

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934: For the fiscal year ended December 31, 1999

OR

[] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission File No. 1-10686

MANPOWER INC.

(Exact name of registrant as specified in its charter)

WISCONSIN
(State or other jurisdiction of
incorporation or organization)

39-1672779
(I.R.S. Employer
Identification No.)

5301 NORTH IRONWOOD ROAD
MILWAUKEE, WISCONSIN
(Address of principal executive offices)

53217
(Zip Code)

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

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of Exchange on which registered
Common Stock, \$.01 par value	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: NONE

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 X No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. []

The aggregate market value of the voting stock held by nonaffiliates of the registrant was \$2,378,207,054 as of February 22, 2000. As of February 22, 2000, there were 76,255,136 of the registrant's shares of common stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Part I and Part II incorporate information by reference to the Annual Report to Shareholders for the fiscal year ended December 31, 1999. Part III is incorporated by reference from the Proxy Statement for the Annual Meeting of Shareholders to be held on April 17, 2000.

ITEM 1. BUSINESS

Introduction and History

Manpower Inc. (the "Company") is a leading non-governmental employment services organization, with almost 3,400 offices in 52 countries. The Company's largest operations, based on revenues, are located in the United States, France and the United Kingdom. The Company provides a variety of staffing and workforce management services and solutions, including temporary staffing services, contract services and training and testing of temporary and permanent workers. The Company provides employment services to a wide variety of customers, none of which individually comprise a significant portion of revenues within a given geographic region or for the Company as a whole. Unless the context requires otherwise, references to the Company include its subsidiaries.

The Company was organized in 1991 as a holding company to acquire Manpower PLC, which indirectly owned Manpower International Inc. ("Manpower"). Manpower was the primary operating subsidiary of the Company until June 30, 1996, when it was merged into the Company. The predecessor of Manpower was organized in 1948 and its shares were listed on the New York Stock Exchange (the "NYSE") in 1962.

The Company's principal executive offices are located at 5301 North Ironwood Road, Milwaukee, Wisconsin 53217 (telephone: 414-961-1000).

THE COMPANY'S OPERATIONS

United States

In the United States, the Company's operations are carried out through both branch (i.e., Company-owned) and franchise offices. The Company had 714 branch and 448 franchise offices in the United States at December 31, 1999. The Company provides a number of central support services to its branches and franchises which enable it to maintain consistent service quality throughout the United States regardless of whether an office is a branch or franchise. The Company has developed a comprehensive system of assessment/selection, training and quality assurance for its temporary staffing operations. All assessment/selection, training and support materials are designed and produced by the Company for both branches and franchises. In addition, the Company conducts a series of training classes for all employees of both branches and franchises. The Company provides customer invoicing and payroll processing of its temporary employees for all branch offices and a majority of its franchise offices through its Milwaukee headquarters.

The Company's franchise agreements provide the franchisee with the right to use the Manpower(R) service mark and associated marks in a specifically defined exclusive territory. U.S. franchise fees range from 2-3% of franchise sales. The Company's franchise agreements provide that in the event of a proposed sale of a franchise to a third party, the Company has the right to repurchase the franchise at the same price and on the same terms as proposed by the third party. The Company frequently exercises this right and intends to continue to do so in the future if opportunities arise with appropriate prices and terms.

In the United States, the Company's operations are primarily related to providing temporary employment services. During 1999, approximately 41% of the Company's United States temporary help revenues were derived from placing office staff, 40% from placing industrial staff and 19% from placing technical and information technology staff.

3

France

The Company is a leading temporary employment service provider in France. The Company conducts its operations in France through 805 branch offices under the name of Manpower and 40 branch offices under the name Supplay.

The temporary services market in France is predominately industrial. In 1999, the Company derived approximately 74% of its revenue in France from the industrial sector, 11% from the construction sector and 15% from the office sector.

United Kingdom

The Company is a leading supplier of temporary employment services in the United Kingdom. As of December 31, 1999, it conducted operations in the United Kingdom through 187 branch offices under the Manpower brand ("Manpower UK").

Manpower UK uses the same approach to assessment/selection, training and marketing programs in the United Kingdom as is used in the United States with such modifications as necessary to reflect differences in language, culture and business practices. Ultraskill(R), the Company's proprietary program for assessing the word processing skills of its temporary workers, has received endorsement from the Oxford, Cambridge and Royal Society of Arts ("OCR"), one of the world's foremost qualification standards for office skills. Candidates whose results exceed prescribed levels can be automatically certified through the OCR. Manpower UK was the first temporary staffing company to be registered under ISO9000, the international quality assurance standard. It was also the first service company to achieve the United Kingdom's Government Investment in People program, which recognizes companies that invest in the training and development of their people.

Manpower UK offers temporary employment services in the call center, office, industrial, technical, information technology, nursing and transport markets. It also offers a variety of specialized services targeted at the health sector and local government which consist of specialized assessment, selection and training, as well as the supply of specialized staff. Manpower UK is also the leading company in the United Kingdom for the provision of managed services, project work and subcontracted activities.

During 1999, approximately 27% of Manpower UK's revenues were derived from the supply of call center staff, 25% from the supply of office staff, 17% from the supply of industrial staff, 21% from the supply of technical staff and information technology staff, 5% from the supply of nursing staff and 5% from the supply of drivers.

The Company also owns Brook Street Bureau PLC ("Brook Street") which operates separately from the Manpower brand and exclusively in the United Kingdom. Brook Street, acquired in 1985, has a total of 96 branch offices. The core business is secretarial, office and light industrial recruitment, with niche operations in accountancy, finance and social care recruitment. Brook Street operates as a local network of branches supported by a national head office and competes primarily with local or regional independents. In 1999, approximately 91% of its revenues were derived from temporary placements and 9% were derived from permanent placement.

Other Europe

The Company operates through 673 branch offices and 49 franchise offices in other European countries. These operations are located in such countries as Austria, Belgium, Denmark, Finland, Germany, Greece, Italy, The Netherlands, Norway, Spain and Sweden, all of which are branch offices, and Switzerland, which is a 49% owned franchise. The Company is a leading non-governmental temporary employment services firm in the European Economic Community. The Company utilizes the same approach to selection, training, recruiting and marketing

2

4

techniques in continental Europe as are used in the United States with such modifications as may be appropriate for local legal requirements, cultural characteristics and business practices.

Rest of the World

The Company operates through 357 branch offices and 23 franchise offices in the other markets of the world. The largest of these operations are located in Japan (42 branch offices), Israel (59 branch offices), Canada (43 branch offices and 8 franchise offices), Mexico (41 branch offices) and Australia (65 branch offices). Other significant operations are located in 13 countries in Central and South America and in 8 countries in Southeast Asia. The Company uses the same general approach to testing, training and marketing tools

in other areas of the world as employed in the United States with such modifications as may be appropriate for local cultural differences and business practices. In most of these countries, the Company primarily supplies temporary workers to the industrial, general office and technical markets.

COMPETITION

Historically, in periods of economic prosperity, the number of firms operating in the temporary help industry has increased significantly due to the combination of a favorable economic climate and low barriers to entry. Recessionary periods, such as that experienced in the United States and United Kingdom in the early 1990s, result in a reduction in competition through consolidation and closures. However, historically this reduction has proven to be of a limited duration as the following periods of economic recovery have led to a return to growth in the number of competitors operating in the industry.

The temporary employment services market throughout the world is highly competitive and highly fragmented with more than 15,000 firms competing in the industry throughout the world. In addition to the Company, the largest publicly owned companies (the only companies about which financial information is readily available) specializing in temporary employment services are Adecco, S.A. (Switzerland), Kelly Services, Inc. (U.S.), Randstad Holding N.V. (Netherlands), Vedior/Bis (Netherlands) and Interim Services Inc. (U.S.).

In the temporary staffing industry, competition is often limited to firms with offices located within a customer's particular local market because temporary employees (aside from certain employees in the technology services segment) are generally unwilling to travel long distances. In most major markets, competitors generally include many of the publicly traded companies and numerous regional and local competitors, some of which may operate only in a single market. Competition may also be provided by governmental entities or agencies, such as state employment offices in the United Kingdom and many European countries.

Since client companies rely on temporary employment firms having offices within the local area in which they operate, competition varies from market-to-market and country-to-country. In most areas, no single company has a dominant share of the market. Many client companies use more than one temporary employment services provider; however, in recent years, the practice of using a sole (or a limited number of) temporary supplier or a primary supplier has become an increasingly important factor among the largest customers, particularly in the United States and the United Kingdom. These sole supplier relationships can have a significant impact on the Company's revenue and operating profit growth. While the Company believes that these large account relationships will prove to be less cyclical in the long-term than its traditional business, volume reductions by such customers, whether related to economic factors or otherwise, could have a material adverse effect on the Company's results in any period.

Methods of Competition

Temporary staffing firms act as intermediaries in matching available temporary workers to employer assignments. As a result, temporary staffing firms compete both to recruit and retain a supply of workers and to attract customers to employ temporary employees. Competition is generally limited to firms having offices located in a specific local geographic market. Depending on the economy of a particular market at any point in time, it may be

necessary for the Company to place greater emphasis on recruitment and retention of temporary workers or marketing to customers. The Company recruits temporary workers through a wide variety of means, principally personal referrals and advertisements and by providing an attractive compensation package including (in jurisdictions where such benefits are not otherwise required by law) health insurance, vacation and holiday pay, incentive plans and a recognition program.

Methods used to market temporary services to customers vary depending

on the customer's perceived need for temporary workers, the local labor supply, the length of assignment and the number of workers required. Depending on these factors, the Company competes by means of quality of service provided, scope of service offered and price. In the temporary help industry, quality is measured primarily by the ability to effectively match an individual worker to a specific assignment, as well as the rate of and promptness in filling an order. Success in providing a high quality service is a function of the ability to access a large supply of available temporary workers, select suitable individuals for a particular assignment and, in some cases, train available workers in skills required for an assignment.

