such person provides to the Consolidated ManpowerGroup.
5. Restrictions During Employment. During the term of your employment with the Consolidated ManpowerGroup, you will not directly or indirectly compete against the Consolidated ManpowerGroup, or directly or indirectly divert or attempt to divert customers' business from the Consolidated ManpowerGroup anywhere the Consolidated ManpowerGroup does or is taking steps to do business.
6. Noncompetition Agreement. During the one-year period which immediately follows the termination, for whatever reason, of your employment with the Consolidated ManpowerGroup:
- (a) You will not, directly or indirectly, contact any customer of the Consolidated ManpowerGroup with whom you have had contact on behalf of the Consolidated ManpowerGroup during the two-year period preceding the Date of Termination or any customer about whom you obtained confidential information in connection with your employment by the Consolidated ManpowerGroup during such two-year period so as to cause or attempt to cause such customer of the Consolidated ManpowerGroup not to do business or to reduce such customer's business with the Consolidated ManpowerGroup or divert any business from the Consolidated ManpowerGroup.
- (b) You will not, directly or indirectly, provide services or assistance of a nature similar to the services you provided to the Consolidated ManpowerGroup 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 Consolidated ManpowerGroup 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, online staffing or human resource services (including consulting, task-based services, recruitment or other talent solutions) anywhere in the United States or any other country in which the Consolidated ManpowerGroup 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 Consolidated ManpowerGroup and the customer contacts you developed while employed by the Consolidated ManpowerGroup and would involve the use or disclosure of confidential information pertaining to the Consolidated ManpowerGroup.
7. Injunctive and Other Interim Measures.
- (a) Injunction. You recognize that irreparable and incalculable injury will result to the Consolidated ManpowerGroup and its businesses and properties in the event of your breach of any of the restrictions imposed by Sections 3-6, 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(h), 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 actual, impending or threatened 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 Sections 3-6 above will be extended by any period during which such restriction is violated by you.
- (c) Nonapplication. Notwithstanding the above, Sections 4 and 6 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.
8. Unemployment Compensation. The severance benefits provided for in Subsection 2(c)(iii) will be assigned for unemployment compensation benefit purposes to the one-year period following the Date of Termination, and the severance benefits provided for in Subsection 2(d)(iii) will be assigned

for unemployment compensation purposes to the three-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.

9. **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 Consolidated ManpowerGroup, 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 Consolidated ManpowerGroup, you agree to refrain from making any statements that disparage or otherwise impair the reputation, goodwill, or commercial interests of the Consolidated ManpowerGroup, 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 Consolidated ManpowerGroup 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.
10. **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.
11. **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.
12. **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 Consolidated ManpowerGroup or affect the right of the Corporation or any member of the Consolidated ManpowerGroup 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 Consolidated ManpowerGroup as set forth herein.
13. **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.
14. **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.
15. **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.
16. **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.
17. **Previous Agreement.** This letter, upon acceptance by you, expressly supersedes that certain letter agreement between you and the Corporation dated February 15, 2012, 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.
18. **Dispute Resolution.** Without limiting the Corporation's rights under Subsection 7, 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 Consolidated ManpowerGroup 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 18, 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 Consolidated ManpowerGroup 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 Consolidated ManpowerGroup 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.

19. 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,

MANPOWERGROUP INC.

By:

/s/ Jeffrey A. Joerres

Jeffrey A. Joerres, Executive Chairman

Agreed as of the 1st day of May, 2014.

/s/ Jonas Prising

Jonas Prising

2011 EQUITY INCENTIVE PLAN

OF

MANPOWERGROUP INC.

(Amended and Restated Effective April 29, 2014)

PURPOSE OF THE PLAN

The purpose of the Plan is to provide for compensation alternatives for certain Employees and Directors using or based on the common stock of the Company. These alternatives are intended to be used as a means to attract and retain superior Employees and Directors, to provide a stronger incentive for such Employees and Directors to put forth maximum effort for the continued success and growth of the Company and its Subsidiaries, and in combination with these goals, to provide Employees and Directors with a proprietary interest in the performance and growth of the Company.

1. GENERAL

This Plan exclusive of Section A below applies to all Directors and Employees. Section A of the Plan applies to those Employees who are employed in the United Kingdom.

2. DEFINITIONS

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

- (a) "Administrator" shall mean the Committee or the Board of Directors with respect to grants to Employees under the Plan and the Board of Directors with respect to grants to Directors under the Plan.
- (b) "Award" shall mean an Option, Restricted Stock, Restricted Stock Units, an SAR, Performance Share Units, or Deferred Stock granted under the Plan.
- (c) "Board of Directors" shall mean the entire board of directors of the Company, consisting of both Employee and non-Employee members.
- (d) A termination of employment for "Cause" will mean termination upon (1) on Employee's repeated failure to perform his or her duties in a competent, diligent and satisfactory manner as determined by the Company's Chief Executive Officer in his reasonable judgment, (2) insubordination, (3) an Employee's commission of any material act of dishonesty or disloyalty involving the Company or a Subsidiary, (4) an Employee's chronic absence from work other than by reason of a serious health condition, (5) an Employee's commission of a crime which substantially relates to the circumstances of his or her position with the Company or a Subsidiary or which has material adverse effect on the Company or a Subsidiary, or (6) the willful engaging by an Employee in conduct which is demonstrably and materially injurious to the Company or a Subsidiary.
- (e) "Code" shall mean the Internal Revenue Code of 1986, as amended.
- (f) "Combined Credit Years" shall mean the total number of years after adding together a Participant's age (in whole years) and years of Service (in whole years).
- (g) "Committee" shall mean the committee of the Board of Directors constituted as provided in Paragraph 5 of the Plan.
- (h) "Company" shall mean ManpowerGroup Inc., a Wisconsin corporation.
- (i) "Deferred Stock" shall mean a right to receive one or more Shares from the Company in accordance with, and subject to, Paragraph 11 of the Plan.
- (j) "Deferred Stock Agreement" shall mean the agreement whereby the Company's grant of shares of Deferred Stock to a Participant is confirmed.
- (k) "Director" shall mean an individual who is a non-Employee member of the Board of Directors of the Company.
- (l) "Disability" shall mean (i) with respect to an Employee, a physical or mental incapacity which, as determined by the Committee, results in an Employee ceasing to be an Employee and (ii) with respect to a Director, a physical or mental incapacity which results in a Director's termination of membership on the Board of Directors of the Company; provided, however, that where an Award is granted to a Participant who is subject to U.S. federal income tax with terms such that it is nonqualified deferred compensation for purposes of Section 409A of the Code, "Disability" shall mean (i) a Participant is 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 12 months, or (ii) a Participant is, 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 12 months, receiving income replacement benefits for a period of not less than 3 months under an accident and health plan covering employees of the Participant's employer.
- (m) "Employee" shall mean an individual who is an employee of the Company or a Subsidiary.
- (n) "Exchange Act" shall mean the Securities Exchange Act of 1934, as amended.

- (o) “Grant Value” of an SAR means the dollar value assigned to the SAR by the Administrator on the date the SAR is granted under the Plan.
- (p) “Incentive Stock Option” shall mean an option to purchase Shares which complies with the provisions of Section 422 of the Code.
- (q) “Market Price” shall mean the closing sale price of a Share on the New York Stock Exchange; provided, however, if a Share is not susceptible of valuation by the above method, the term “Market Price” shall mean the fair market value of a Share as the Administrator may determine in conformity with pertinent law and regulations of the Treasury Department.
- (r) “Nonstatutory Stock Option” shall mean an option to purchase Shares which does not comply with the provisions of Section 422 of the Code or which is designated as such pursuant to Paragraph 7 of the Plan.
- (s) “Option” shall mean (1) with respect to an Employee, an Incentive Stock Option or Nonstatutory Stock Option granted under the Plan and (2) with respect to a Director, a Non-Statutory Stock Option granted under the Plan.
- (t) “Option Agreement” shall mean the agreement whereby the Company’s grant of an Option to a Participant is confirmed.
- (u) “Participant” shall mean an Employee or Director to whom an Award has been granted under the Plan.
- (v) “Performance Goals” shall mean the goals identified by the Committee to measure one or more business criteria, which may include any of the following criteria and which, where applicable (i) may be set on a pre-tax or after-tax basis, (ii) may include or exclude the impact of changes in currency exchange rates, (iii) may be applied on an absolute or relative basis, (iv) may be valued on a growth or fixed basis, and (v) may be applied on a Company-wide, business segment, or individual basis:

1. Net Income
2. Revenue
3. Earnings per share diluted
4. Return on investment
5. Return on invested capital
6. Return on equity
7. Return on net assets
8. Shareholder returns (either including or excluding dividends) over a specified period of time
9. Financial return ratios
10. Cash flow
11. Amount of expense
12. Economic profit
13. Gross profit
14. Gross profit margin percentage
15. Operating profit
16. Operating profit margin percentage
17. Amount of indebtedness
18. Debt ratios
19. Earnings before interest, taxes, depreciation or amortization (or any combination thereof)
20. Attainment by a Share of a specified Market Price for a specified period of time
21. Customer satisfaction survey results
22. Employee satisfaction survey results
23. Strategic business criteria, consisting of one or more objectives based on achieving specified revenue, market penetration, or geographic business expansion goals, or cost targets, or goals relating to acquisitions or divestitures, or any combination of the foregoing.

The above Performance Goals may be determined with or without regard to extraordinary, unusual or nonrecurring items, including, without limitation: changes in accounting principles or the application thereof; extraordinary, unusual or nonrecurring gains; gains or losses on the sale of assets; currency fluctuations, acquisitions, divestitures, or necessary financing activities; recapitalizations, including stock splits and dividends; expenses for restructuring activities; and other non-operating items, as specified by the Committee upon the grant of an Award.

