



ManpowerGroup™

January 29, 2004

## Manpower Reports 4th Quarter and Full-Year 2003 Results

MILWAUKEE, WI, Jan. 29 /PRNewswire-FirstCall/ -- Manpower Inc. (NYSE: MAN) today reported that net income for the three months ended December 31, 2003 increased 24.6 percent to \$49.9 million, or 63 cents per diluted share, from \$40.1 million, or 52 cents per diluted share, a year earlier. Revenues for the fourth quarter totaled \$3.3 billion, an increase of 15.9 percent from the year-earlier period.

Results for the fourth quarter were positively affected by relatively stronger foreign currencies compared to the prior year period. On a constant currency basis, earnings per diluted share for the quarter were 53 cents on a 2.8 percent revenue increase. Results were also favorably impacted by a net 8 cents as a result of a reduction in our estimated liability related to government payroll tax subsidies, partially offset by office closure costs.

Jeffrey A. Joerres, Manpower Chairman and Chief Executive Officer, said, "Throughout the fourth quarter of 2003 we continued to see positive signs. In several markets throughout the world the demand for our services is gradually improving, but more importantly, our infrastructure investments and execution of our strategies are clearly accelerating our performance.

"Manpower France continues to perform very well. Germany, Canada, Japan, and Mexico also contributed nicely to the success of the quarter and full year. The U.S. market is more positive, though employers remain hesitant and reluctant to hire. On a full year basis, 2003 was unpredictable and difficult, and the Manpower team across the world responded superbly.

"We are anticipating the first quarter of 2004 fully diluted earnings per share to fall in the range of 23 to 27 cents. This includes an estimated positive currency impact of 4 cents and earnings accretion from the recently completed acquisition of Right Management Consultants of 3 cents."

Net income for the year ended December 31, 2003 totaled \$137.7 million or \$1.74 per diluted share, up 21.7 percent from \$113.2 million, or \$1.46 per diluted share in 2002. Revenues for the year were \$12.2 billion, an increase of 14.8 percent from the prior year. On a constant currency basis, earnings per diluted share for the year were \$1.45 on a revenue increase of 2.2 percent.

In conjunction with its fourth quarter earnings release, Manpower will broadcast its conference call live over the Internet on January 29 at 8:00 a.m. CST (9:00 a.m. EST). Interested parties are invited to listen by logging on to <http://investor.manpower.com>.

Supplemental financial information referenced in the conference call can be found at <http://investor.manpower.com>.

About Manpower Inc.

Manpower Inc. (NYSE: MAN) is a world leader in the employment services industry, offering customers a continuum of services to meet their needs throughout the employment and business cycle. The company specializes in permanent, temporary and contract recruitment; employee assessment; training; career transition and organizational consulting services. Manpower's worldwide network of 4,300 offices in 66 countries and territories enables the company to meet the needs of its 400,000 customers per year, including small and medium size enterprises in all industry sectors, as well as the world's largest multinational corporations. The focus of Manpower's work is on raising productivity through improved quality, efficiency and cost-reduction, enabling customers to concentrate on their core business activities. In addition to the Manpower brand, the company operates under the brand names of Right Management Consultants, Jefferson Wells, Elan, Brook Street and Empower. More information on Manpower Inc. is available at [www.manpower.com](http://www.manpower.com).

Forward-Looking Statements

This news release contains statements, including earning projections, that are forward-looking in nature and, accordingly, are subject to risks and uncertainties regarding the Company's expected future results. The Company's actual results may differ materially from those described or contemplated in the forward-looking statements. Factors that may cause the Company's actual results to differ materially from those contained in the forward-looking statement can be found in the Company's reports

filed with the SEC, including its Annual Report on Form 10-K for the year ended December 31, 2002, which information is incorporated herein by reference.