An important aspect in the selection of a temporary worker for an assignment is the ability of the temporary services firm to identify the skills, knowledge, abilities, and personal characteristics of a temporary worker and match their competencies or capabilities to an employer's requirements. The Company has developed a variety of proprietary programs for identifying and assessing skill levels of its temporary workers, including Ultraskill(R) (for word processing skills), Sureskill (for office automation skills such as word processing, spreadsheet, presentation graphics, etc.), Ultradex (for several important light industrial skills), Predicta (for critical general office and customer service/call center skills), Linguaskill (for language skills) and Phoneskill (for verbal communication skills) which are used in selecting a particular individual for a specific assignment. The Company believes that its assessment systems enable it to offer a higher quality service by increasing productivity, decreasing turnover and reducing absenteeism. The Company believes it is the only temporary employment firm whose employee selection systems have been statistically validated in full or complete accordance with the guidelines established by the Equal Employment Opportunity Commission and standards set forth by the American Psychological Association in the United States and similar authorities in various other countries. In the United Kingdom, candidates whose test results on Ultraskill(R) exceed prescribed levels are automatically certified through the OCR, one of the world's best known qualification standards for word processing skills.

It is also important to be able to access a large network of skilled workers and to be able to "create" certain hard-to-find skills by offering training to available workers. The Company's competitive position is enhanced by being able to offer a wide variety of skills in some of the most important market segments for temporary work through the use of training systems.

For the office workers, the Company has a proprietary training system called Skillware(R) which allows temporary workers to quickly and conveniently learn new or enhance existing skills in over 50 different word processing, database, spreadsheet, graphics, desktop publishing, electronic scheduling and calendaring groupware, project management and operating system applications from a variety of manufacturers including Microsoft and Lotus. Skillware(R) is a thorough hands-on program enabling workers to become productive independent operators. The Skillware(R) system combines the human elements of classroom instruction with the self-paced work-related aspects of a computer delivered system. A Skillware(R) administrator sets up the training, monitors all sessions and is available to answer questions. Every person completing a Skillware(R) course receives reference material for future use. New Skillware(R) is constantly developed or updated as new software programs are introduced.

The Company also develops Skillware(R) training to prepare workers to take positions in call centers, banks and other organizations where transaction processing skills are required. In addition, to assist its temporary workers in improving general office skills, the Company offers a variety of specific skill development programs in spelling, punctuation and keyboard skills.

The Company has partnered with Smart Force to develop TechTrack, a training program for technical professionals. TechTrack is an interactive, self-directed training program which enhances technical employees' skills to

meet the current and emerging demands of the business environment. TechTrack offers a spectrum of instruction focusing on client/server, mainframe, internet,

networking and operating systems technologies. The training prepares technical employees for certification testing by guiding them through E-Commerce, Visual Basic, C++ Programming, COBOL, JAVA, SAP, PowerBuilder, IEEE LAN Architecture and more than 1,000 other courses.

In 1999 the Company unveiled the Global Learning Center ("GLC"), an on-line university for its permanent employees and temporary workers. The GLC provides skills training, assessment, and other career-related services. Students of the GLC can select from more than 1,000 courses in the areas of client-server, programming, Internet development, and business skills. In addition, the GLC allows access to Skillware(R) training.

Although temporary help firms compete in a local market, for administrative purposes, the largest customers demand national, and increasingly global, arrangements. A large national or multi-national customer will frequently enter into non-exclusive arrangements with several firms, with the ultimate choice among them being left to its local managers; this effectively limits competition to the few firms, including the Company, with large branch networks. National arrangements, which generally fix either the pricing or mark-up on services performed in a particular country, represented approximately 45% of the Company's sales in 1999. Global arrangements, where the Company services multinational customers in several countries, represented approximately 10% of the Company's sales in 1999. Because the Company provides services to a wide variety of customers, there is no one customer that individually comprises a significant portion of revenues within a given geographic region or for the Company as a whole.

The Company competes in the large company market by providing permanent staff training using its Skillware(R) training capability, widespread office network and large temporary work force, to train the permanent employees of large companies in a variety of office software applications. To date, more than 7 million people have used Skillware(R) training. The Company believes its capability to offer permanent staff training, in addition to generating sufficient revenue to offset development costs, provides it with a key marketing advantage over its competitors in supplying temporary staff to companies where it has been involved in significant staff training.

REGULATION

The temporary employment services industry is closely regulated in all of the major markets in which the Company operates except the United States and Canada. Temporary employment service firms are generally subject to one or more of the following types of government regulation: (i) regulation of the employer/employee relationship between the firm and its temporary employees; (ii) registration, licensing, record keeping and reporting requirements; and (iii) substantive limitations on its operations or the use of temporary employees by customers.

In many markets, the existence or absence of collective bargaining agreements with labor organizations has a significant impact on the Company's operations and the ability of customers to use the Company's services. In some markets, labor agreements are structured on an industry-wide (rather than company-by-company) basis. Changes in these collective labor agreements have occurred in the past and are expected to occur in the future and may have a material impact on the operations of temporary employment services firms, including the Company.

In many countries, including the United States and the United Kingdom, temporary employment services firms are considered the legal employers of temporary workers. Therefore, the firm is governed by laws regulating the employer/employee relationship, such as tax withholding or reporting, social security or retirement, anti-discrimination and workers' compensation. In other countries, temporary employment services firms, while not the direct legal employer of temporary workers, are still responsible for collecting taxes and social security deductions and transmitting such amounts to the taxing authorities.

In many countries, particularly in continental Europe, entry into the temporary employment market is restricted by the requirement to register with, or obtain licenses from, a government agency. In addition, a wide variety of ministerial requirements may be imposed, such as record keeping, written contracts and reporting. The United States and Canada do not presently have any form of national registration or licensing requirement.

In addition to licensing or registration requirements, many countries impose substantive restrictions on the use of temporary employment services. Such restrictions include regulations affecting the types of work permitted (e.g., Germany prohibits the use of temporary workers in construction work and Japan and Norway generally prohibit the use of temporary workers in industrial work), the maximum length of a temporary assignment (varying from 3 to 24 months), wage levels (e.g., in France and Spain, wages paid to temporary workers must be the same as paid to permanent workers) or reasons for which temporary workers may be employed. In some countries special taxes, fees or costs are imposed in connection with the use of temporary workers. For example, in France, temporary workers are entitled to a 10% allowance for the precarious nature of employment which is eliminated if a full-time position is offered to them within three days. In some countries, the contract of employment with the temporary employee must differ from the length of assignment.

In the United States, the Company is subject to various federal and state laws relating to franchising, principally the Federal Trade Commission's franchise rules and analogous state laws. These laws and related rules and regulations impose specific disclosure requirements on prospective franchisees. Virtually all states also regulate the termination of franchises. See "Management's Discussion and Analysis of Financial Condition and Results of Operations - Legal Regulations and Union Relationships" which is found in the Company's 1999 Annual Report to Shareholders and which is incorporated herein by reference.

TRADEMARKS

The Company maintains a number of registered trademarks, trade names and service marks in the United States and certain other countries. The Company believes that many of these marks and trade names, including Manpower(R), Ultraskill(R) and Skillware(R), have significant value and are materially important to its business. In addition, the Company maintains other intangible property rights.

RESEARCH AND DEVELOPMENT

The Company's research and development efforts are concentrated on the development and updating of its Skillware(R) training and employee selection programs. Approximately 24 employees are engaged in research and development at the Company's international headquarters. Independent contractors are also hired to assist in the development of these tools. Expenditures for research and development, which were internally financed, aggregated approximately \$3.8 million, \$3.9 million and \$3.5 million in 1999, 1998 and 1997, respectively.

EMPLOYEES

The Company had approximately 16,300 permanent full-time employees at December 31, 1999. In addition, the Company estimates that it assigned over 2.0 million temporary workers on a worldwide basis in 1999. As described above, in most jurisdictions, the Company (through its subsidiaries), as the employer of its temporary workers or, as otherwise required by applicable law, is responsible for employment administration, including collection of withholding taxes, employer contributions for social security (or its equivalent outside the United States), unemployment tax, workers' compensation and fidelity and liability insurance, and other governmental requirements imposed on employers. In most jurisdictions where such benefits are not legally required, including the United States, the Company provides health and life insurance, paid holidays and paid vacations to qualifying temporary employees.

FINANCIAL INFORMATION ABOUT FOREIGN AND DOMESTIC
OPERATIONS AND EXPORT SALES

Note 13 to the Company's Consolidated Financial Statements sets forth the revenues, earnings before income taxes and identifiable assets derived from each geographical area for the years ended December 31, 1999, 1998 and 1997. Such note is found in the Company's 1999 Annual Report to Shareholders and is incorporated herein by reference.

ITEM 2. PROPERTIES

The Company's international headquarters are in Glendale, Wisconsin, a suburb of Milwaukee. The Company owns, free of any material encumbrances, an 82,000 square foot building and a 32,000 square foot building situated on a sixteen-acre site in Glendale, Wisconsin. The Company also owns additional properties at various other locations which are not material.

Most of the Company's operations are conducted from leased premises, none of which are material to the Company taken as a whole. The Company does not anticipate any difficulty in renewing these leases or in finding alternative sites in the ordinary course of business.

ITEM 3. LEGAL PROCEEDINGS

The Company is involved in litigation of a routine nature and various legal matters which are being defended and handled in the ordinary course of business.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

Not applicable.

EXECUTIVE OFFICERS OF THE REGISTRANT

NAME OF OFFICER -----	OFFICE -----
Jeffrey A. Joerres Age 40	President and Chief Executive Officer and a director of the Company since April, 1999. Senior Vice President - European Operations and Marketing and Major Account Development from July, 1998 to April, 1999. Senior Vice President Major Account Development of the Company from November, 1995 to July, 1998. Vice President - Marketing and Major Account Development of the Company from July, 1993 to November, 1995.
Terry A. Hueneke Age 57	Executive Vice President of the Company and a director since December, 1995. Senior Vice President - Group Executive of Manpower from 1987 until 1996.
Michael J. Van Handel Age 40	Senior Vice President, Chief Financial Officer and Secretary of the Company since August, 1999. Senior Vice President, Chief Financial Officer, Treasurer and Secretary of the Company from July, 1998 to August, 1999. Vice President, Chief Accounting Officer and Treasurer of the Company from February, 1995 to July, 1998 and of Manpower from February, 1995 to June, 1996. Vice President, International Accounting and Internal Audit of Manpower from September, 1992 to February, 1995 and Director of Internal Audit of Manpower prior thereto.