- (w) “Performance Share Unit” shall mean a right, contingent upon the attainment of specified performance objectives within a specified performance period, to receive one or more Shares from the Company, in accordance with, and subject to, Paragraph 10 of the Plan.
- (x) “Performance Share Unit Agreement” shall mean the agreement whereby the Company’s grant of Performance Share Units to a Participant is confirmed.
- (y) “Plan” shall mean the 2011 Equity Incentive Plan of the Company.
- (z) “Protected Period” shall be a period of time determined in accordance with the following:

(1) if a Triggering Event is triggered by an acquisition of shares of common stock of the Company 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 Triggering Event, provided that in no case will the Protected Period commence earlier than the date that is six months prior to the Triggering Event;

(2) if a Triggering Event is triggered by a merger or consolidation of the Company 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 Triggering Event, provided that in no case will the Protected Period commence earlier than the date that is six months prior to the Triggering Event; and

(3) in the case of any Triggering Event not described in clause (1) or (2) above, the Protected Period shall commence on the date that is six months prior to the Triggering Event and shall continue through and including the date of the Triggering Event.

(aa) "Restricted Stock" shall mean Shares granted to a Participant by the Administrator which are subject to restrictions imposed under Paragraph 8 of the Plan.

(bb) "Restricted Stock Agreement" shall mean the agreement whereby the Company's grant of shares of Restricted Stock to a Participant is confirmed.

(cc) "Restricted Stock Unit" shall mean shall mean a right to receive one Share from the Company in accordance with, and subject to, Paragraph 8 of the Plan.

(dd) "Restricted Stock Unit Agreement" shall mean the agreement whereby the Company's grant of Restricted Stock Units to a Participant is confirmed.

(ee) "Retirement" shall mean a Participant's termination of employment after having attained 75 Combined Credit Years. Provided, however the committee may amend such definition on a prospective basis.

(ff) "SAR" shall mean a stock appreciation right with respect to one Share granted under the Plan.

(gg) "SAR Agreement" shall mean the agreement whereby the Company's grant of SARs to a Participant is confirmed.

(hh) "Service" shall mean as to each Participant, the period beginning on the date he or she first becomes an Employee and ending on the date he or she ceases to be an Employee.

(ii) "Share" or "Shares" shall mean the \$0.01 par value common stock of the Company.

(jj) "Subsidiary" shall mean any subsidiary entity of the Company, including without limitation, a subsidiary corporation of the Company as defined in Section 424(f) of the Code.

(kk) "Triggering Event" shall mean the first to occur of any of the following:

(1) the acquisition (other than from the Company), by any Person (as defined in Sections 13(d)(3) and 14(d)(2) of the Exchange Act), directly or indirectly, of beneficial ownership (determined in accordance with Exchange Act Rule 13d-3) of 20% or more of the then outstanding shares of common stock of the Company or voting securities representing 20% or more of the combined voting power of the Company's then outstanding voting securities entitled to vote generally in the election of directors; provided, however, no Triggering Event shall be deemed to have occurred as a result of an acquisition of shares of common stock or voting securities of the Company (i) by the Company, any of its Subsidiaries, or any employee benefit plan (or related trust) sponsored or maintained by the Company or any of its Subsidiaries or (ii) 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 Company's shareholders immediately prior to such acquisition in substantially the same proportions as their ownership, immediately prior to such acquisition, of the Company's then outstanding common stock or then outstanding voting securities, as the case may be; or

(2) the consummation of any merger or consolidation of the Company 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 Company's shareholders immediately prior to such acquisition in substantially the same proportions as their ownership, immediately prior to such acquisition, of the Company's then outstanding common stock or then outstanding voting securities, as the case may be; or

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

(4) individuals who, as of the date this Plan is adopted by the Board of Directors of the Company, constitute the Board of Directors of the Company (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 this Plan is adopted by the Board of Directors of the Company whose election, or nomination for election by the shareholders of the Company, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board shall be, for purposes of this Plan, 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-12(c); or

(5) whether or not conditioned on shareholder approval, the issuance by the Company of common stock of the Company 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 Company 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 Triggering Event whereby there is a successor holding company to the Company, or, if there is no such successor, whereby the Company 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 definition, shall thereafter be referred to as the Company.

Words importing the singular shall include the plural and vice versa and words importing the masculine shall include the feminine.

3. AWARDS AVAILABLE UNDER THE PLAN

The Administrator may grant Nonstatutory Stock Options, Incentive Stock Options, Restricted Stock, Restricted Stock Units, SARs, Performance Share Units and Deferred Stock under the Plan.

The Administrator shall have sole authority in its discretion, but always subject to the express provisions of the Plan and applicable law, to determine the Employees or Directors to whom Awards are granted under the Plan and the terms and provisions of each such Award, and to make all other determinations and interpretations deemed necessary or advisable for the administration of the Plan. The Administrator's determination of the foregoing matters shall be conclusive and binding on the Company, all Participants and all other persons.

4. SHARES RESERVED UNDER PLAN

(a) The aggregate number of Shares which may be issued under the Plan pursuant to the exercise of Options and SARs, the grant of Restricted Stock, and pursuant to the settlement of Restricted Stock Units, Performance Share Units and Deferred Stock shall not exceed 6,500,000 Shares, which may be treasury Shares or authorized but unissued Shares, or a combination of the two, subject to adjustment as provided in Paragraph 13 hereof. For purposes of determining the maximum number of Shares available for issuance under the Plan, (1) any Shares which have been issued as Restricted Stock which are forfeited to the Company shall be treated, following such forfeiture, as Shares which have not been issued; (2) upon the exercise of an SAR or Option granted under the Plan, the full number of SARs or Options exercised at such time shall be treated as Shares issued under the Plan, notwithstanding that a lesser amount of Shares or cash representing Shares may have been actually issued or paid upon such exercise. For the sake of clarity, Shares withheld to satisfy taxes and Shares used to exercise an Option or SAR, either directly or by attestation, shall be treated as issued hereunder, and if an Option is exercised by using the net exercise method set forth in Paragraph 7(f), the gross number of Shares for which the Option is exercised shall be treated as issued for purposes of counting the Shares available for issuance under this Plan, not just the net Shares issued to the Participant after reduction for the exercise price and any required withholding tax.

(b) The aggregate number of Shares which may be issued under the Plan pursuant to the grant of Restricted Stock and pursuant to the settlement of Restricted Stock Units, Performance Share Units or shares of Deferred Stock granted under the Plan shall not exceed 4,375,000 (subject to adjustment as provided in Paragraph 13 hereof). For purposes of determining the maximum number of shares issuable under these types of Awards, any shares of Restricted Stock or Deferred Stock or any Restricted Stock Units or Performance Share Units which are forfeited to the Company, shall be treated, following such forfeiture, as Shares that have not been issued under the Plan.

(c) No Employee shall be eligible to receive grants of Options and SARs for more than an aggregate of 750,000 Shares during any three-year period (subject to adjustment as provided in Paragraph 13 hereof).

(d) The aggregate number of shares of Restricted Stock and Deferred Stock, plus the number of Restricted Stock Units and Performance Share Units granted to any one Employee during any fiscal year of the Company shall be limited to 150,000 (subject to adjustment as provided in Paragraph 13 hereof and excluding any such Awards which may vest based on the continued performance of services only, e.g., time-based vested Restricted Stock, Restricted Stock Units or Deferred Stock).

(e) In no event shall the number of Shares issued pursuant to the exercise of Incentive Stock Options exceed 1,000,000 Shares (subject to adjustment as provided in Paragraph 13 hereof).

5. ADMINISTRATION OF THE PLAN

(a) The Plan shall be administered by the Board of Directors with respect to grants to Directors under the Plan provided, however, that discretionary awards to Directors under the Plan will be administered by the Board of Directors but without the participation of any members who at the time are not independent under the rules of the New York Stock Exchange.

(b) The Plan shall be administered by the Committee or by the Board of Directors with respect to grants to Employees under the Plan. Except as otherwise determined by the Board of Directors, the Committee shall be so constituted as to permit grants to be exempt from Section 16(b) of the Exchange Act by virtue of Rule 16b-3 thereunder, as such rule is currently in effect or as hereafter modified or amended ("Rule 16b-3"), and to permit the Plan to comply with Section 162(m) of the Code and any regulations promulgated thereunder, or any other statutory rule or regulatory requirements. The members of the Committee shall be appointed from time to time by the Board of Directors.

6. ELIGIBILITY

(a) Directors shall be eligible to receive Nonstatutory Stock Options, Restricted Stock, Restricted Stock Units, Performance Share Units, SARs and Deferred Stock under the Plan.

(b) Employees shall be eligible to receive Nonstatutory Stock Options, Incentive Stock Options, Restricted Stock, Restricted Stock Units, Performance Share Units, SARs and Deferred Stock under the Plan. In determining the Employees to whom Awards shall be granted and the number of Shares to be covered by each Award, the Administrator may take into account the nature of the services rendered by the respective Employees, their present and potential contributions to the success of the Company, and other such factors as the Administrator in its discretion shall deem relevant.

(c) A Participant may be granted additional Awards under the Plan if the Administrator shall so determine subject to the limitations contained in Paragraph 4.

7. OPTIONS: GENERAL PROVISIONS

Options granted under this Plan shall be subject to such terms and conditions not inconsistent with the Plan as the Administrator shall determine, including the following:

(a) Types of Options. An Option to purchase Shares granted pursuant to this Plan shall be specified to be either an Incentive Stock Option or a Nonstatutory Stock Option. Any grant of an Option shall be confirmed by the execution of an Option Agreement. An Option Agreement may include both an

Incentive Stock Option and a Nonstatutory Stock Option, provided each Option is clearly identified as either an Incentive Stock Option or a Nonstatutory Stock Option.

(b) Maximum Annual Grant of Incentive Stock Options to Any Employee. The aggregate fair market value (determined at the time the Incentive Stock Option is granted) of the Shares with respect to which Incentive Stock Options are exercisable for the first time by any Employee during any calendar year under this Plan (and under all other plans of the Company or any Subsidiary) shall not exceed \$100,000, and/or any other limit as may be prescribed by the Code from time to time.