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

	Three Months Ended December 31			
	2003	2002	% Variance	
			Amount Reported (Unaudited)	Constant Currency
Revenues from services (a)	\$3,289.2	\$2,838.1	15.9%	2.8%
Cost of services	2,689.5	2,322.4	15.8%	
Gross profit	599.7	515.7	16.3%	3.3%
Selling and administrative expenses	510.6	428.6	19.1%	6.6%
Operating profit	89.1	87.1	2.4%	-12.8%
Interest and other expenses	8.6	17.9	-52.2%	
Earnings before income taxes	80.5	69.2	16.4%	
Provision for income taxes	30.6	29.1	5.2%	
Net earnings	\$49.9	\$40.1	24.6%	6.1%
Net earnings per share - basic	\$0.64	\$0.52	23.1%	
Net earnings per share - diluted	\$0.63	\$0.52	21.2%	1.9%
Weighted average shares - basic	78.2	76.9	1.7%	
Weighted average shares - diluted	79.8	77.6	2.9%	

(a) Revenues from services include fees received from our franchise offices of \$7.7 million and \$7.6 million for the three months ended December 31, 2003 and 2002, respectively. These fees are primarily based on revenues generated by the franchise offices, which were \$339.6 million and \$317.9 million for the three months ended December 31, 2003 and 2002, respectively.

Manpower Inc.  
Operating Unit Results  
(In millions)

	Three Months Ended December 31			
	2003	2002	% Variance	
			Amount Reported (Unaudited)	Constant Currency
Revenues from services:				
United States (a)	\$497.8	\$495.0	0.6%	0.6%
France	1,233.1	1,034.5	19.2%	0.2%

EMEA	1,089.5	934.0	16.7%	2.5%
Other Operations	468.8	374.6	25.1%	13.7%
	\$3,289.2	\$2,838.1	15.9%	2.8%
Operating Unit Profit:				
United States	\$9.7	\$13.4	-28.1%	-28.1%
France	63.9	48.1	32.9%	11.3%
EMEA	17.0	26.8	-36.7%	-44.9%
Other Operations	11.4	4.1	187.5%	173.0%
	102.0	92.4		
Corporate expenses	12.9	5.3		
Operating profit	89.1	87.1	2.4%	-12.8%
Interest and other expenses (b)	8.6	17.9		
Earnings before income taxes	\$80.5	\$69.2		

(a) In the United States, revenues from services include fees received from the related franchise offices of \$6.2 million and \$5.8 million for the three months ended December 31, 2003 and 2002, respectively. These fees are primarily based on revenues generated by the franchise offices, which were \$286.8 million and \$254.2 million for the three months ended December 31, 2003 and 2002, respectively.

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

Interest expense	\$10.4	\$10.5
Interest income	(2.0)	(2.4)
Foreign exchange gains	(0.4)	(1.0)
Miscellaneous, net	0.6	10.8
	\$8.6	\$17.9

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

	Year Ended December 31			
	2003	2002	% Variance	
Amount			Constant	
			Reported	Currency
Revenues from services (a)	\$12,184.5	\$10,610.9	14.8%	2.2%
Cost of services	10,047.7	8,700.5	15.5%	
Gross profit	2,136.8	1,910.4	11.9%	-0.3%
Selling and administrative expenses	1,878.9	1,675.6	12.1%	0.6%
Operating profit	257.9	234.8	9.9%	-6.6%
Interest and other expenses	35.8	46.8	-23.6%	
Earnings before income taxes	222.1	188.0	18.2%	
Provision for income taxes	84.4	74.8	12.8%	
Net earnings	\$137.7	\$113.2	21.7%	1.4%
Net earnings per share - basic	\$1.77	\$1.48	19.6%	
Net earnings per share - diluted	\$1.74	\$1.46	19.2%	-0.7%

Weighted average shares - basic	77.7	76.4	1.7%
Weighted average shares - diluted	79.3	77.7	2.0%

- (a) Revenues from services include fees received from our franchise offices of \$26.5 million and \$25.8 million for the year ended December 31, 2003 and 2002, respectively. These fees are primarily based on revenues generated by the franchise offices (unaudited), which were \$1,214.4 million and \$1,179.8 million for the year ended December 31, 2003 and 2002, respectively.