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY AND RELATED SHAREHOLDER MATTERS

The market and historical dividend information required by this Item is set forth in the Company's Annual Report to Shareholders for the fiscal year ended December 31, 1999, under the heading "Quarterly Data," (page 45) which information is hereby incorporated herein by reference.

HOLDERS

As of February 22, 2000, 76,255,136 shares of Common Stock were held of record by 6,251 record holders.

ITEM 6. SELECTED FINANCIAL DATA

The information required by this Item is set forth in the Company's Annual Report to Shareholders for the fiscal year ended December 31, 1999, under the heading "Selected Financial Data," (page 46) which information is hereby incorporated herein by reference.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The information required by this Item is set forth in the Company's Annual Report to Shareholders for the fiscal year ended December 31, 1999, under the heading "Management's Discussion and Analysis of Financial Condition and Results of Operations," (pages 20 to 27) which information is hereby incorporated herein by reference.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The information required by this Item is set forth in the Company's Annual Report to Shareholders for the fiscal year ended December 31, 1999, under the heading "Significant Matters Affecting Results of Operations," (pages 25 to 26) which information is hereby incorporated herein by reference.

Certain information included or incorporated by reference in this Annual Report on Form 10-K and identified by use of the words "expects," "believes," "plans" or the like constitutes forward-looking statements, as such term is defined in Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. In addition, any information included or incorporated by reference in future filings by the Company with the Securities and Exchange Commission, as well as information contained in written material, releases and oral statements issued by or on behalf of the Company may include forward-looking statements. All statements which address operating performance, events or developments that the Company expects or anticipates will occur or future financial performance are forward-looking statements.

These forward-looking statements speak only as of the date on which they are made. They rely on a number of assumptions concerning future events and are subject to a number of risks and uncertainties, many of which are outside of the Company's control, that could cause actual results to differ materially from such statements.

These risks and uncertainties include, but are not limited to:

- material changes in the demand from larger customers, including customers with which the Company has national or global arrangements
- availability of temporary workers or workers with the skills required by customers
- increases in the wages paid to temporary workers
- competitive market pressures, including pricing pressures
- ability to successfully invest in and implement information systems
- unanticipated technological changes, including obsolescence or impairment of information systems
- changes in customer attitudes toward the use of staffing services

- government, tax or regulatory policies adverse to the employment services industry
- general economic conditions in international markets
- interest rate and exchange rate fluctuations

The Company disclaims any obligation to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The information required by this Item is set forth in the Financial Statements and the Notes thereto (pages 29 to 45) contained in the Company's Annual Report to Shareholders for the fiscal year ended December 31, 1999, which information is hereby incorporated herein by reference.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

- (a) Executive Officers. Reference is made to "Executive Officers of the Registrant" in Part I after Item 4.
- (b) Directors. The information required by this Item is set forth in the Company's Proxy Statement for the Annual Meeting of Shareholders to be held on April 17, 2000 at pages 3 to 4 under the caption "Election of Directors," which information is hereby incorporated herein by reference.
- (c) Section 16 Compliance. The information required by this Item is set forth in the Company's Proxy Statement for the Annual Meeting of Shareholders to be held on April 17, 2000 at page 18 under the caption "Section 16(a) Beneficial Ownership Reporting Compliance," which information is hereby incorporated herein by reference.

ITEM 11. EXECUTIVE COMPENSATION

The information required by this Item is set forth in the Company's Proxy Statement for the Annual Meeting of Shareholders to be held on April 17, 2000, at page 5 under the caption "Remuneration of Directors," pages 7 to 11 under the caption "Executive Compensation," and page 14 under the caption "Executive Compensation Committee Interlocks and Insider Participation," which information is hereby incorporated herein by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The information required by this Item is set forth in the Company's Proxy Statement for the Annual Meeting of Shareholders to be held on April 17, 2000, at page 2 under the caption "Security Ownership of Certain Beneficial Owners" and at page 6 under the caption "Security Ownership of Management," which information is hereby incorporated herein by reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

The information required by this Item is set forth in the Company's Proxy Statement for the Annual Meeting of Shareholders to be held on April 17, 2000, at page 5 under the caption "Remuneration of Directors" and at page 14

11
under the caption "Executive Compensation Committee Interlocks and Insider Participation," which information is hereby incorporated herein by reference.

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES, AND REPORTS ON FORM 8-K

(a)(1) Financial Statements.

PAGE NUMBER(S)
IN ANNUAL REPORT
TO SHAREHOLDERS

Consolidated Financial Statements (data incorporated by reference from the attached Annual Report to Shareholders):

Consolidated Balance Sheets as of December 31, 1999 and 1998.....30-31

Consolidated Statements of Operations for the years ended
December 31, 1999, 1998 and 1997.....29

Consolidated Statements of Cash Flows for the years ended
December 31, 1999, 1998 and 1997.....32

Consolidated Statements of Shareholders' Equity for the years
ended December 31, 1999, 1998 and 1997.....33

Notes to Consolidated Financial Statements.....34-44

(a)(2) Financial Statement Schedules.

Report of Independent Public Accountants on the Financial
Statement Schedule
Consent of Independent Public Accountants
SCHEDULE II - Valuation and Qualifying Accounts

(a)(3) Exhibits.

See (c) below.

Pursuant to Regulation S-K, Item 601(b)(4)(iii), the Registrant hereby agrees to furnish to the Commission, upon request, a copy of each instrument and agreement with respect to long-term debt of the Registrant and its consolidated subsidiaries which does not exceed 10 percent of the total assets of the Registrant and its subsidiaries on a consolidated basis.

(b) Reports on Form 8-K.

There was one report on Form 8-K filed on October 28, 1999.

(c) Exhibits.

- 3.1 Articles of Incorporation of Manpower Inc. incorporated by reference to Annex C of the Prospectus which is contained in Amendment No. 1 to Form S-4 (Registration No. 33-38684).
- 3.2 Amended and Restated By-laws of Manpower Inc.

- 10.1 Revolving Credit Agreement dated December 2, 1999 between Manpower Inc. and the financial institutions set forth therein, Citibank N.A. and Salomon Smith Barney Inc.
- 10.2 Revolving Credit Agreement dated November 25, 1997, between

Manpower Inc. and the banks set forth therein, Credit Lyonnais, the First National Bank of Chicago, Fleet National Bank, Mellon Bank, N.A., Citibank International PLC and Citibank, N.A., incorporated by reference to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1998.

- 10.3 Amended and Restated Manpower 1991 Executive Stock Option and Restricted Stock Plan, incorporated by reference to Form 10-Q of Manpower Inc. dated September 30, 1996.**
- 10.4 Manpower Savings Related Share Option Scheme, incorporated by reference to Amendment No. 1 to the Company's Registration Statement on Form S-4 (Registration No. 33-38684).**
- 10.5 Transfer Agreement dated February 25, 1991 between Manpower and the Company (the "Transfer Agreement"), incorporated by reference to Amendment No. 1 to the Company's Registration Statement on Form S-4 (Registration No. 33-38684).**
- 10.6 Blue Arrow Savings Related Share Option Scheme, as assumed by Manpower pursuant to the Transfer Agreement, incorporated by reference to Amendment No. 1 to the Company's Registration Statement on Form S-4 (Registration No. 33-38684).**
- 10.7 Blue Arrow Executive Share Option Scheme, as assumed by Manpower pursuant to the Transfer Agreement, incorporated by reference to Amendment No. 1 to the Company's Registration Statement on Form S-4 (Registration No. 33-38684).**
- 10.8 Amended and Restated Manpower 1990 Employee Stock Purchase Plan, incorporated by reference to the Company's Registration Statement on Form S-8 (Registration No. 333-31021).**
- 10.9 Manpower Retirement Plan, as amended and restated effective as of March 1, 1989, incorporated by reference to Form 10-K of Manpower PLC, SEC File No. 0-9890, filed for the fiscal year ended October 31, 1989.**
- 10.10 Amended and Restated Manpower 1994 Executive Stock Option and Restricted Stock Plan, incorporated by reference to Form 10-Q of Manpower Inc. dated September 30, 1996.**
- 10.11(a) Nonstatutory Stock Option Agreement between Manpower Inc. and Mitchell S. Fromstein dated April 26, 1999, incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 1999.**
- 10.11(b) Agreement between Manpower Inc. and Mitchell S. Fromstein dated April 26, 1999, incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 1999.**

- 10.11(c) Stock Option Agreement between Manpower Inc. and John R. Walter dated April 26, 1999, incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 1999.**
- 10.12(a) Advisory Services Agreement between Manpower Inc., Ashlin Management Company and John R. Walter dated April 26, 1999, incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 1999.**
- 10.12(b) Consulting Agreement dated as of April 26, 1999 between Manpower Inc. and Gilbert Palay.**

- 10.13(a) Manpower Inc. 2000 Corporate Senior Management Incentive Program.**
- 10.13(b) [reserved]
- 10.14 The Restricted Stock Plan of Manpower Inc., incorporated by reference to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1992.**
- 10.15 Amended and Restated Manpower 1991 Directors Stock Option Plan, incorporated by reference to the Company's Registration Statement on Form S-8 (Registration No. 333-31021).**
- 10.16 Amended and Restated Manpower Deferred Stock Plan, incorporated by reference to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1996.**
- 10.17(a) Employment Agreement between Terry A. Hueneke and Manpower Inc. dated February 18, 1997, incorporated by reference to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1996.**
- 10.17(b) Employment Agreement between Terry A. Hueneke and Manpower Inc. dated February 23, 1998, incorporated by reference to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1998.**
- 10.18(a) Employment Agreement between Jeffrey A. Joerres and Manpower Inc. dated as of February 22, 1999, incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 1999.**
- 10.18(b) Severance Agreement between Jeffrey A. Joerres and Manpower Inc. dated as of February 22, 1999, incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 1999.**
- 10.19(a) Employment Agreement between Michael J. Van Handel and Manpower Inc. dated as of February 22, 1999, incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 1999.**
- 10.19(b) Severance Agreement between Michael J. Van Handel and Manpower Inc. dated as of February 22, 1999, incorporated by reference to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 1999.**

14

- 13 1999 Annual Report to Shareholders. Pursuant to Item 601(b)(13)(ii) of Regulation S-K, any of the portions of the Annual Report incorporated by reference in this Form 10-K are filed as an exhibit hereto.
- 21 Subsidiaries of Manpower Inc.
- 23 Consent of Arthur Andersen LLP, incorporated by reference to the Schedule to the Financial Statements, which Schedule is contained in this Form 10-K.
- 24 Powers of Attorney.
- 27.1 Financial Data Schedule for the year ended December 31, 1999.
- 27.2 Restated Financial Data Schedule for the three months ended March 31, 1999.
- 27.3 Restated Financial Data Schedule for the year ended December

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS
ON FINANCIAL STATEMENT SCHEDULE

To the Board of Directors
and Shareholders of Manpower Inc.:

We have audited in accordance with generally accepted auditing standards, the financial statements included in Manpower Inc.'s annual report to shareholders incorporated by reference in this Form 10-K, and have issued our report thereon dated February 3, 2000. Our audit was made for the purpose of forming an opinion on those statements taken as a whole. The schedule listed in the index at item 14(a)(2) is the responsibility of the Company's management and is presented for purposes of complying with the Securities and Exchange Commission's rules and is not part of the basic financial statements. This schedule has been subjected to the auditing procedures applied in the audit of the basic statements and, in our opinion, fairly states in all material respects the financial data required to be set forth therein in relation to the basic financial statements taken as a whole.