(c) Option Exercise Price. The per share purchase price of the Shares under each Option granted pursuant to this Plan shall be determined by the Administrator but shall not be less than one hundred percent (100%) of the fair market value per Share on the date of grant of such Option. The fair market value per Share on the date of grant shall be the Market Price on the date of grant of such Option.

(d) Exercise. An Option Agreement may provide for exercise of an Option in such amounts and at such times as shall be specified therein; provided, however, except as provided in Paragraph 7(g), below, or as otherwise determined by the Administrator, no Option granted to an Employee may be exercised unless that person is then in the employ of the Company or a Subsidiary and shall have been continuously so employed since its date of grant. Except as otherwise permitted by the Administrator, an Option shall be exercisable by a Participant's giving written notice of exercise to the Secretary of the Company accompanied by payment of the required exercise price.

(e) General Exercise Period. The Administrator may, in its discretion, determine the periods during which Options or portions of Options may be exercised by a Participant. Notwithstanding any limitation on the exercise of any Option or anything else to the contrary herein contained, except as otherwise determined by the Administrator at the time of grant, in connection with a Triggering Event, all outstanding Options shall become immediately exercisable upon any of the following:

(1) If the Company's shares remain publicly traded on a national securities exchange after the Triggering Event, upon termination of an Employee's employment by the Company other than for Cause, during a Protected Period or within two years following a Triggering Event.

(2) Upon a Triggering Event where the Company's shares do not remain publicly traded on a national securities exchange after the Triggering Event, unless the outstanding Options are converted, on a tax-free basis, into options over shares of an acquiring corporation that is publicly traded on a national securities exchange; or

(3) If the Company's shares do not remain publicly traded on a national securities exchange after the Triggering Event and the outstanding Options are converted, on a tax-free basis, into options over shares of an acquiring corporation that is publicly traded on a national securities exchange, upon termination of Employee's employment by the Company other than for Cause during a Protected Period or within two years following a Triggering Event.

In the event of accelerated vesting due to the termination of the Employee's employment during a Protected Period as described above, the accelerated vesting will occur as of the date of the Triggering Event. Notwithstanding the foregoing, no Option shall be exercisable after the expiration of ten years from its date of grant. Every Option which has not been exercised within ten years of its date of grant shall lapse upon the expiration of said ten-year period unless it shall have lapsed at an earlier date.

(f) Payment of Exercise Price. The exercise price shall be payable in whole or in part in cash, Shares held by the Participant, other property, or such other consideration consistent with the Plan's purpose and applicable law as may be determined by the Administrator from time to time. Unless otherwise determined by the Administrator, such price shall be paid in full at the time that an Option is exercised. If the Participant elects to pay all or a part of the exercise price in Shares, such Participant may make such payment by delivering to the Company a number of Shares already owned by the Participant, either directly or by attestation, which are equal in value to the purchase or exercise price. All Shares so delivered shall be valued at the opening sale price per Share on the New York Stock Exchange on the date on which such Shares are delivered. The Administrator may, in its discretion, permit a Participant to exercise an Option on a "net exercise" basis. In such case, the Company will deliver that number of Shares to the Participant which equals the number of Shares for which the Option was exercised, reduced by the number of whole Shares (which the Company shall retain) with a value on the date of exercise (based on the opening sale price per Share on the New York Stock Exchange) equal to the exercise price and the required withholding tax at the time of exercise. To the extent the combined value of the whole Shares (valued at the opening sales price per share on the New York Stock Exchange on the day of exercise) is not sufficient to equal the exercise price and required withholding tax, the Participant must pay such difference in cash to the Company before delivery of the Shares will be made to the Participant.

(g) Cessation of Employee Status. With respect to Participants who are Employees, except as determined otherwise by the Administrator at the time of grant:

(1) Any Participant who ceases to be an Employee due to Retirement or due to early retirement with the consent of the Administrator shall have three (3) years from the date of such cessation to exercise any Option granted hereunder as to all or part of the Shares subject to such Option; provided, however, that no Option shall be exercisable subsequent to ten (10) years after its date of grant, and provided further that on the date the Participant ceases to be an Employee, he or she then has a present right to exercise such Option.

(2) For Options granted on or after February 11, 2014, any Participant who ceases to be an Employee due to Disability shall become fully vested in any such Options granted hereunder and shall have three (3) years from the date of such cessation to exercise any Option granted hereunder as to all or part of the Shares subject to such Option; provided, however, that no Option shall be exercisable subsequent to ten (10) years after its date of grant;

(3) For Options granted on or after February 11, 2014, in the event of the death of an Employee while an Employee, any Option, as to all or any part of the Shares subject to such Option, granted to such Employee shall become fully vested and shall be exercisable:

(A) for three (3) years after the Employee's death, but in no event subsequent to ten (10) years from its date of grant; and

(B) only (1) by the deceased Employee's designated beneficiary (such designation to be made in writing at such time and in such manner as the Administrator shall approve or prescribe), or, (2) if the deceased Employee dies without a surviving designated beneficiary, by the personal representative, administrator, or other representative of the estate of the deceased Employee, or (3) by the person or persons to whom the deceased Employee's rights under the Option shall pass by will or the laws of descent and distribution.

(4) An Employee or former Employee who holds an Option who has designated a beneficiary for purposes of Subparagraph 7(g)(3)(B)(1), above, may change such designation at any time, by giving written notice to the Administrator, subject to such conditions and requirements as the Administrator may prescribe in accordance with applicable law.

(5) If a Participant ceases to be an Employee for a reason other than those specified above, that Participant shall have eighteen (18) months from the date of such cessation to exercise any Option granted hereunder as to all or part of the Shares subject thereto; provided, however, that no Option shall be exercisable subsequent to ten (10) years after its date of grant, and provided further that on the date the person ceases to be an Employee, he or she then has a present right to exercise such Option; further provided however, that for a person who ceases to be an Employee during a Protected Period because of a termination of that person's employment by the Company other than for Cause, he or she then has a present right on the date of the Triggering Event. Notwithstanding the foregoing, if a person ceases to be an Employee because of a termination of employment for Cause, to the extent an Option is not effectively exercised prior to such cessation, it shall lapse immediately upon such cessation.

(h) Extension of Periods. The Administrator may in its sole discretion increase the periods permitted for exercise of an Option if a Participant ceases to be an Employee as provided in Subparagraphs 7(g)(1), (2), (3) and (5), above, if allowable under applicable law; provided, however, in no event shall an Option be exercisable subsequent to ten (10) years after its date of grant.

(i) Transferability.

(1) Except as otherwise provided in this Paragraph 7(i), or unless otherwise provided by the Administrator, Options granted to a Participant under this Plan shall not be transferable or subjected to execution, attachment or similar process, and during the lifetime of the Participant shall be exercisable only by the Participant. A Participant shall have the right to transfer the Options granted to such Participant upon such Participant's death, either to the deceased Participant's designated beneficiary (such designation to be made in writing at such time and in such manner as the Administrator shall approve or prescribe), or, if the deceased Participant dies without a surviving designated beneficiary, by the terms of such Participant's will or under the laws of descent and distribution, subject to any limitations set forth in this Plan or otherwise determined by the Administrator, and all such distributees shall be subject to all terms and conditions of this Plan to the same extent as would the Participant.

(2) Nonstatutory Stock Options granted to Directors or to any Employee who is subject to Section 16 of the Exchange Act shall be transferable to members of the Participant's immediate family, to trusts for the benefit of the Participant and/or such immediate family members, and to partnerships in which the Participant and/or such family members are the only partners, provided the transferee agrees to be bound by any vesting or other restrictions applicable to the Participant with respect to the Options. For purposes of the preceding sentence, "immediate family" shall mean a Participant's spouse, children, descendants of children, and spouses of children and descendants. Upon such a transfer, the Option (or portion of the Option) thereafter shall be exercisable by the transferee to the extent and on the terms it would have been exercisable by the transferring Participant.

8. RESTRICTED STOCK / RESTRICTED STOCK UNITS

Restricted Stock or Restricted Stock Units granted under this Plan shall be subject to such terms and conditions not inconsistent with the Plan as the Administrator shall determine, including the following:

(a) Grants. The terms of any grant of Restricted Stock or Restricted Stock Units shall be confirmed by the execution of a Restricted Stock Agreement or a Restricted Stock Unit Agreement.

(b) Restrictions on Restricted Stock. Restricted Stock may not be sold, assigned, conveyed, donated, pledged, transferred or otherwise disposed of or encumbered for the period determined by the Administrator (the "Restricted Period"), subject to the provisions of this Paragraph 8. In the event that a Participant shall sell, assign, convey, donate, pledge, transfer or otherwise dispose of or encumber the Restricted Stock, said Restricted Stock shall, at the Administrator's option, and in addition to such other rights and remedies available to the Administrator (including the right to restrain or set aside such transfer), upon written notice to the transferee thereof at any time within ninety (90) days after its discovery of such transaction, be forfeited to the Company.

(c) Vesting Conditions. The Administrator shall determine the conditions under which Restricted Stock or Restricted Stock Units shall vest. The Administrator may set vesting conditions based solely upon the continued employment of a Participant who is an Employee or the continued service of a Participant who is a Director during the applicable vesting period and/or may specify vesting conditions based upon the achievement of specific performance objectives. Except as otherwise provided by the Administrator, where Restricted Stock Units or Restricted Stock Awards are subject to vesting conditions based upon the continued service of a Participant for a minimum period of more than three (3) years, such Awards shall be referred to as "Career Shares." Where Restricted Stock is granted subject to vesting conditions that are based upon the achievement of specific performance objectives, except as otherwise provided in this Section 8, the Restricted Period shall not end until the performance objectives have been achieved, as certified by the Committee or otherwise. For purposes of qualifying Restricted Stock or Restricted Stock Units as "performance-based compensation" under Section 162(m) of the Code, the Committee may set performance conditions based upon the achievement of Performance Goals. In such event, the Performance Goals shall be set by the Committee on or before the latest date permissible to enable the Restricted Stock or Restricted Stock Units to qualify as "performance-based compensation" under Section 162(m) of the Code and the Committee shall follow any procedures determined by it from time to time to be necessary or appropriate to ensure qualification of the Restricted Stock or Restricted Stock Units under Section 162(m) of the Code, including, without limitation, written certification by the Committee that the performance objectives and other applicable conditions have been satisfied before the Restricted Period shall end or the Restricted Stock Units are paid.