Manpower Inc.  
Operating Unit Results  
(In millions)

	Year Ended December 31			
	2003	2002	% Variance	
Amount Reported			Constant Currency	
Revenues from services:				
United States (a)	\$1,945.8	\$1,911.4	1.8%	1.8%
France	4,638.8	3,848.2	20.5%	0.9%
EMEA	3,920.2	3,434.9	14.1%	-0.3%
Other Operations	1,679.7	1,416.4	18.6%	12.4%
	\$12,184.5	\$10,610.9	14.8%	2.2%
Operating Unit Profit:				
United States	\$33.7	\$29.2	15.2%	15.2%
France	184.0	143.6	28.2%	7.4%
EMEA	51.7	83.0	-37.7%	-45.4%
Other Operations	27.9	6.6	324.1%	288.8%
	297.3	262.4		
Corporate expenses	39.4	27.5		
Amortization of other intangible assets	-	0.1		
Operating profit	257.9	234.8	9.9%	-6.6%
Interest and other expenses (b)	35.8	46.8		
Earnings before income taxes	\$222.1	\$188.0		

- (a) In the United States, revenues from services include fees received from the related franchise offices of \$21.9 million and \$21.7 million for the year ended December 31, 2003 and 2002, respectively. These fees are primarily based on revenues generated by the franchise offices (unaudited), which were \$1,026.2 million and \$1,015.8 million for the year ended December 31, 2003 and 2002, respectively.

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

Interest expense	\$41.4	\$42.4
Interest income	(8.0)	(9.0)
Foreign exchange gains	(1.3)	(1.8)
Miscellaneous, net	3.7	15.2
	\$35.8	\$46.8

Manpower Inc.  
Consolidated Balance Sheets  
(In millions)

Dec. 31	Dec. 31
2003	2002

ASSETS

Current assets:

Cash and cash equivalents	\$426.2	\$284.0
Accounts receivable, net	2,609.4	2,214.2
Prepaid expenses and other assets	100.1	76.0
Future income tax benefits	101.4	79.1
Total current assets	3,237.1	2,653.3

Other assets:

Goodwill and other intangible assets, net	573.8	545.7
Investments in licensees	66.2	60.5
Other assets	320.7	253.4
Total other assets	960.7	859.6

Property and equipment:

Land, buildings, leasehold improvements and equipment	606.3	533.4
Less: accumulated depreciation and amortization	419.2	344.6
Net property and equipment	187.1	188.8
Total assets	\$4,384.9	\$3,701.7

LIABILITIES AND SHAREHOLDERS' EQUITY

Current liabilities:

Accounts payable	\$555.4	\$447.0
Employee compensation payable	105.6	96.2
Accrued liabilities	360.0	295.7
Accrued payroll taxes and insurance	476.6	391.6
Value added taxes payable	368.2	309.0
Short-term borrowings and current maturities of long-term debt	12.1	22.8
Total current liabilities	1,877.9	1,562.3

Other liabilities:

Long-term debt	829.6	799.0
Other long-term liabilities	367.1	340.5
Total other liabilities	1,196.7	1,139.5

Shareholders' equity:

Common stock	0.9	0.9
Capital in excess of par value	1,732.5	1,696.2
Accumulated deficit	(167.6)	(289.7)
Accumulated other comprehensive income (loss)	28.3	(123.7)
Treasury stock, at cost	(283.8)	(283.8)
Total shareholders' equity	1,310.3	999.9
Total liabilities and shareholders' equity	\$4,384.9	\$3,701.7

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

	Year Ended December 31	
	2003	2002
Cash Flows from Operating Activities:		
Net earnings	\$137.7	\$113.2
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	64.4	65.4
Amortization of discount on convertible debentures	7.6	7.3
Deferred income taxes	(1.4)	(0.2)
Provision for doubtful accounts	16.7	18.2

Changes in operating assets and liabilities:		
Accounts receivable	(71.1)	(54.4)
Other assets	(37.4)	41.6
Other liabilities	106.9	36.8
Cash provided by operating activities	223.4	227.9
Cash Flows from Investing Activities:		
Capital expenditures	(55.5)	(58.5)
Acquisitions of business, net of cash acquired	(6.7)	(33.5)
Proceeds from the sale of property and equipment	6.0	5.3
Cash used by investing activities	(56.2)	(86.7)
Cash Flows from Financing Activities:		
Net repayments of short-term facilities and long-term debt	(84.5)	(115.0)
Proceeds from stock option and purchase plans	35.6	29.4
Repurchase of common stock	-	(30.7)
Dividends paid	(15.6)	(15.3)
Cash used by financing activities	(64.5)	(131.6)
Effect of exchange rate changes on cash	39.5	28.6
Change in cash and cash equivalents	142.2	38.2
Cash and cash equivalents, beginning of period	284.0	245.8
Cash and cash equivalents, end of period	\$426.2	\$284.0