/s/ Arthur Andersen LLP

ARTHUR ANDERSEN LLP

Milwaukee, Wisconsin
February 3, 2000

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation by reference, in this Annual Report on Form 10-K of Manpower Inc., our report dated February 3, 2000, included in the 1999 Annual Report to Shareholders of Manpower Inc.

We also consent to the incorporation of our reports included (or incorporated by reference) in this Annual Report on Form 10-K, into the Company's previously filed Registration Statements on Form S-8 (File Nos. 33-40441, 33-51336, 33-55264, 33-84736, 333-1040, 333-31021, 333-82457 and 333-82459), the Company's Registration Statements on Form S-3 (File Nos. 33-89660 and 333-6545) and the Company's Registration Statements on Form S-4 (File Nos. 333-650 and 33-95896).

/s/ Arthur Andersen LLP

ARTHUR ANDERSEN LLP

Milwaukee, Wisconsin
March 30, 2000

For the years ended December 31, 1999, 1998, and 1997,
in millions:

Allowance for Doubtful Accounts:

	BALANCE AT BEGINNING OF YEAR	TRANSLATION ADJUSTMENTS	PROVISIONS CHARGED TO EARNINGS	WRITE-OFFS	RECLASSIFICATIONS AND OTHER	BALANCE AT END OF YEAR
	-----	-----	-----	-----	-----	----
Year ended December 31, 1999.....	\$39.5	(3.3)	20.7	(10.6)	.8	\$47.1
Year ended December 31, 1998.....	\$38.0	1.0	12.0	(11.5)	-	\$39.5
Year ended December 31, 1997.....	\$33.5	(2.2)	15.9	(10.1)	.9	\$38.0

AMENDED AND RESTATED BY-LAWS

OF

MANPOWER INC.
(as of July 20, 1999)

ARTICLE I. OFFICES

SECTION 1.1. Principal and Other Offices. The principal office of the Corporation shall be located at any place either within or outside the State of Wisconsin as designated in the Corporation's most current Annual Report filed with the Wisconsin Secretary of State. The Corporation may have such other offices, either within or outside the State of Wisconsin as the Board of Directors may designate or as the business of the Corporation may require from time to time.

SECTION 1.2. Registered Office. The registered office of the Corporation required by the Wisconsin business corporation law to be maintained in the State of Wisconsin may, but need not, be the same as any of its places of business. The registered office may be changed from time to time.

SECTION 1.3. Registered Agent. The registered agent of the Corporation required by the Wisconsin business corporation law to maintain a business office in the State of Wisconsin may, but need not, be an officer or employee of the Corporation as long as such agent's business office is identical with the registered office. The registered agent may be changed from time to time.

ARTICLE II. SHAREHOLDERS

SECTION 2.1. Annual Meeting. The annual meeting of shareholders shall be held on the third Tuesday in the month of April for each year at 10:00 a.m. (local time) or at such other date and time as shall be fixed by, or at the direction of, the Board of Directors, for the purpose of electing directors for the class of directors whose term expires in such year and for the transaction of such other business as may have been properly brought before the meeting in compliance with the provisions of Section 2.5. If the day fixed for the annual meeting shall be a legal holiday in the State of Wisconsin, such meeting shall be held on the next succeeding business day.

SECTION 2.2. Special Meetings. Except as otherwise required by applicable law, special meetings of shareholders of the Corporation may only be called by the Chairman of the Board or the President and Chief Executive Officer pursuant to a resolution approved by not less than three-quarters of the Board of Directors; provided, however, that the Corporation shall hold a special meeting of shareholders of the Corporation if a signed and dated written demand or

demands by the holders of at least 10% of all the votes entitled to be cast on any issue proposed to be considered at the proposed special meeting is delivered to the Corporation as required under the Wisconsin business corporation law, which demand or demands must describe one or more identical purposes for which the shareholders demand a meeting be called.

SECTION 2.3. Place of Meeting. The Board of Directors, the Chairman of the Board or the President and Chief Executive Officer may designate any place, within or outside the State of Wisconsin, as the place of meeting for the annual meeting or for any special meeting. If no designation is made the place of meeting shall be the principal office of the Corporation, but any meeting may be adjourned to reconvene at any place designated by vote of a majority of the shares represented thereat.

SECTION 2.4. Notice of Meeting. The Corporation shall notify shareholders of the date, time and place of each annual and special shareholders

meeting. Notice of a special meeting shall include a description of each purpose for which the meeting is called. Notice of all meetings need be given only to shareholders entitled to vote, unless otherwise required by the Wisconsin business corporation law, and shall be given not less than ten nor more than sixty days before the meeting date. The Corporation may give notice in person, by telephone, telegraph, teletype, facsimile or other forms of wire or wireless communication, or by mail or private carrier, and, if these forms of personal communication are impracticable, notice may be communicated by a newspaper of general circulation in the area where published, or by radio, television or other form of public broadcast communication. Written notice shall be deemed to be effective at the earlier of receipt or mailing and may be addressed to the shareholder's address shown in the Corporation's current record of shareholders. Oral notice shall be deemed to be effective when communicated. Notice by newspaper, radio, television or other form of public broadcast communication shall be deemed to be effective the date of publication or broadcast.

SECTION 2.5. Advance Notice Shareholder-Proposed Business at Annual Meeting. At an annual meeting of shareholders, only such business shall be conducted as shall have been properly brought before the meeting. To be properly brought before an annual meeting, business must be: (a) specified in the notice of meeting (or any amendment or supplement thereto) given in accordance with Section 2.4, (b) otherwise properly brought before the meeting by or at the direction of the Board of Directors, the Chairman of the Board or the President and Chief Executive Officer, or (c) otherwise properly brought before the meeting by a shareholder. In addition to any other requirements under applicable law, the Articles of Incorporation or the By-Laws for business to be properly brought before an annual meeting by a shareholder, the shareholder must have given timely notice thereof in writing to the Secretary of the Corporation. To be timely, a shareholder's notice must be delivered to or mailed and received at the principal office of the Corporation, not less than 90 days prior to the meeting date specified in Section 2.1. A shareholder's notice to the Secretary shall set forth as to each matter the shareholder proposes to bring before the annual meeting (i) a brief description of the business desired to be brought before the annual meeting and the reasons for conducting such business at the annual meeting, (ii) the name and record address of the shareholder proposing such business, (iii) the class and number of shares of the Corporation which are beneficially owned by the shareholder, and (iv)

2

3

any interest of the shareholder in such business. In addition, any such shareholder shall be required to provide such further information as may be requested by the Corporation in order to comply with federal securities laws, rules and regulations. The Corporation may require evidence by any person giving notice under this Section 2.5 that such person is a bona fide beneficial owner of the Corporation's shares.

Notwithstanding anything in the By-Laws to the contrary, no business shall be conducted at the annual meeting except in accordance with the procedures set forth in this Section 2.5; provided, however, that nothing in this Section 2.5 shall be deemed to preclude discussion by any shareholder of any business properly brought before the annual meeting in accordance with said procedure.

The presiding officer at an annual meeting shall, if the facts warrant, determine and declare to the meeting that business was not properly brought before the meeting in accordance with the provisions of this Section 2.5, and if he should so determine, he shall so declare to the meeting and any such business not properly brought before the meeting shall not be transacted.

SECTION 2.6. Procedure for Nomination of Directors. Only persons nominated in accordance with all of the procedures set forth in the Corporation's Articles of Incorporation and By-Laws shall be eligible for election as directors. Nominations of persons for election to the Board of Directors of the Corporation may be made at a meeting of shareholders by or at the direction of the Board of Directors, by any nominating committee or persons appointed by the Board, or by any shareholder of the Corporation entitled to vote for election of directors at the meeting who complies with all of the notice procedures set forth in this Section 2.6.

Nominations other than those made by or at the direction of the Board of Directors or any nominating committee or person appointed by the Board shall be made pursuant to timely notice in proper written form to the Secretary of the

Corporation. To be timely, a shareholder's request to nominate a person for director, together with the written consent of such person to serve as a director, must be received by the Secretary of the Corporation at the Corporation's principal office (i) with respect to an election held at an annual meeting of shareholders, not less than 90 days nor more than 150 days prior to the meeting date specified in Section 2.1, or (ii) with respect to an election held at a special meeting of shareholders for the election of directors, not less than the close of business on the eighth day following the date on which notice of such meeting is given to shareholders. To be in proper written form, such shareholder's notice shall set forth in writing (a) as to each person whom the shareholder proposes to nominate for election or reelection as a director (i) the name, age, business address and residence address of such person, (ii) the principal occupation or employment of such person, (iii) the class and number of shares of stock of the Corporation which are beneficially owned by such person, and (iv) such other information relating to such person as is required to be disclosed in solicitations of proxies for election of directors, or as otherwise required, in each case pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended, and any successor to such Regulation; and (b) as to the shareholder giving the notice (i) the name and address, as they appear on the Corporation's books, of such shareholder, (ii) the class and number of shares of stock of the

3

4

Corporation which are beneficially owned by such shareholder, and (iii) a representation that the shareholder is a holder of record of stock of the Corporation entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to nominate the person or persons specified in the notice. The Corporation may require any proposed nominee to furnish such other information as may reasonably be required by the Corporation to determine the eligibility of such proposed nominee to serve as a director of the Corporation or the shareholder to nominate the proposed nominee. The presiding officer at the meeting shall, if the facts so warrant, determine and declare to the meeting that a nomination was not made in accordance with the procedures or other requirements prescribed by the Corporation's Articles of Incorporation and By-Laws; and if he should so determine, such presiding officer shall so declare to the meeting and the defective nomination(s) shall be disregarded.