(d) Cessation of Employee Status. With respect to Participants who are Employees, except as determined otherwise by the Administrator at the time of grant:

(1) If a Participant ceases to be an Employee for any reason, then except as provided in Subparagraphs (d)(2) and (e), below, all Restricted Stock and unvested Restricted Stock Units held by such Participant shall be forfeited to the Company.

(2) In the event a Participant ceases to be an Employee due to Retirement (or due to early retirement with the consent of the Administrator), or due to death or Disability, all unvested Restricted Stock Units held by the Participant shall immediately vest; and

(3) In the event a Participant ceases to be an Employee due to Retirement (where the Administrator consents to the Retirement of such Participant) or due to death or Disability, the restrictions applicable to any Restricted Stock held by the Participant shall immediately lapse.

(e) Vesting on Triggering Event. Except as determined otherwise by the Administrator, notwithstanding anything to the contrary herein contained, in connection with a Triggering Event, the restrictions applicable to any Restricted Stock then held by all Participants shall immediately lapse, and any Restricted Stock Units then held by all Participants shall immediately vest, upon any of the following:

(1) If the Company's shares remain publicly traded on a national securities exchange after the Triggering Event, upon termination of an Employee's employment by the Company other than for Cause, during a Protected Period or within two years following a Triggering Event.

(2) Upon a Triggering Event where the Company's shares do not remain publicly traded on a national securities exchange after the Triggering Event, unless the Restricted Stock or Restricted Stock Units are converted, on a tax-free basis, into similar restricted stock or restricted stock units based on the shares of an acquiring corporation that is publicly traded on a national securities exchange; or

(3) If the Company's shares do not remain publicly traded on a national securities exchange after the Triggering Event and the Restricted Stock or Restricted Stock Units are converted, on a tax-free basis, into similar restricted stock or restricted stock units based on the shares of an acquiring corporation that is publicly traded on a national securities exchange, upon termination of Employee's employment by the Company other than for Cause during a Protected Period or within two years following a Triggering Event.

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

(f) Retention of Certificates for Restricted Stock. The Company will retain custody of the stock certificates representing Restricted Stock during the Restricted Period as well as a stock power signed by the Participant to be used in the event the Restricted Stock is forfeited to the Company.

(g) Transferability of Restricted Stock Units. Except as provided below, Restricted Stock Units may not be sold, assigned, conveyed, donated, pledged, transferred or otherwise disposed of or encumbered or subjected to execution, attachment, or similar process; provided, however, Shares distributed in respect of such Restricted Stock Units may be transferred in accordance with applicable securities laws. Any transfer, attempted transfer, or purported transfer of Restricted Stock Units by a Participant shall be null and void. A Participant shall have the right to transfer Restricted Units upon such Participant's death, either to the deceased Participant's designated beneficiary (such designation to be made in writing at such time and in such manner as the Administrator shall prescribe or approve), or, if the deceased Participant dies without a surviving designated beneficiary, by the terms of such Participant's will or under the laws of descent and distribution, subject to any limitations set forth in the Plan or otherwise determined by the Administrator, and all such distributees shall be subject to all terms and conditions of the Plan to the same extent as would the Participant.

(h) No Rights as Shareholders for Participants Holding Restricted Stock Units. No Participant shall have any interest in any fund or in any specific asset or assets of the Company by reason of any Restricted Stock Units granted hereunder, nor any right to exercise any of the rights or privileges of a shareholder with respect to any Restricted Stock Units or any Shares distributable with respect to any Restricted Stock Units until such Shares are so distributed.

(i) Distribution of Shares with Respect to Restricted Stock Units. Each Participant who holds Restricted Stock Units shall be entitled to receive from the Company one Share for each Restricted Stock Unit, as adjusted from time to time in the manner set forth in Paragraph 13, below. However, the Company, as determined in the sole discretion of the Administrator at the time of grant, shall be entitled to settle its obligation to deliver Shares by instead making a payment of cash substantially equal to the fair market value of the Shares it would otherwise be obligated to deliver, or by the issuance of a combination of Shares and cash, in the proportions determined by the Administrator, substantially equal to the fair market value of the Shares the Company would otherwise be obligated to deliver. The fair market value of a Share for this purpose will mean the Market Price on the business day immediately preceding the date of the cash payment. Except as otherwise determined by the Administrator at the time of the grant, Restricted Stock Units shall vest and Shares shall be distributed to the Participant in respect thereof as of the vesting date; provided, however, if any grant of Restricted Stock Units to a Participant who is subject to U.S. federal income tax is nonqualified deferred compensation for purposes of Section 409A of the Code, cash or Shares shall only be distributed in a manner such that Section 409A of the Code will not cause the Participant to become subject to penalties and/or interest thereunder; and provided, further, that no cash or Shares shall be distributed in respect of Restricted Stock Units prior to the date on which such Restricted Stock Unit vest.

(j) Dividends and Distributions with Respect to Restricted Stock Units. Except as otherwise provided by the Administrator at the time of grant, if a Participant holds Restricted Stock Units on the last day of any fiscal year of the Company, the Participant shall be credited as of such date with a number of additional Restricted Stock Units equal to the quotient of (i) the aggregate amount of dividends (or other distributions) which would have been received by the Participant during such fiscal year if the Restricted Stock Units held by the Participant (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, divided by (ii) the average of the Market Prices on the last trading day of each full or partial calendar quarter during such fiscal year in which the Participant held Restricted Stock Units. Where a distribution of Shares to a Participant in respect of Restricted Stock Units in accordance with Subparagraph 8(i) above is made before the end of the Company's fiscal year (due to vesting or otherwise), a pro rata portion (based on the date of distribution) of any Restricted Stock Units that would otherwise be credited to the Participant at the end of such fiscal year, but for the fact that the Participant will not continue to hold such Restricted Stock Units at the end of such fiscal year, shall be paid to the Participant in Shares at the time such Shares are distributed to the Participant in connection with dividends and/or distributions paid during the year to shareholders of record before such distribution of Shares, if any. Restricted Stock Units credited under this Subparagraph 8(j) shall vest and be distributed on the same terms and in the same proportions as the Restricted Stock Units held by a Participant as of the record date or distribution date shall vest.

9. SARs

Each SAR granted under this Plan shall be subject to such terms and conditions not inconsistent with the Plan as the Administrator shall determine, including the following:

(a) Grants. The terms of any grant of SARs shall be confirmed by the execution of an SAR Agreement.

(b) Grant Value. The Grant Value of each SAR granted pursuant to this Plan shall be determined by the Administrator, but shall not be less than one hundred percent (100%) of the fair market value per Share on the date of grant of such SAR. The fair market value per Share on the date of grant shall be the

Market Price on the date of grant of such SAR.

(c) Exercise. An SAR Agreement may provide for exercise of an SAR by a Participant in such amounts and at such times as shall be specified therein; provided, however, except as provided in Paragraph 9(f) below, or as otherwise determined by the Administrator, no SAR granted to an Employee may be exercised unless that person is then in the employ of the Company or a Subsidiary and shall have been continuously so employed since its date of grant. Except as otherwise permitted by the Administrator, an SAR shall be exercisable by a Participant by such Participant giving written notice of exercise to the Secretary of the Company.

(d) General Exercise Period. The Administrator may, in its discretion, determine the periods during which SARs may be exercised by a Participant. Notwithstanding any limitation on the exercise of any SAR or anything else to the contrary herein contained, except as otherwise determined by the Administrator at the time of grant, upon the occurrence of a Triggering Event, all outstanding SARs shall become immediately exercisable upon any of the following:

(1) If the Company's shares remain publicly traded on a national securities exchange after the Triggering Event, upon termination of an Employee's employment by the Company other than for Cause, during a Protected Period or within two years following a Triggering Event.

(2) Upon a Triggering Event where the Company's shares do not remain publicly traded on a national securities exchange after the Triggering Event, unless the outstanding SARs are converted, on a tax-free basis, into SARs over shares of an acquiring corporation that is publicly traded on a national securities exchange; or

(3) If the Company's shares do not remain publicly traded on a national securities exchange after the Triggering Event and the outstanding SARs are converted, on a tax-free basis, into SARs over shares of an acquiring corporation that is publicly traded on a national securities exchange, upon termination of Employee's employment by the Company other than for Cause during a Protected Period or within two years following a Triggering Event.

In the event of accelerated vesting due to the termination of Employee's employment during a Protected Period as described above, the accelerated vesting will occur as of the date of the Triggering Event. Notwithstanding the foregoing, no SAR shall be exercisable after the expiration of ten years from its date of grant. Every SAR which has not been exercised within ten years of its date of grant shall lapse upon the expiration of said ten-year period unless it shall have lapsed at an earlier date.

(e) Rights on Exercise. An SAR shall entitle the Participant to receive from the Company that number of full Shares having an aggregate Market Price, as of the business day immediately preceding the date of exercise (the "Valuation Date"), substantially equal to (but not more than) the excess of the Market Price of one Share on the Valuation Date over the Grant Value for such SAR as set forth in the applicable SAR Agreement, multiplied by the number of SARs exercised. However, the Company, as determined in the sole discretion of the Administrator, shall be entitled to elect to settle its obligation arising out of the exercise of an SAR by the payment of cash substantially equal to the excess of the Market Price of one share on the Valuation Date over the Grant Value for such SAR as set forth in the applicable SAR Agreement, multiplied by the number of SARs exercised or by the issuance of a combination of Shares and cash, in the proportions determined by the Administrator, substantially equal to the excess of the Market Price of one share on the Valuation Date of the Shares over the Grant Value for such SAR as set forth in the applicable SAR Agreement, multiplied by the number of SARs exercised.

(f) Cessation of Employee Status. With respect to Participants who are Employees, except as determined otherwise by the Administrator at the time of grant:

(1) Any Participant who ceases to be an Employee due to Retirement or due to early retirement with the consent of the Administrator shall have three (3) years from the date of such cessation to exercise any SAR granted hereunder; provided, however, that no SAR shall be exercisable subsequent to ten (10) years after its date of grant, and provided further that on the date the Participant ceases to be an Employee, he or she then has a present right to exercise such SAR.

(2) Any Participant who ceases to be an Employee due to Disability shall have three (3) years from the date of such cessation to exercise any SAR granted hereunder provided, however, that no SAR shall be exercisable subsequent to ten (10) years after its date of grant and provided further that on the date the Participant ceases to be an Employee he or she then has a present right to exercise such SAR or would have become entitled to exercise such SAR had that person remained an Employee during such three-year period.

(3) In the event of the death of an Employee while an Employee, any SAR granted to such Employee shall be exercisable:

(A) for three (3) years after the Employee's death, but in no event later than ten (10) years from its date of grant;

(B) only (1) by the deceased Employee's designated beneficiary (such designation to be made in writing at such time and in such manner as the Administrator shall approve or prescribe), (2) if the deceased Employee dies without a surviving designated beneficiary, by the personal representative, administrator, or other representative of the estate of the deceased Employee, or (3) by the person or persons to whom the deceased Employee's rights under the SAR shall pass by will or the laws of descent and distribution; and

(C) only to the extent that the deceased Employee would have been entitled to exercise such SAR on the date of the Employee's death or would have become entitled to exercise such SAR had the deceased Employee remained employed during such three-year period.

(4) An Employee or former Employee who holds an SAR who has designated a beneficiary for purposes of Subparagraph 9(f)(3)(B)(1), above, may change such designation at any time, by giving written notice to the Administrator, subject to such conditions and requirements as the Administrator may prescribe in accordance with applicable law.

(5) If a Participant ceases to be an Employee for a reason other than those specified above, that Participant shall have eighteen (18) months from the date of such cessation to exercise any SAR granted hereunder; provided, however, that no SAR shall be exercisable subsequent to ten (10) years after its date of grant, and provided further that on the date the person ceases to be an Employee, he or she then has a present right to exercise such SAR; further provided however, that for a person who ceases to be an Employee during a Protected Period because of a termination of that person's employment by the Company other than for Cause, he or she then has a present right on the date of the Triggering Event. Notwithstanding

the foregoing, if a person ceases to be an Employee because of a termination of employment for Cause, to the extent an SAR is not effectively exercised prior to such cessation, it shall lapse immediately upon such cessation.

(g) Extension of Periods. The Administrator may in its sole discretion increase the periods permitted for exercise of an SAR if a person ceases to be an Employee as provided in Subparagraphs 9(f)(1), (2), (3) and (5), above, if allowable under applicable law; provided, however, in no event shall an SAR be exercisable subsequent to ten (10) years after its date of grant.

(h) Transferability. Except as otherwise provided in this Paragraph 9(h), or unless otherwise provided by the Administrator, SARs granted to a Participant under this Plan shall not be transferable or subjected to execution, attachment or similar process, and during the lifetime of the Participant shall be exercisable only by the Participant. A Participant shall have the right to transfer the SARs upon such Participant's death, either to the deceased Participant's designated beneficiary (such designation to be made in writing at such time and in such manner as the Administrator shall approve or prescribe), or, if the deceased Participant dies without a surviving designated beneficiary, by the terms of such Participant's will or under the laws of descent and distribution, subject to any limitations set forth in the Plan or otherwise determined by the Administrator, and all such distributees shall be subject to all terms and conditions of the Plan to the same extent as would the Participant.

10. PERFORMANCE SHARE UNITS

Performance Share Units granted under this Plan shall be subject to such terms and conditions not inconsistent with the Plan as the Administrator shall determine, including the following:

(a) Grants. The terms of any grant of Performance Share Units shall be confirmed by the execution of a Performance Share Unit Agreement. The terms of any Performance Share Unit Agreement shall specify the target number of Performance Share Units established for the Participant, the applicable performance conditions, the performance period, and any vesting period applicable to the Award.

(b) Performance Conditions. The Administrator shall set performance conditions based upon the achievement of specific performance objectives. The Administrator may also set vesting conditions based on the continued employment of a Participant who is an Employee or based on the continued service of a Participant who is a Director, which may or may not run concurrently with the performance period. For purposes of qualifying Performance Share Units as "performance-based compensation" under Section 162(m) of the Code, the Committee may set performance conditions based upon the achievement of Performance Goals. In such event, the Performance Goals shall be set by the Committee on or before the latest date permissible to enable the Performance Share Units to qualify as "performance-based compensation under Section 162(m) of the Code and the Committee shall follow any procedures determined by it from time to time to be necessary or appropriate to ensure qualification of the Performance Share Units under Section 162(m) of the Code, including, without limitation, written certification by the Committee that the performance objectives and other applicable conditions have been satisfied before any payment is made in respect of an Award of Performance Share Units.

(c) Award Calculation and Payment. The actual number of Performance Share Units earned shall be determined at the end of the performance period, based on achievement of the applicable performance goals. Except as otherwise determined by the Administrator at the time of grant, Awards will be paid in Shares equal to the number of Performance Share Units that have been earned at the end of the performance period as of the later of: (1) the date the Administrator has approved and certified the number of Performance Share Units that have been earned, or (2) where applicable, the date any vesting period thereafter has been satisfied. However, the Company, as determined in the sole discretion of the Administrator at the time of grant, shall be entitled to settle its obligation to deliver Shares by instead making a payment of cash substantially equal to the fair market value of the Shares it would otherwise be obligated to deliver, or by the issuance of a combination of Shares and cash, in the proportions determined by the Administrator, substantially equal to the fair market value of the Shares the Company would otherwise be obligated to deliver. The fair market value of a Share for this purpose will mean the Market Price on the business day immediately preceding the date of the cash payment. Notwithstanding the foregoing, if any grant of Performance Share Units to a Participant who is subject to U.S. federal income tax is nonqualified deferred compensation for purposes of Section 409A of the Code, Shares or cash shall only be distributed in a manner such that Section 409A of the Code will not cause the Participant to become subject to penalties and/or interest thereunder.

(d) Cessation of Employee Status. With respect to Participants who are Employees, except as determined otherwise by the Administrator at the time of grant:

(1) If a Participant ceases to be an Employee for any reason, then except as provided in Subparagraphs (d)(2), (d)(3) and (e), below, all Performance Share Units held by such Participant that have not been earned and/or vested shall be forfeited.

(2) In the event a Participant ceases to be an Employee due to death or Disability, all Performance Share Units then held by the Participant that have not yet been earned and/or vested shall immediately become earned and vested to the same extent they would have otherwise been earned if 100% of the target performance condition had been achieved at the end of the performance period.

(3) For Awards of Performance Share Units granted on or after February 11, 2014, in the event a Participant ceases to be an Employee due to Retirement during the performance period applicable to such Award, the Participant shall earn and become vested in a prorated portion of the Performance Share Units. The number of Performance Share Units earned and vested in connection with such a Retirement shall be the number of Performance Share Units that would have been earned by the Participant if he or she had continued to be an Employee until the end of the applicable performance period, such number to be determined based on the actual performance results at the end of the relevant performance period, multiplied by the quotient of: (A) the number of full months worked by the Participant between the beginning of the applicable performance period and the date of the Participant's Retirement and (B) the number of full months during the applicable performance period.

(e) Vesting on Triggering Event. Except as determined otherwise by the Administrator, notwithstanding anything to the contrary herein contained, for Awards of Performance Share Units made on or after February 11, 2014, where a Participant ceases to be an Employee during the two-year period following a Triggering Event, due either to the termination of the Participant's employment by the Company other than for Cause or due to the termination of the Participant's employment by the Participant for "good reason" (as defined by the Administrator at the time of grant), the Participant shall earn and become vested in the number of Performance Share Units that would have been earned by the Participant if he or she had continued to be an Employee until the end of the applicable performance period, as determined by the Committee, taking into account (i) treatment of similar Participants with similar Awards whose employment continued beyond the date of the Employee's cessation of employment, (ii) revised performance goals, if any, as agreed to between the relevant parties to the Triggering Event, and (iii) the Company's achievement toward the performance goals at the end of the performance period, if measurable after the Triggering Event. In addition, except as otherwise determined by the Administrator, if a Participant ceases to be an Employee during a Protected Period because of a termination of such Participant's employment by the Company other than for Cause or due to the termination of the Participant's employment for "good reason" (as defined by the Administrator at the time of grant), upon a Triggering Event, any Performance Share Units then held by such Participant that have not yet been earned and/or vested shall become earned and vested on the date of the Triggering Event to the same extent they would have otherwise been

earned if the Employee would have been an Employee on the date of the Triggering Event and had been terminated other than for Cause immediately thereafter.

(f) Transferability. Except as provided below, Performance Share Units may not be sold, assigned, conveyed, donated, pledged, transferred or otherwise disposed of or encumbered or subjected to execution, attachment, or similar process; provided, however, Shares distributed in respect of such Performance Share Units may be transferred in accordance with applicable securities laws. Any transfer, attempted transfer, or purported transfer of Performance Share Units by a Participant shall be null and void. A Participant shall have the right to transfer Performance Share Units upon such Participant's death, either to the deceased Participant's designated beneficiary (such designation to be made in writing at such time and in such manner as the Administrator shall prescribe or approve), or, if the deceased Participant dies without a surviving designated beneficiary, by the terms of such Participant's will or under the laws of descent and distribution, subject to any limitations set forth in the Plan or otherwise determined by the Administrator, and all such distributees shall be subject to all terms and conditions of the Plan to the same extent as would the Participant.