SECTION 2.7. Fixing of Record Date. For the purpose of determining shareholders of any voting group entitled to notice of or to vote at any meeting of shareholders or any adjournment thereof, or shareholders entitled to receive payment of any distribution or dividend, or in order to make a determination of shareholders for any other proper purpose, the Board of Directors may fix in advance a date as the record date for any such determination of shareholders. Such record date shall not be more than 70 days prior to the date on which the particular action, requiring such determination of shareholders, is to be taken. If no record date is so fixed for the determination of shareholders entitled to notice of, or to vote at a meeting of shareholders, or shareholders entitled to receive a share dividend or distribution, the record date for determination of such shareholders shall be at the close of business on:

(a) With respect to an annual shareholders meeting or any special shareholders meeting called by the Board of Directors or any person specifically authorized by the Board of Directors or these By-Laws to call a meeting, the day before the first notice is mailed to shareholders;

(b) With respect to a special shareholders meeting demanded by the shareholders, the date the first shareholder signs the demand;

(c) With respect to the payment of a share dividend, the date the Board of Directors authorizes the share dividend; and

(d) With respect to a distribution to shareholders (other than one involving a repurchase or reacquisition of shares), the date the Board of Directors authorizes the distribution.

SECTION 2.8. Voting Lists. After fixing a record date for a meeting, the Corporation shall prepare a list of the name of all its shareholders who are entitled to notice of a shareholders meeting. The list shall be arranged by class or series of shares and show the address of and the number of shares held by each shareholder. The shareholders list must be available for inspection by

any shareholder, beginning two business days after notice of the meeting is given for which the list was prepared and continuing to the date of the meeting. The list shall be

4

5

available at the Corporation's principal office or at a place identified in the meeting notice in the city where the meeting is to be held. Subject to the provisions of the Wisconsin business corporation law, a shareholder or his or her agent or attorney may, on written demand, inspect and copy the list during regular business hours and at his expense, during the period it is available for inspection. The Corporation shall make the shareholders list available at the meeting, and any shareholder or his or her agent or attorney may inspect the list at any time during the meeting or any adjournment thereof. Refusal or failure to prepare or make available the shareholders list shall not affect the validity of any action taken at such meeting.

SECTION 2.9. Shareholder Quorum and Voting Requirements. Shares entitled to vote as a separate voting group may take action on a matter at a meeting only if a quorum of those shares exists with respect to that matter. Unless the Articles of Incorporation, By-Laws adopted under authority granted in the Articles of Incorporation or the Wisconsin business corporation law provide otherwise, a majority of the votes entitled to be cast on the matter by the voting group constitutes a quorum of that voting group for action on that matter.

If the Articles of Incorporation or the Wisconsin business corporation law provide for voting by two or more voting groups on a matter, action on that matter is taken only when voted upon by each of those voting groups counted separately. Action may be taken by one voting group on a matter even though no action is taken by another voting group entitled to vote on the matter.

Once a share is represented for any purpose at a meeting, other than for the purpose of objecting to holding the meeting or transacting business at the meeting, it is deemed present for purposes of determining whether a quorum exists, for the remainder of the meeting and for any adjournment of that meeting to the extent provided in Section 2.14.

If a quorum exists, action on a matter by a voting group is approved if the votes cast within the voting group favoring the action exceed the votes cast opposing the action, unless the Articles of Incorporation, the By-Laws or the Wisconsin business corporation law require a greater number of affirmative votes; provided, however, that for purposes of electing directors, unless otherwise provided in the Articles of Incorporation, directors are elected by a plurality of the votes cast by the shares entitled to vote in the election at a meeting at which a quorum is present. For purposes of electing directors, (i) a "plurality" means that the individuals with the largest number of votes are elected as directors up to the maximum number of directors to be chosen at the election, and (ii) votes against a candidate are not given legal effect and are not counted as votes cast in an election of directors.

SECTION 2.10. Proxies. For all meetings of shareholders, a shareholder may appoint a proxy to vote or otherwise act for the shareholder by signing an appointment form, either personally or by a duly authorized attorney-in-fact. Such proxy shall be effective when filed with the Secretary of the Corporation or other officer or agent authorized to tabulate votes before or at the time of the meeting. No proxy shall be valid after eleven months from the date of its execution, unless otherwise provided in the proxy.

5

6

SECTION 2.11. Voting of Shares. Unless otherwise provided in the Articles of Incorporation, each outstanding share entitled to vote shall be entitled to one vote upon each matter submitted to a vote at a meeting of shareholders.

No shares in the Corporation held by another corporation may be voted if the Corporation owns, directly or indirectly, a sufficient number of shares entitled to elect a majority of the directors of such other corporation; provided, however, that the Corporation shall not be limited in its power to vote any shares, including its own shares, held by it in a fiduciary capacity.

SECTION 2.12. Voting Shares Owned by the Corporation. Shares of the Corporation belonging to it shall not be voted directly or indirectly at any meeting and shall not be counted in determining the total number of outstanding shares at any given time, but shares held by this Corporation in a fiduciary capacity may be voted and shall be counted in determining the total number of outstanding shares at any given time.

SECTION 2.13. Acceptance of Instruments Showing Shareholder Action.

(a) If the name signed on a vote, consent, waiver or proxy appointment corresponds to the name of a shareholder, the Corporation, if acting in good faith, may accept the vote, consent, waiver or proxy appointment and give it effect as the act of the shareholder.

(b) If the name signed on a vote, consent, waiver or proxy appointment does not correspond to the name of its shareholder, the Corporation, if acting in good faith, may accept the vote, consent, waiver or proxy appointment and give it effect as the act of the shareholder if any of the following apply:

(1) the shareholder is an entity, within the meaning of the Wisconsin business corporation law, and the name signed purports to be that of an officer or agent of the entity;

(2) the name signed purports to be that of a personal representative, administrator, executor, guardian or conservator representing the shareholder and, if the Corporation or its agent request, evidence of fiduciary status acceptable to the Corporation is presented with respect to the vote, consent, waiver or proxy appointment;

(3) the name signed purports to be that of a receiver or trustee in bankruptcy of the shareholder and, if the Corporation or its agent request, evidence of this status acceptable to the Corporation is presented with respect to the vote, consent, waiver or proxy appointment;

6

7

(4) the name signed purports to be that of a pledgee, beneficial owner, or attorney-in-fact of the shareholder and, if the Corporation or its agent request, evidence acceptable to the Corporation of the signatory's authority to sign for the shareholder is presented with respect to the vote, consent, waiver or proxy appointment; or

(5) two or more persons are the shareholders as cotenants or fiduciaries and the name signed purports to be the name of at least one of the coowners and the persons signing appears to be acting on behalf of all coowners.

(c) The Corporation may reject a vote, consent, waiver or proxy appointment if the Secretary or other officer or agent of the Corporation who is authorized to tabulate votes, acting in good faith, has reasonable basis for doubt about the validity of the signature on it or about the signatory's authority to sign for the shareholder.

SECTION 2.14. Adjournments. An annual or special meeting of shareholders may be adjourned at any time, including after action on one or more matters, by a majority of shares represented, even if less than a quorum. The meeting may be adjourned for any purpose, including, but not limited to, allowing additional time to solicit votes on one or more matters, to disseminate additional information to shareholders or to count votes. Upon being reconvened, the adjourned meeting shall be deemed to be a continuation of the initial meeting.

(a) Quorum. Once a share is represented for any purpose at the original meeting, other than for the purpose of objecting to holding the meeting or transacting business at a meeting, it is considered present for purposes of determining if a quorum exists, for the remainder of the meeting and for any adjournment of that meeting unless a new record date is or must be set for that adjourned meeting.

(b) Record Date. When a determination of shareholders entitled to notice of or to vote at any meeting of shareholders has been made as provided in Section 2.7, such determination shall be applied to any adjournment thereof unless the Board of Directors fixes a new record date, which it shall do if the meeting is adjourned to a date more than 120 days after the date fixed for the original meeting.

(c) Notice. Unless a new record date for an adjourned meeting is or must be fixed pursuant to Section 2.14(b), the Corporation is not required to give notice of the new date, time or place if the new date, time or place is announced at the meeting before adjournment.

SECTION 2.15. Polling. In the sole discretion of the presiding officer of an annual or special meeting of shareholders, polls may be closed at any time after commencement of any annual or special meeting. When there are several matters to be considered at a meeting, the polls may remain open during the meeting as to any or all matters to be considered, as the presiding officer may declare. Polls will remain open as to matters to be considered at any

7

8

adjournment of the meeting unless the presiding officer declares otherwise. At the sole discretion of the presiding officer, the polls may remain open after adjournment of a meeting for not more than 72 hours for the purpose of collecting proxies and counting votes. All votes submitted prior to the announcement of the results of the balloting shall be valid and counted. The results of balloting shall be final and binding after announcement of such results.

SECTION 2.16. Waiver of Notice by Shareholders. A shareholder may waive any notice required by the Wisconsin business corporation law, the Articles of Incorporation or the By-Laws before or after the date and time stated in the notice. The waiver shall be in writing and signed by the shareholder entitled to the notice, contain the same information that would have been required in the notice under any applicable provisions of the Wisconsin business corporation law, except that the time and place of the meeting need not be stated, and be delivered to the Corporation for inclusion in the Corporation's records. A shareholder's attendance at a meeting, in person or by proxy, waives objection to (i) lack of notice or defective notice of the meeting, unless the shareholder at the beginning of the meeting or promptly upon arrival objects to the holding of the meeting or transacting business at the meeting, and (ii) consideration of a particular matter at the meeting that is not within the purpose described in the meeting notice, unless the shareholder objects to considering the matter when it is presented.