(g) No Rights as Shareholders. No Participant shall have any interest in any fund or in any specific asset or assets of the Company by reason of any Performance Share Unit granted hereunder, nor any right to exercise any of the rights or privileges of a shareholder with respect to any Performance Share Units or any Shares distributable with respect to any Performance Share Units until such Shares are so distributed.

11. DEFERRED STOCK

Deferred Stock granted under this Plan shall be subject to such terms and conditions not inconsistent with the Plan as the Administrator shall determine, including the following:

(a) Grants. The terms of any grant of Deferred Stock shall be confirmed by the execution of a Deferred Stock Agreement.

(b) Distributions of Shares. Each Participant who holds Deferred Stock shall be entitled to receive from the Company one Share for each share of Deferred Stock, as adjusted from time to time in the manner set forth in Paragraph 13, below. However, the Company, as determined in the sole discretion of the Administrator at the time of grant, shall be entitled to settle its obligation to deliver Shares by instead making a payment of cash substantially equal to the fair market value of the Shares it would otherwise be obligated to deliver, or by the issuance of a combination of Shares and cash, in the proportions determined by the Administrator, substantially equal to the fair market value of the Shares the Company would otherwise be obligated to deliver. The fair market value of a Share for this purpose will mean the Market Price on the business day immediately preceding the date of the cash payment. Deferred Stock shall vest and Shares shall be distributed to the Participant in respect thereof at such time or times as determined by the Administrator at the time of grant (taking into account any permissible deferral elections); provided, however, that, with respect to any Participant who is subject to U.S. federal income tax, Shares or cash distributed in respect of Deferred Stock shall only be distributed in a manner such that Section 409A of the Code will not cause the Participant to become subject to penalties and/or interest thereunder; and provided, further, that no Shares shall be distributed in respect of Deferred Stock prior to the date on which such Deferred Stock vests.

(c) Cessation of Employee Status. With respect to Participants who are Employees, except as determined otherwise by the Administrator at the time of grant:

(1) If a Participant ceases to be an Employee for any reason, then except as provided in Subparagraphs (c)(2) and (d), below, all Deferred Stock held by such Participant on the date of termination that has not vested shall be forfeited.

(2) In the event a Participant ceases to be an Employee on or after such person's normal Retirement date or due to early retirement with the consent of the Administrator, or due to death or Disability, all Deferred Stock then held by such Participant shall immediately vest.

(d) Vesting on Triggering Event. Except as determined otherwise by the Administrator, notwithstanding anything to the contrary herein contained, in connection with a Triggering Event, all deferred stock then held by Participants shall immediately vest upon any of the following:

(1) If the Company's shares remain publicly traded on a national securities exchange after the Triggering Event, upon termination of an Employee's employment by the Company other than for Cause, during a Protected Period or within two years following a Triggering Event.

(2) Upon a Triggering Event where the Company's shares do not remain publicly traded on a national securities exchange after the Triggering Event, unless the Deferred Stock are converted, on a tax-free basis, into deferred stock based on the shares of an acquiring corporation that is publicly traded on a national securities exchange; or

(3) If the Company's shares do not remain publicly traded on a national securities exchange after the Triggering Event and the outstanding SARs are converted, on a tax-free basis, into deferred stock based on the shares of an acquiring corporation that is publicly traded on a national securities exchange, upon termination of Employee's employment by the Company other than for Cause during a Protected Period or within two years following a Triggering Event.

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

(e) Transferability. Except as provided below, Deferred Stock may not be sold, assigned, conveyed, donated, pledged, transferred or otherwise disposed of or encumbered or subjected to execution, attachment, or similar process; provided, however, Shares distributed in respect of such Deferred Stock may be transferred in accordance with applicable securities laws. Any transfer, attempted transfer, or purported transfer of Deferred Stock by a Participant shall be null and void. A Participant shall have the right to transfer Deferred Stock upon such Participant's death, either to the deceased Participant's designated beneficiary (such designation to be made in writing at such time and in such manner as the Administrator shall prescribe or approve), or, if the deceased Participant dies without a surviving designated beneficiary, by the terms of such Participant's will or under the laws of descent and distribution, subject to any limitations set forth in the Plan or otherwise determined by the Administrator, and all such distributees shall be subject to all terms and conditions of the Plan to the same extent as would the Participant.

(f) No Rights as Shareholders. No Participant shall have any interest in any fund or in any specific asset or assets of the Company by reason of any Deferred Stock granted hereunder, nor any right to exercise any of the rights or privileges of a shareholder with respect to any Deferred Stock or any Shares

distributable with respect to any Deferred Stock until such Shares are so distributed.

(g) Dividends and Distributions. Except as otherwise provided by the Administrator at the time of grant, if a Participant holds Deferred Stock on the last day of any fiscal year of the Company, the Participant shall be granted as of such date a number of additional shares of Deferred Stock equal to the quotient of (i) the aggregate amount of dividends (or other distributions) which would have been received by the Participant during such fiscal year if the shares of Deferred Stock held by the Participant (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, divided by (ii) the average of the Market Prices on the last trading day of each full or partial calendar quarter during such fiscal year in which the Participant held Deferred Stock. Where a distribution of Shares to a Participant in respect of Deferred Stock in accordance with Subparagraph 11(b) above is made before the end of the Company's fiscal year, a pro rata portion (based on the date of distribution) of any shares of Deferred Stock that would otherwise be granted to the Participant at the end of such fiscal year, but for the fact that the Participant will not continue to hold such shares of Deferred Stock at the end of such fiscal year, shall be paid to the Participant in Shares at the time such Shares are distributed to the Participant in connection with dividends and/or distributions paid during the year to shareholders of record before such distribution of Shares, if any. Additional shares of Deferred Stock granted under this Subparagraph 11(g) shall vest and be distributed on the same terms and in the same proportions as the shares of Deferred Stock held by a Participant as of the record date or distribution date shall vest.

(h) Accelerated Distribution. The Administrator may not, at any time after Deferred Stock held by a Participant has vested, accelerate the time that Shares or cash are or is distributed with respect to such Deferred Stock, except where such an acceleration would not cause the Participant to become subject to penalties and/or interest under Section 409A of the Code.

12. LAWS AND REGULATIONS

Each Option Agreement, Restricted Stock Agreement, Restricted Stock Unit Agreement, Performance Share Unit Agreement, SAR Agreement or Deferred Stock Agreement shall contain such representations, warranties and other terms and conditions as shall be necessary in the opinion of counsel to the Company to comply with all applicable federal and state securities laws. The Company shall have the right to delay the issue or delivery of any Shares under the Plan until (a) the completion of such registration or qualification of such Shares under any federal or state law, ruling or regulation as the Company shall determine to be necessary or advisable, and (b) receipt from the Participant of such documents and information as the Administrator may deem necessary or appropriate in connection with such registration or qualification.

13. ADJUSTMENT PROVISIONS

(a) Share Adjustments. In the event of any stock dividend, stock split, recapitalization, merger, consolidation, combination or exchange of shares, or the like, as a result of which shares of any class shall be issued in respect of the outstanding Shares, or the Shares shall be changed into the same or a different number of the same or another class of stock, or into securities of another person, cash or other property (not including a regular cash dividend), the total number of Shares authorized to be offered in accordance with Paragraph 4 and the other limitations contained in Paragraph 4, the number of Shares subject to each outstanding Option, the number of Shares of Restricted Stock then held by each Participant, the number of shares to which each then outstanding SAR relates, the number of shares to which each outstanding Award of Deferred Stock, Restricted Stock Unit or Performance Share Unit relates, the exercise price applicable to each outstanding Option and the Grant Value of each outstanding SAR shall be appropriately adjusted as determined by the Administrator.

(b) Acquisitions. In the event of a merger or consolidation of the Company with another corporation or entity in which the Company is not the survivor, or a sale or disposition by the Company of all or substantially all of its assets, the Administrator shall, in its sole discretion, have authority to provide for (1) waiver in whole or in part of any remaining restrictions or vesting requirements in connection with any Award granted hereunder, (2) the conversion of outstanding Options, Restricted Stock, Restricted Stock Units, SARs, Performance Share Units or Deferred Stock into cash and/or (3) the conversion of Awards into the right to receive securities of another person upon such terms and conditions as are determined by the Administrator in its discretion.

(c) Binding Effect. Any adjustment, waiver, conversion or other action taken by the Administrator under this Paragraph 13 shall be conclusive and binding on all Participants.

14. TAXES

(a) Options and SARs. The Company shall be entitled to pay and withhold from any amounts payable by the Company to a Participant the amount of any tax which it believes is required as a result of the grant, vesting or exercise of any Option or SAR, and the Company may defer making delivery with respect to cash and/or Shares obtained pursuant to exercise of any Option or SAR until arrangements satisfactory to it have been made with respect to any such withholding obligations. A Participant exercising an Option or SAR may, at his or her election, satisfy his or her obligation for payment of required withholding taxes by having the Company retain a number of Shares having an aggregate value (based on the opening sale price per Share on the New York Stock Exchange on the date the Option or SAR is exercised) equal to the amount of the required withholding tax.

(b) Restricted Stock. The Company shall be entitled to pay and withhold from any amounts payable by the Company to a Participant the amount of any tax which it believes is required as a result of the issuance of or lapse of restrictions on Restricted Stock, and the Company may defer the delivery of any Shares or Share certificates until arrangements satisfactory to the Administrator shall have been made with respect to any such withholding obligations. A Participant may, at his or her election, satisfy his or her obligation for payment of required withholding taxes with respect to Restricted Stock by delivering to the Company a number of Shares which were Restricted Stock upon the lapse of restrictions, or Shares already owned, having an aggregate value (based on the opening sale price per Share on the New York Stock Exchange on the date the Shares are withheld) equal to the amount of the required withholding tax.

(c) Restricted Stock Units, Performance Share Units and Deferred Stock. The Company shall be entitled to pay and withhold from any amounts payable by the Company to a Participant the amount of any tax which it believes is required as a result of the grant or vesting of any Restricted Stock Units, Performance Share Units or Deferred Stock or the distribution of any Shares or cash payments with respect to Restricted Stock Units, Performance Share Units or Deferred Stock, and the Company may defer making delivery of Shares with respect to Restricted Stock Units, Performance Share Units or Deferred Stock until arrangements satisfactory to the Administrator have been made with respect to any such withholding obligations. A Participant who holds Restricted Stock Units, Performance Share Units or Deferred Stock may, at his or her election, satisfy his or her obligation to pay the required withholding taxes by having the Company withhold from the number of Shares distributable, if any, a number of Shares having an aggregate value (based on the opening sale price per Share on the New York Stock Exchange on the date the Shares are withheld) equal to the amount of the required withholding tax.

15. EFFECTIVENESS OF THE PLAN

The Plan, as approved by the Company's Executive Compensation and Human Resources Committee and Board of Directors, shall become effective as of the date of such approval, subject to ratification of the Plan by the vote of the shareholders.

16. TERMINATION AND AMENDMENT

Unless the Plan shall theretofore have been terminated as hereinafter provided, no Award shall be granted after February 16, 2021. The Board of Directors of the Company may terminate the Plan or make such modifications or amendments thereof as it shall deem advisable, including, but not limited to, such modifications or amendments as it shall deem advisable in order to conform to any law or regulation applicable thereto; provided, however, that the Board of Directors may not, without further approval of the holders of a majority of the Shares voted at any meeting of shareholders at which a quorum is present and voting, adopt any amendment to the Plan for which shareholder approval is required under tax, securities or any other applicable law or the listing standards of the New York Stock Exchange (or if the Shares are not then listed on the New York Stock Exchange, the listing standards of such other exchange or inter-dealer quotation system on which the Shares are listed). Except to the extent necessary for Participants to avoid becoming subject to penalties and/or interest under Section 409A of the Code with respect to Awards that are treated as nonqualified deferred compensation thereunder, no termination, modification or amendment of the Plan may, without the consent of the Participant, adversely affect the rights of such Participant under an outstanding Award then held by the Participant.

Except as otherwise provided in this Plan, the Administrator may amend an outstanding Award or any Stock Option Agreement, Restricted Stock Agreement, Restricted Stock Unit Agreement, SAR Agreement, Performance Share Unit Agreement or Deferred Stock Agreement; provided, however, that the Participant's consent to such action shall be required unless the Administrator determines that the action, taking into account any related action, (i) would not materially and adversely affect the Participant or (ii) where applicable, is required in order for the Participant to avoid becoming subject to penalties and/or interest under Section 409A of the Code. The Administrator may also modify or amend the terms of any Award granted under the Plan for the purpose of complying with, or taking advantage of, income or other tax or legal requirements or practices of foreign countries which are applicable to Employees. However, notwithstanding any other provision of the Plan, the Administrator may not adjust or amend the exercise price of any outstanding Option or SAR, whether through amendment, cancellation and replacement grants, or any other means, except in accordance with Paragraph 13 of the Plan.

17. OTHER BENEFIT AND COMPENSATION PROGRAMS

Payments and other benefits received by an Employee under an Award granted pursuant to the Plan shall not be deemed a part of such Employee's regular, recurring compensation for purposes of the 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 by the Company or any Subsidiary unless expressly so provided by such other plan, contract or arrangement, unless required by law, or unless the Administrator expressly determines otherwise.

18. FORFEITURE OF AMOUNTS PAID UNDER THE PLAN

The Company shall have the right to require any Participant to forfeit and return to the Company any award made to the Participant pursuant to this Plan (or amounts realized thereon) consistent with any recoupment policy maintained by the Company under Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act or any Securities and Exchange Commission Rule, as such policy is amended from time to time.

19. NO RIGHT TO EMPLOYMENT.

The Plan shall not confer upon any person any right with respect to continuation of employment by the Company or a Subsidiary, nor shall it interfere in any way with the right of the Company or such Subsidiary to terminate any person's employment at any time.

20. LIMITATIONS ON FULL-VALUE AWARD GRANTS

Notwithstanding any other provision of this Plan, for any grant of Performance Share Units, Restricted Stock, Restricted Stock Units, or other full-value award under the plan:

- (a) that is earned based on performance, the minimum performance period will be one year; or
- (b) that is earned based on tenure (and is not covered under subparagraph (a)), the minimum restricted period will be three years, provided that such minimum three-year restriction will not apply to grants representing up to 125,000 shares.

For the avoidance of doubt, the limitations on the minimum restricted period herein shall not prevent the Administrator from granting Awards which may vest prior to the end of such three year period in the event of a Participant's death, Disability, or Retirement (or early retirement with the consent of the Administrator), or in connection with a Triggering Event where such accelerated vesting is otherwise consistent with the terms of this Plan. Further, for the avoidance of doubt, the minimum restricted period of three-years herein shall not prevent the Administrator from granting Awards which vest in pro rata installments (e.g., monthly or annually) over a minimum period of three-years.

21. GOVERNING LAW

The Plan shall be governed by and interpreted in accordance with the laws of the State of Wisconsin, United States of America, without regard to its conflict of law provisions.

SECTION A

1. GENERAL

(a) Except to the extent inconsistent with and/or modified by the terms specifically set out below, this Section A incorporates all of the provisions of the Plan exclusive of this Section A (the "Main Plan"). This Section A of the Plan shall apply to Employees who are employed in the United Kingdom and shall be referred to below as the "Scheme". Options shall not be granted under this Scheme until approval by the Revenue is received by the Company.

(b) SARs shall not be granted to Employees under the Scheme.

(c) Neither Restricted Stock, Restricted Stock Units, Performance Share Units nor Deferred Stock shall be granted to Employees under the Scheme.

(d) Paragraph 18 of the Main Plan shall not apply to this Section A.

2. DEFINITIONS

In this Scheme the following words and expressions have the following meanings except where the context otherwise requires:

(a) "Act" shall mean the Income Tax (Earnings and Pensions) Act 2003.

(b) "Approval" shall mean approval under Schedule 4.

(c) "Approved Scheme" shall mean a share option scheme, other than a savings-related share option scheme, approved under Schedule 4.

(d) "Employee" shall mean any employee of the Company or its Subsidiaries, provided that no person who is precluded from participating in the Scheme by paragraph 9 of Schedule 4 shall be regarded as an Employee.

(e) "Exercise Price" shall mean the Market Price as defined in Paragraph 2(q) of the Main Plan (save that the proviso to that Paragraph 2(q) shall not apply) on the date of grant of an Option; provided that if, at the date of grant, Shares are not listed on the New York Stock Exchange, then the Exercise Price shall be the market value of a Share determined in accordance with Part VIII of the Taxation of Chargeable Gains Act 1992 and agreed in advance for the purposes of the Scheme with Revenue Shares and Assets Valuation, provided that the Exercise Price shall not be less than the par value of a Share.

(f) "PAYE Liability" shall mean the amount of any taxes and/or primary class 1 national insurance contributions or other social security taxes which the Company or any of its Subsidiaries would be required to account for to the Revenue or other taxation authority by reference to the exercise of an Option and, if so required by and agreed with the Company, any secondary class 1 national insurance contributions which the Company or any of its Subsidiaries would be required to account for to the Revenue on exercise of an Option.

(g) "Redundancy" shall mean dismissal by reason of redundancy within the meaning of the Employment Rights Act 1996.

(h) "Revenue" shall mean Her Majesty's Revenue and Customs.

(i) "Revenue Limit" shall mean £30,000 or such other amount as may from time to time be the appropriate limit for the purpose of paragraph 6(1) of Schedule 4.

(j) "Schedule 4" shall mean Schedule 4 to the Act.

(k) "Share" shall mean \$0.01 par value common stock of the Company which satisfies the conditions of paragraphs 15 to 20 of Schedule 4.

(l) "Subsidiary" shall mean a company which is for the time being a subsidiary of the Company within the meaning of Section 1159 of the Companies Act 2006.

Other words or expressions, so far as not inconsistent with the context, have the same meanings as in Schedule 4.

Any reference to a statutory provision shall be deemed to include that provision as the same may from time to time hereafter be amended or re-enacted.

3. LIMITS

An Option granted to an Employee shall be limited and take effect so that the aggregate market value of Shares subject to that Option, taken together with the aggregate market value of Shares which the Employee may acquire in pursuance of rights obtained under the Scheme or under any other Approved Scheme established by the Company or by any associated company (within the meaning of paragraph 35(1) of the Schedule 4) of the Company (and not exercised), shall not exceed the Revenue Limit. Such aggregate market value shall be determined at the time the rights are obtained.

4. TERMS OF OPTIONS

(a) No Option granted under the Scheme may be transferred, assigned, charged or otherwise alienated save that an Option may be exercised after the relevant Employee's death in accordance with the provisions of this Scheme. The provisions of Paragraph 7(i) of the Main Plan shall not apply for the purposes of this Scheme.

(b) An Option granted under the Scheme shall not be exercised by a Holder at any time when he is ineligible to participate by virtue of paragraph 9 of Schedule 4.

(c) As provided in Paragraph 7(d) of the Main Plan, an Option shall be exercised by notice in writing given by the Holder to the Secretary of the Company accompanied by payment of the required Exercise Price which must be satisfied in cash. The provisions of Paragraph 7(f) of the Main Plan shall not apply for the purposes of this Scheme.

(d) For purposes of this Scheme, Subparagraph 7(g)(1) of the Main Plan shall not apply.