SECTION 2.17. Unanimous Consent without Meeting. Any action required or permitted to be taken at a meeting of shareholders may be taken without a meeting only by unanimous written consent or consents signed by all of the shareholders of the Corporation and delivered to the Corporation for inclusion in the Corporation's records.

ARTICLE III. BOARD OF DIRECTORS

SECTION 3.1. General Powers. All corporate powers shall be exercised by or under the authority of, and the business and affairs of the Corporation managed under the direction of, its Board of Directors, subject to any limitations set forth in the Articles of Incorporation.

SECTION 3.2. Number, Classification, Tenure and Qualifications.

(a) Number. Except as otherwise provided in the Articles of Incorporation, the number of directors (exclusive of directors, if any, elected by the holders of one or more series of preferred stock, voting separately as a series pursuant to the provisions of the Articles of Incorporation) shall be not less than 3 nor more than 11 directors, the exact number of directors to be determined from time to time by resolution adopted by affirmative vote of a majority of the entire Board of Directors then in office.

(b) Classification. The directors shall be divided into three classes, designated Class I, Class II, and Class III, and the term of directors of each class shall be three years. Each class shall consist,

as nearly as possible, of one-third of the total number of directors constituting the entire Board of Directors. If the number of directors is changed by resolution of the Board of Directors pursuant to Section 3.2(a), any increase or decrease

8

9

shall be apportioned among the classes so as to maintain the number of directors in each class as nearly equal as possible, but in no case shall a decrease in the number of directors shorten the term of any incumbent director.

(c) Tenure. A director shall hold office until the annual meeting for the year in which his term expires and until his successor shall be duly elected and shall qualify.

(d) Qualifications. A director need not be a resident of the state of Wisconsin or a shareholder of the corporation except if required by the Articles of Incorporation. The Board of Directors, at its discretion, may establish any qualifications for directors, which qualifications, if any, shall only be applied for determining qualifications of a nominee for director as of the date of the meeting at which such nominee is to be elected or appointed.

Notwithstanding the foregoing, whenever the holders of any one or more classes or series of preferred stock issued by the Corporation shall have the right, voting separately by class or series, to elect directors at an annual or special meeting of shareholders, the election, term of office, filling of vacancies and other features of such directorships shall be governed by the terms of the Articles of Incorporation applicable thereto. Directors so elected shall not be divided into classes unless expressly provided by such Articles, and during the prescribed terms of office of such directors, the Board of Directors shall consist of such directors in addition to the number of directors determined as provided in Section 3.2(a).

SECTION 3.3. Removal. Exclusive of directors, if any, elected by the holders of one or more classes of preferred stock, no director of the Corporation may be removed from office except for Cause and by the affirmative vote of two-thirds of the outstanding shares of capital stock of the Corporation entitled to vote at a meeting of shareholders duly called for such purpose. As used in this Section 3.3, the term "Cause" shall mean solely malfeasance arising from the performance of a director's duties which has a materially adverse effect on the business of the Corporation.

SECTION 3.4. Resignation. A director may resign at any time by delivering written notice to the Board of Directors, the Chairman of the Board or to the Corporation (which shall be directed to the Secretary).

SECTION 3.5. Vacancies. Exclusive of a vacancy in directors, if any, elected by the holders of one or more classes of preferred stock, any vacancy on the Board of Directors, however caused, including, without limitation, any vacancy resulting from an increase in the number of directors, shall be filled by the vote of a majority of the directors then in office, although less than a quorum, or by a sole remaining director. Any director so elected to fill any vacancy in the Board of Directors, including a vacancy created by an increase in the number of directors, shall hold office for the remaining term of directors of the class to which he has been elected and until his successor shall be elected and shall qualify. A vacancy that will occur at a

9

10

specific later date may be filled before the vacancy occurs, but the new director will not take office until the vacancy occurs.

SECTION 3.6. Committees. The Board of Directors by resolution adopted by the affirmative vote of a majority of the number of directors fixed by Section 3.2(a) then in office may create one or more committees, appoint members of the Board of Directors to serve on the committees and designate other members of the Board of Directors to serve as alternates. Each committee shall consist of two or more members of the Board of Directors. Unless otherwise provided by the Board of Directors, members of the committee shall serve at the pleasure of the Board of Directors. The committee may exercise those aspects of the

authority of the Board of Directors which are within the scope of the committee's assigned responsibilities or which the Board of Directors otherwise confers upon such committee; provided, however, a committee may not do any of the following:

- (a) authorize distributions;
- (b) approve or propose to shareholders action that the Wisconsin business corporation law requires be approved by shareholders;
- (c) fill vacancies on the Board of Directors or, unless the Board of Directors has specifically granted authority to the committee, its committees;
- (d) amend the Articles of Incorporation pursuant to the authority of directors to do so granted by the Wisconsin business corporation law;
- (e) adopt, amend, or repeal by-laws;
- (f) approve a plan of merger not requiring shareholder approval;
- (g) authorize or approve reacquisition of shares, except according to a formula or method prescribed by the Board of Directors; or
- (h) authorize or approve the issuance or sale or contract for sale of shares or determine the designation and relative rights, preferences, and limitations of a class or series of shares, except that the Board of Directors may authorize a committee (or a senior executive officer of the corporation, including without limitation the President and Chief Executive Officer and any Vice President) to do so within limits prescribed by the Board of Directors.

Except as required or limited by the Articles of Incorporation, the By-Laws, the Wisconsin business corporation law, or resolution of the Board of Directors, each committee shall be authorized to fix its own rules governing the conduct of its activities. Each committee shall make such reports to the Board of Directors of its activities as the Board of Directors may request.

10

11

SECTION 3.7. Compensation. Except as provided in the Articles of Incorporation, the Board of Directors, irrespective of any personal interest of any of its members, may fix the compensation of directors.

SECTION 3.8. Regular Meeting. A regular meeting of the Board of Directors shall be held without other notice than this By-Law immediately after, and at the same place as, the annual meeting of shareholders, and each adjourned session thereof. A regular meeting of a committee, if any, shall be at such date, place, either within or outside the state of Wisconsin, and time as such committee determines. Other regular meetings of the Board of Directors shall be held at such dates, times and places, either within or without the State of Wisconsin, as the Board of Directors may provide by resolution, which resolution shall constitute exclusive notice of such meeting.

SECTION 3.9. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the Chairman of the Board, the President and Chief Executive Officer or three-quarters of the members of the Board of Directors. Special meetings of a committee may be called by or at the request of the Chairman of a committee or a majority of the committee members. The person or persons authorized to call special meetings of the Board of Directors or a committee may fix any date, time and place, either within or outside the State of Wisconsin, for any special meeting of the Board of Directors or committee called by them.

SECTION 3.10. Notice; Waiver. Notice of meetings, except for regular meetings, shall be given at least five days previously thereto and shall state the date, time and place of the meeting of the Board of Directors or committee. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors or committee need be specified in the

notice of such meeting. Notice may be communicated in person, by telephone, telegraph, teletype, facsimile or other form of wire or wireless communication, or by mail or private carrier. Written notice is effective at the earliest of the following: (1) when received; (2) on the date shown on the return receipt, if sent by registered or certified mail, return receipt requested, and the receipt is signed by or on behalf of the addressee; or (3) two days after it is deposited with a private carrier. Oral notice is deemed effective when communicated. Facsimile notice is deemed effective when sent.

A director may waive any notice required by the Wisconsin business corporation law, the Articles of Incorporation or the By-Laws before or after the date and time stated in the notice. The waiver shall be in writing, signed by the director entitled to the notice and retained by the Corporation. Notwithstanding the foregoing, a director's attendance at or participation in a meeting waives any required notice to such director of the meeting unless the director at the beginning of the meeting or promptly upon such director's arrival objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

11

12

SECTION 3.11. Quorum; Voting. Unless otherwise provided in the Articles of Incorporation or the Wisconsin business corporation law, a majority of the number of directors fixed by Section 3.2(a) or appointed by the Board of Directors to a committee shall constitute a quorum for the transaction of business at any meeting of the Board of Directors or committee; provided, however, that even though less than such quorum is present at a meeting, a majority of the directors present may adjourn the meeting from time to time without further notice. Except as otherwise provided in the Articles of Incorporation, the By-Laws or the Wisconsin business corporation law, if a quorum is present when a vote is taken, the affirmative vote of a majority of directors present is the act of the Board of Directors or committee.

SECTION 3.12. Presumption of Assent. A director of the Corporation who is present and is announced as present at a meeting of the Board of Directors or a committee thereof at which action on any corporate matter is taken is deemed to have assented to the action taken unless (i) such director objects at the beginning of the meeting or promptly upon arrival to holding the meeting or transacting business at the meeting, (ii) such director dissents or abstains from an action taken and minutes of the meeting are prepared that show the director's dissent or abstention from the action taken, (iii) such director delivers written notice of his dissent or abstention to the presiding officer of the meeting before its adjournment or to the Corporation (directed to the Secretary) immediately after adjournment of the meeting, or (iv) such director dissents or abstains from an action taken, minutes of the meeting are prepared that fail to show the director's dissent or abstention from the action taken and the director delivers to the Corporation (directed to the Secretary) a written notice of that failure promptly after receiving the minutes. A director who votes in favor of action taken may not dissent or abstain from that action.

SECTION 3.13. Informal Action Without Meeting. Any action required or permitted by the Articles of Incorporation, the By-Laws or any provision of law to be taken by the Board of Directors or a committee at a meeting may be taken without a meeting if the action is taken by all of the directors or committee members then in office. The action shall be evidenced by one or more written consents describing the action taken, signed by each director and retained by the Corporation. Any such consent is effective when the last director signs the consent, unless the consent specifies a different effective date.