(e) For purposes of this Scheme, Subparagraph 7(g)(2) of the Main Plan shall read:

“For Options granted on or after February 11, 2014:

(A) any Participant who ceases to be an Employee due to Disability shall become fully vested in any such Options granted hereunder and shall have three (3) years from the date of such cessation to exercise any Option granted hereunder as to all or part of the Shares subject to such Option; provided, however, that no Option shall be exercisable subsequent to ten (10) years after its date of grant or one (1) year after the date of the Participant’s death; and

(B) any Participant who ceases to be an Employee due to injury, Redundancy, his or her intention to retire to the satisfaction of his or her employer and with the consent of the Administrator (“retirement”) or his or her employer ceasing to be a Subsidiary or the operating division by which he or she is employed being disposed of by a Subsidiary or the Company shall have Eighteen (18) months from the date of such cessation to exercise any Option granted hereunder as to all or part of the Shares subject to such Option; provided, however, that no Option shall be exercisable subsequent to ten (10) years after its date of grant or one (1) year after the date of the Participant’s death, and provided further that on the date that person ceases to be an Employee, he or she then has a present right to exercise such Option”.

(f) For purposes of this Scheme, Subparagraph 7(g)(3) shall read:

“For Options granted on or after February 11, 2014, in the event of the death of an Employee while an Employee, any Option, as to all or any part of the Shares subject to such Option, granted to such Employee shall become fully vested and shall be exercisable:

(A) for one (1) year from the date of the Employee’s death, but in no event later than ten (10) years from its date of grant; and

(B) only by the personal representative, administrator or the representative of the estate of the deceased Employee.”

(g) For purposes of this Scheme, Subparagraph 7(g)(5) of the Main Plan shall read:

“If a person ceases to be an Employee for a reason other than those specified above, that person shall have eighteen (18) months from the date of such cessation to exercise any Option granted hereunder as to all or part of the Shares subject thereto; provided, however, that no Option shall be exercisable subsequent to ten (10) years after its date of grant or one (1) year after the date of the Participant’s death, and provided further that on the date the person ceases to be an Employee, he or she then has a present right to exercise such Option. Notwithstanding the foregoing, if a person ceases to be an Employee because of a termination of employment for Cause, to the extent an Option is not effectively exercised prior to such cessation, it shall lapse immediately upon such cessation.”

(h) For purposes of this Scheme, Subparagraph 7(h) of the Main Plan shall read:

“The Administrator may in its sole discretion, acting fairly and reasonably, increase the periods permitted for exercise of an Option as provided in Subparagraphs 7(g)(1), (2), and (5) above; provided, however, in no event shall an Option be exercisable subsequent to ten (10) years after its date of grant, and provided further that such Option is exercised within one (1) year after the date of the Participant’s death.”

(i) For purposes of this Scheme, Paragraph 14(a) of the Main Plan shall read:

“(1) If any PAYE Liability would arise on the exercise of an Option, the Option may only be validly exercised if the Participant remits to the Company with his exercise notice a payment of an amount equal to such PAYE Liability (which being a cheque or similar instrument shall only be valid if honored on first presentation), or if the Participant gives instructions to the Company’s brokers (or any person acceptable to the Company) for the sale of sufficient Shares acquired under the Scheme to realize an amount equal to the PAYE Liability and the payment of the PAYE Liability to the Company, or if the Participant makes other arrangements to meet the PAYE Liability that are acceptable to the Administrator (acting fairly and reasonably) and the Revenue.

(2) The age of 55 years is the retirement age specified in the Scheme in accordance with paragraph 35A of Schedule 4. This provision does not confer any right to exercise an Option on retirement on or after reaching that age.”

(j) The second paragraph of Paragraph 16 of the Main Plan providing for the amendment of outstanding Options shall not apply for purposes of this Scheme.

(k) If Shares are to be issued to the Participant following the exercise of an Option, such Shares shall be issued to the Participant within 30 days of the Option being exercised. If Shares are to be purchased on the open market for the Participant following a Participant's exercise of an Option, such purchase must be made and the Shares must be transferred to the Participant within 30 days of the Option being exercised.

(l) Shares issued on the exercise of an Option will rank *pari passu* with the Shares in issue on the date of allotment.

5. ADJUSTMENTS

(a) For the purposes of this Scheme, the adjustment provisions relevant to Options in Paragraph 13(a) of the Main Plan shall read:

"In the event of any variation of share capital of the Company (whether by way of a capitalization issue (other than a stock dividend), rights issue, consolidation, sub-division, reduction of capital or other variation of share structure), the number and/or nominal value and/or description (but not the class) of Shares subject to each outstanding Option and/or the Exercise Price applicable to each outstanding Option shall be appropriately adjusted as determined by the Administrator, provided that no such adjustments to any Options granted under this Scheme shall be made without the prior approval of the Revenue."

(b) Any discretion exercised by the Administrator in respect of the waiving of any vesting requirements pursuant to Paragraph 13(b) of the Main Plan shall be exercised fairly and reasonably.

(c) For purposes of this Scheme, the provision in Paragraph 13(b)(2) of the Main Plan allowing for the conversion of outstanding Options into cash shall not apply.

(d) For purposes of this Scheme, the provisions in Paragraph 13(b)(3) of the Main Plan allowing for the conversion of outstanding Awards into the right to receive securities of another person shall not apply.

6. EXCHANGE OF OPTIONS

(a) The provisions of this Paragraph 6 apply if a company (the "Acquiring Company"):

(1) obtains control of the Company as a result of making a general offer to acquire:

(A) the whole of the issued ordinary share capital of the Company (other than that which is already owned by it and its subsidiary or holding company) made on a condition such that, if satisfied, the Acquiring Company will have control of the Company; or

(B) all the Shares (or those Shares not already owned by the Acquiring Company or its subsidiary or holding company); or

(2) obtains control of the Company under a compromise or arrangement sanctioned by the court under Section 899 of the Companies Act 2006; or

(3) becomes bound or entitled to acquire Shares under Sections 979 to 982 of the Companies Act 2006; or

(4) obtains control of the Company as a result of a general offer to acquire the whole of the general capital of the Company pursuant to an action agreed in advance with the Revenue as comparable with any action set out in Paragraphs 6(a)(1), 6(a)(2) or 6(a)(3) of this Scheme.

(b) Exchange. If the provisions of this Paragraph 6 apply, Options may be exchanged by a Participant within the period referred to in paragraph 26(3) of Schedule 4 by agreement with the company offering the exchange.

(c) Exchange terms. Where an Option is to be exchanged the Participant will be granted a new option to replace it. Where a Participant is granted a new option then:

(1) the new option will be in respect of shares in any body corporate determined by the company offering the exchange as long as they satisfy the conditions of paragraph 27(2) of Schedule 4;

(2) the shares to which the new option relates will meet the conditions in paragraphs 16 to 20 of Schedule 4;

(3) the new option will be treated as having been acquired at the same time as the Option that was exchanged and will be exercisable in the same manner and at the same time;

(4) the new option will be in respect of shares that have, immediately after grant of the new option, a total market value equal to the total market value of the Option immediately before its release;

(5) the new option will have an exercise price per share such that the total amount payable on complete exercise of the new option will equal the total amount that would have been payable on complete exercise of the Option;

(6) the new option will be subject to the provisions of the Main Plan and this Scheme as they last had effect in relation to the Option that was exchanged; and

(7) with effect from exchange, the provisions of the Main Plan and this Scheme will be construed in relation to the new option as if references to Shares are references to the shares over which the new option is granted and references to the Company are references to the body corporate determined under the provisions of Paragraph 6(c)(1) of this Scheme.

7. ADMINISTRATION OR AMENDMENT

The Scheme shall be administered under the direction of the Administrator as set out in the Main Plan provided that for so long as the Administrator determines that the Scheme is to be an Approved Scheme, no amendment to any "key feature" of this Scheme or provision of the Main Plan as applicable to this Scheme (as defined in paragraph 30(4) of Schedule 4) shall have effect until approved by the Revenue.

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

MANPOWERGROUP INC.

(in millions)

	6 Months Ended June 30, 2014
Earnings:	
Earnings before income taxes	\$ 297.2
Fixed charges	68.6
	\$ 365.8
Fixed charges:	
Interest (expensed or capitalized)	\$ 18.1
Estimated interest portion of rent expense	50.5
	\$ 68.6
Ratio of earnings to fixed charges	5.3

	2013	2012	2011	2010	2009
Earnings:					
Earnings before income taxes	\$ 475.5	\$ 368.4	\$ 479.9	\$ (165.2)	\$ (22.9)
Fixed charges	159.7	165.1	170.2	161.9	183.9
	\$ 635.2	\$ 533.5	\$ 650.1	\$ (3.3)	\$ 161.0
Fixed charges:					
Interest (expensed or capitalized)	\$ 43.2	\$ 42.5	\$ 43.1	\$ 42.4	\$ 61.7
Estimated interest portion of rent expense	116.5	122.6	127.1	119.5	122.2
	\$ 159.7	\$ 165.1	\$ 170.2	\$ 161.9	\$ 183.9
Ratio of earnings to fixed charges	4.0	3.2	3.8	(0.0)	0.9

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.

CERTIFICATION

I, Jonas Prising, Chief Executive Officer of ManpowerGroup Inc., certify that:

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

Dated: August 6, 2014

/s/ Jonas Prising

Jonas Prising

Chief Executive Officer

CERTIFICATION

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

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

Dated: August 6, 2014

/s/ Michael J. Van Handel

Michael J. Van Handel

Executive Vice President and 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 ManpowerGroup Inc. (the "Company"), hereby certifies that to his knowledge:

- (1) the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2014 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.

ManpowerGroup Inc.

Dated: August 6, 2014

/s/ Jonas Prising

Jonas Prising

Chief Executive Officer

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

STATEMENT

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

- (1) the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2014 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.

ManpowerGroup Inc.

Dated: August 6, 2014

/s/ Michael J. Van Handel

Michael J. Van Handel

Executive Vice President and Chief Financial Officer

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