SECTION 3.14. Telephonic or Other Meetings. Unless the Articles of Incorporation provide otherwise, any or all directors may participate in a regular or special meeting of the Board of Directors or any committee thereof by, or conduct the meeting through the use of, any means of communication by which (i) all directors participating may simultaneously hear each other during the meeting, (ii) all communication during the meeting is immediately transmitted to each participating director and (iii) each participating director is able to immediately send messages to all other participating directors. If the meeting is to be conducted through the use of any such means of communication all participating directors shall be informed that a meeting is taking place at which official business may be transacted. A director participating in a meeting by this means is deemed to be present in person at the meeting. Notwithstanding the foregoing,

the Chairman of the Board, or other presiding officer, shall, at any time, have the authority to deem any business or resolution not appropriate for meetings held pursuant to this Section 3.14.

SECTION 3.15. Chairman of the Board. The Board of Directors shall have a Chairman of the Board, who shall be one of its members, to serve as its leader with respect to its activities. The Chairman of the Board shall be elected by the Board of Directors. The Board of Directors may remove and replace the Chairman of the Board at any time with or without cause. The Chairman of the Board shall not be an officer or employee of the Corporation by virtue of such position. The Chairman of the Board shall preside at all annual and special meetings of shareholders and all regular and special meetings of the Board of Directors, in each case except as he delegates to the President and Chief Executive Officer or as otherwise may be determined by the Board of Directors.

ARTICLE IV. OFFICERS

SECTION 4.1. Number. The principal officers of the Corporation shall be a President and Chief Executive Officer, one or more Vice Presidents, any number of whom may be designated as Senior Executive Vice President, Executive Vice President or Senior Vice President, a Secretary and a Treasurer, each of whom shall be elected by the Board of Directors. Such other officers as may be deemed necessary may be elected or appointed by or under the authority of the Board of Directors. Such other assistant officers as may be deemed necessary may be appointed by the Board of Directors or the President and Chief Executive Officer for such term as is specified in the appointment. The same natural person may simultaneously hold more than one office in the Corporation.

SECTION 4.2. Election and Term of Office. The officers of the Corporation to be elected by the Board of Directors shall be elected annually by the Board of Directors at the first meeting of the Board of Directors held after the annual meeting of the shareholders. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as convenient. Each officer shall hold office until his successor shall have been duly elected or until his death or until he shall resign or shall have been removed in the manner hereinafter provided.

SECTION 4.3. Removal. The Board of Directors may remove any officer at any time with or without cause and notwithstanding the contract rights, if any, of the officer removed. The Board of Directors or the President and Chief Executive Officer may remove any assistant officer who was appointed by the Board or the President and Chief Executive Officer. The appointment of an officer or assistant officer does not itself create contract rights.

SECTION 4.4. Vacancies. A vacancy in any principal office because of death, resignation, removal, disqualification or otherwise, shall be filled by the Board of Directors for the unexpired portion of the term. A vacancy in any assistant office because of death, resignation, removal, disqualification or otherwise may be filled by the Board of Directors or the President and Chief Executive Officer.

SECTION 4.5. President and Chief Executive Officer. The President and Chief Executive Officer shall be the chief executive officer of the Corporation, shall have executive authority to see that all orders and resolutions of the Board of Directors are carried into effect and shall, subject to the control vested in the Board of Directors by the Wisconsin Business Corporation Law, administer and be responsible for the management of the business and affairs of the Corporation. In the absence of the Chairman of the Board, the President and Chief Executive Officer shall preside at annual and special meetings of shareholders. The President and Chief Executive Officer shall have authority to sign, execute and acknowledge, on behalf of the Corporation, all deeds, mortgages, bonds, stock certificates, contracts, leases, reports and all other documents or instruments necessary or proper to be executed in the course of the Corporation's regular business or which shall be authorized by the Board of Directors; and, except as otherwise provided by law, or limited by the Board of Directors, he may authorize any Vice President or other officer or agent of the Corporation to sign, execute and acknowledge such documents or instruments in

his place and stead. The President and Chief Executive Officer shall perform such other duties as are incident to the office of President and Chief Executive Officer or as may be prescribed from time to time by the Board of Directors.

SECTION 4.6. Vice Presidents. One or more of the Vice Presidents may be designated as Senior Executive Vice President, Executive Vice President or Senior Vice President. In the absence of the President and Chief Executive Officer or in the event of his death, inability or refusal to act, the Vice Presidents in the order designated at the time of their election, shall perform the duties of the President and Chief Executive Officer and when so acting shall have all the powers of and be subject to all the restrictions upon the President and Chief Executive Officer. Any Vice President may sign with the Secretary or Assistant Secretary certificates for shares of the Corporation. Any Vice President shall perform such other duties as are incident to the office of Vice President or as may be prescribed from time to time by the Board of Directors or the President and Chief Executive Officer.

SECTION 4.7. Secretary. The Secretary shall: (i) keep the minutes of the shareholders and Board of Directors meetings in one or more books provided for that purpose, (ii) see that all notices are duly given in accordance with the provisions of the By-Laws or as required by law, (iii) be custodian of the Corporation's records and of the seal of the Corporation, (iv) see that the seal of the Corporation is affixed to all appropriate documents the execution of which on behalf of the Corporation under its seal is duly authorized, (v) keep a register of the address of each shareholder which shall be furnished to the Secretary by such shareholder and (vi) perform all duties incident to the office of Secretary and such other duties as may be prescribed from time to time by the Board of Directors or the President and Chief Executive Officer.

SECTION 4.8. Treasurer. The Treasurer shall: (i) have charge and custody of and be responsible for all funds and securities of the Corporation, (ii) receive and give receipts for moneys due and payable to the Corporation from any source whatsoever, and deposit all such moneys in the name of the Corporation, and (iii) in general perform all of the duties incident to the office of Treasurer and have such other duties and exercise such other authority as from time

14

15

to time may be delegated or assigned by the Board of Directors or the President and Chief Executive Officer.

SECTION 4.9. Assistant Secretaries and Assistant Treasurers. An Assistant Secretary, if any, when authorized by the Board of Directors, may sign with the President and Chief Executive Officer or any Vice President certificates for shares of the Corporation, the issuance of which shall have been authorized by a resolution of the Board of Directors. An Assistant Treasurer, if any, shall, if required by the Board of Directors, give bonds for the faithful discharge of his duties in such sums and with such sureties as the Board of Directors shall determine. The Assistant Secretaries and Assistant Treasurers, in general, shall perform such duties as shall be assigned to them by the Board of Directors, the President and Chief Executive Officer or the Secretary or the Treasurer, respectively.

SECTION 4.10. Salaries. The salaries of the officers shall be fixed from time to time by the Board of Directors or a committee authorized by the Board to fix the same, and no officer shall be prevented from receiving such salary by reason of the fact that he is also a director of the Corporation or a member of such committee.

ARTICLE V. CONTRACTS; VOTING OF STOCK IN OTHER CORPORATIONS

SECTION 5.1. Contracts. The Board of Directors may authorize any officer or officers, committee, or any agent or agents to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authorization may be general or confined to specific instances.

SECTION 5.2. Voting of Stock in Other Corporations. The Board of Directors by resolution shall from time to time designate one or more persons to vote all stock held by this Corporation in any other corporation or entity, may designate such persons in the alternative and may empower them to execute proxies to vote in their stead. In the absence of any such designation by the

Board of Directors, the President and Chief Executive Officer shall be authorized to vote any stock held by the Corporation or execute proxies to vote such stock.

ARTICLE VI. CERTIFICATES FOR SHARES AND THEIR TRANSFER

SECTION 6.1. Certificates for Shares. Shares of the Corporation may be issued in certificated or uncertificated form. Such shares shall be in the form determined by, or under the authority of a resolution of, the Board of Directors, which shall be consistent with the requirements of the Wisconsin business corporation law.

(a) Certificated Shares. Shares represented by certificates shall be signed by the President and Chief Executive Officer or a Vice President and by the Secretary or an Assistant Secretary. The validity of a share certificate is not affected if a person who signed the certificate no longer holds office when the certificate is issued. All certificates for shares shall be consecutively numbered or otherwise identified. The name and

15

16

address of the person to whom shares are issued, with the number of shares and date of issue, shall be entered on the stock transfer books of the Corporation. All certificates surrendered to the Corporation for transfer shall be canceled and no new certificate shall be issued until the former certificate for a like number of shares shall have been surrendered and canceled, except that in case of a lost, destroyed or mutilated certificate a new one may be issued upon such terms and indemnity to the Corporation as the Board of Directors may prescribe.

(b) Uncertificated Shares. Shares may also be issued in uncertificated form. Within a reasonable time after issuance or transfer of such shares, the Corporation shall send the shareholder a written statement of the information required on share certificates under the Wisconsin business corporation law, including: (1) the name of the Corporation; (2) the name of person to whom shares were issued; (3) the number and class of shares and the designation of the series, if any, of the shares issued; and (4) either a summary of the designations, relative rights, preferences and limitations, applicable to each class, and the variations in rights, preferences and limitations determined for each series and the authority of the Board of Directors to determine variations for future series, or a conspicuous statement that the Corporation will furnish the information specified in this subsection without charge upon the written request of the shareholder.

SECTION 6.2. Transfer of Shares. Transfer of shares of the Corporation shall be made only on the stock transfer books of the Corporation by the holder of record of such shares, or his or her legal representative, who shall furnish proper evidence of authority to transfer or by an attorney thereunto authorized by power of attorney duly executed and filed with the Secretary of the Corporation, and on surrender for cancellation of the certificate for such shares, if any. The person in whose name shares stand on the books and records of the Corporation shall be deemed by the Corporation to be the owner thereof for all purposes, except as otherwise required by the Wisconsin business corporation law.

SECTION 6.3. Stock Regulations. The Board of Directors shall have the power and authority to make all such further rules and regulations not inconsistent with the statutes of the State of Wisconsin as they may deem expedient concerning the issue, transfer and registration of shares of the Corporation represented in certificated or uncertificated form, including the appointment or designation of one or more stock transfer agents and one or more stock registrars.

ARTICLE VII. INDEMNIFICATION; INSURANCE

SECTION 7.1. Indemnity of Directors, Officers, Employees and Designated Agents.

(a) Definitions to Indemnification and Insurance Provisions.

(1) "Director, Officer, Employee or Agent" means any of the following: (i) A natural person who is or was a director, officer, employee or agent of the Corporation; (ii) A natural person who, while a director, officer, employee or

16

17

agent of the Corporation, is or was serving either pursuant to the Corporation's specific request or as a result of the nature of such person's duties to the Corporation as a director, officer, partner, trustee, member of any governing or decision making committee, employee or agent of another corporation or foreign corporation, partnership, joint venture, trust or other enterprise; (iii) A natural person who, while a director, officer, employee or agent of the Corporation, is or was serving an employee benefit plan because his or her duties to the Corporation also impose duties on, or otherwise involve services by, the person to the plan or to participants in or beneficiaries of the plan; or (iv) Unless the context requires otherwise, the estate or personal representative of a director, officer, employee or agent. Notwithstanding the foregoing, an agent falls within the foregoing definition only upon a resolution of the Board of Directors or committee appointed thereby that such agent shall be entitled to the indemnification provided herein.

(2) "Liability" means the obligation to pay a judgment, penalty, assessment, forfeiture or fine, including an excise tax assessed with respect to an employee benefit plan, the agreement to pay any amount in settlement of a Proceeding (whether or not approved by a court order), and reasonable expenses and interest related to the foregoing.

(3) "Party" means a natural person who was or is, or who is threatened to be made, a named defendant or respondent in a Proceeding.

(4) "Proceeding" means any threatened, pending or completed civil, criminal, administrative or investigative action, suit, arbitration or other proceeding, whether formal or informal (including but not limited to any act or failure to act alleged or determined to have been negligent, to have violated the Employee Retirement Income Security Act of 1974, or to have violated Section 180.0833 of the Wisconsin Statutes, or any successor thereto, regarding improper dividends, distributions of assets, purchases of shares of the Corporation, or loans to officers), which involves foreign, federal, state or local law and which is brought by or in the right of the Corporation or by any other person or entity.

(5) "Expenses" means all reasonable fees, costs, charges, disbursements, attorneys' fees and any other expenses incurred in connection with a Proceeding.

(b) Indemnification of Officers, Directors, Employees and Agents.

(1) The Corporation shall indemnify a Director, Officer, Employee or Agent to the extent he or she has been successful on the merits or otherwise in the defense of any Proceeding, for all reasonable Expenses in a Proceeding if the Director, Officer, Employee or Agent was a Party because he or she is a Director, Officer, Employee or Agent of the Corporation.

17

18

(2) In cases not included under subsection (1), the Corporation shall indemnify a Director, Officer, Employee or Agent against Liability and Expenses incurred in a Proceeding to which the Director, Officer, Employee or Agent was a Party

because he or she is a Director, Officer, Employee or Agent of the Corporation, unless it is determined by final judicial adjudication that such person breached or failed to perform a duty owed to the Corporation which constituted any of the following:

(i) A willful failure to deal fairly with the Corporation or its shareholders in connection with a matter in which the Director, Officer, Employee or Agent has a material conflict of interest;

(ii) A violation of criminal law, unless the Director, Officer, Employee or Agent had reasonable cause to believe his or her conduct was lawful or no reasonable cause to believe his or her conduct was unlawful;

(iii) A transaction from which the Director, Officer, Employee or Agent derived an improper personal profit; or

(iv) Willful misconduct.

(3) Indemnification under this Section 7.1 is not required to the extent the Director, Officer, Employee or Agent has previously received indemnification or allowance of expenses from any person or entity, including the Corporation, in connection with the same Proceeding.

(4) Indemnification required under subsection (b) (1) shall be made within 10 days of receipt of a written demand for indemnification. Indemnification required under subsection (b) (2) shall be made within 30 days of receipt of a written demand for indemnification.

(5) Upon written request by a Director, Officer, Employee or Agent who is a Party to a Proceeding, the Corporation shall pay or reimburse his or her reasonable Expenses as incurred if the Director, Officer, Employee or Agent provides the Corporation with all of the following:

(i) A written affirmation of his or her good faith belief that he or she is entitled to indemnification under Section 7.1; and

(ii) A written undertaking, executed personally or on his or her behalf, to repay all amounts advanced without interest to the extent that it is ultimately determined that indemnification under Section 7.1(b) (2) is prohibited. The undertaking under this subsection shall be accepted

18

19

without reference to the ability of the Director, Officer, Employee or Agent to repay the allowance. The undertaking shall be unsecured.

(c) Determination that Indemnification is Proper.

(1) Unless provided otherwise by a written agreement between the Director, Officer, Employee or Agent and the Corporation, determination of whether indemnification is required under subsection (b) shall be made by one of the following methods, which in the case of a Director or Officer seeking indemnification shall be selected by such Director or Officer: (i) by a majority vote of a quorum of the Board of Directors consisting of directors who are not at the time parties to the same or related proceedings or, if a quorum of disinterested directors cannot be obtained, by a majority vote of a committee duly appointed by the Board of Directors (which appointment by the Board may be made by directors who are

parties to the proceeding) consisting solely of two or more directors who are not at the time parties to the same or related proceedings, (ii) by a panel of three arbitrators consisting of (a) one arbitrator selected by a quorum of the Board of Directors or its committee constituted as required under (i), above, or, if unable to obtain such a quorum or committee, by a majority vote of the full Board of Directors, including directors who are parties to the same or related proceedings, (b) one arbitrator selected by the director or officer seeking indemnification and (c) one arbitrator selected by the other two arbitrators, (iii) by an affirmative vote of shareholders as provided under Section 2.9, except that shares owned by, or voted under the control of, persons who are at the time parties to the same or related proceedings, whether as plaintiffs or defendants or in any other capacity, may not be voted in making the determination, or (iv) by a court of competent jurisdiction as permitted under the Wisconsin business corporation law; provided, however, that with respect to any additional right to indemnification permissible under the Wisconsin business corporation law and granted by the Corporation, the determination of whether such additional right of indemnification is required shall be made by any method permissible under the Wisconsin business corporation law, as such methods may be limited by the grant of such additional right to indemnification.

(2) A Director, Officer, Employee or Agent who seeks indemnification under this Section 7.1 shall make a written request to the Corporation. As a further precondition to any right to receive indemnification, the writing shall contain a declaration that the Corporation shall have the right to exercise all rights and remedies available to such Director, Officer, Employee or Agent against any other person, corporation, foreign corporation, partnership, joint venture, trust or other enterprise. arising out of, or related to, the Proceeding which resulted in the Liability and the Expense for which such Director, Officer, Employee or Agent is seeking indemnification, and that the Director, Officer, Employee or Agent is hereby deemed to have assigned to the Corporation all such rights and remedies.

19

20

(d) Insurance. The Corporation shall have the power to purchase and maintain insurance on behalf of any person who is a Director, Officer, Employee or Agent against any Liability asserted against or incurred by the individual in any such capacity or arising out of his status as such, regardless of whether the Corporation is required or authorized to indemnify or allow expenses to the individual under this Section 7.1.

(e) Severability. The provisions of this Section 7.1 shall not apply in any circumstance where a court of competent jurisdiction determines that indemnification would be invalid as against public policy, but such provisions shall not apply only to the extent that they are invalid as against public policy and shall otherwise remain in full force and effect.

(f) Limitation or Expansion of Indemnification. The right to indemnification under this Section 7.1 may be limited or reduced only by subsequent affirmative vote of not less than two-thirds of the Corporation's outstanding capital stock entitled to vote on such matters. Any limitation or reduction in the right to indemnification may only be prospective from the date of such vote. The Board of Directors, however, shall have the authority to expand the indemnification permitted under this Section 7.1 to the fullest extent permissible under the Wisconsin business corporation law as in effect on the date of any such resolution with or without further amendment to this Section 7.1.

SECTION 8.1. Amendment by the Board of Directors. The By-Laws of the Corporation may be amended or repealed by the Board of Directors unless any of the following apply:

(a) The Articles of Incorporation, the particular by-law or the Wisconsin business corporation law reserve this power exclusively to the shareholders in whole or part;

(b) The shareholders in adopting, amending, or repealing a particular by-law provide expressly within the by-law that the Board of Directors may not amend, repeal or readopt that by-law; or

(c) The by-law fixes a greater or lower quorum requirement or greater voting requirement for shareholders.

Action by the Board of Directors to adopt or amend a by-law that changes the quorum or voting requirement for the Board of Directors must meet the same quorum requirement and be adopted by the same vote required to take action under the quorum and voting requirement then in effect.

SECTION 8.2 . Amendment by the Corporation's Shareholders. The Corporation's shareholders may amend or repeal the Corporation's By-Laws or adopt new by-laws even though the Board of Directors may also amend or repeal the Corporation's By-Laws or adopt new by-

20

21

laws. The adoption or amendment of a by-law that adds, changes or deletes a greater or lower quorum requirement or a greater voting requirement for shareholders or the Board of Directors must meet the same quorum and voting requirement then in effect.

ARTICLE IX. CORPORATE SEAL

SECTION 9.1. Corporate Seal. The Board of Directors may provide for a corporate seal which may be circular in form and have inscribed thereon any designation including the name of the corporation, Wisconsin as the state of incorporation, and the words "Corporate Seal." Any instrument executed in the corporate name by the proper officers of the Corporation under any seal, including the words "Seal," "Corporate Seal" or similar designation, is sealed even though the corporate seal is not used.

ARTICLE X. EMERGENCY BY-LAWS

SECTION 10.1. Emergency By-Laws. Unless the Articles of Incorporation provide otherwise, the following provisions of this Article X shall be effective during an "Emergency," which is defined as a catastrophic event that prevents a quorum of the Corporation's directors from being readily assembled.

SECTION 10.2. Notice of Board Meetings. During an Emergency, any one member of the Board of Directors or any one of the following officers: Chairman of the Board, President and Chief Executive Officer, any Vice-President or Secretary, may call a meeting of the Board of Directors. Notice of such meeting need be given only to those directors whom it is practicable to reach, and may be given in any practical manner, including by publication or radio. Such notice shall be given at least six hours prior to commencement of the meeting.

SECTION 10.3. Temporary Directors and Quorum. One or more officers of the Corporation present at the Emergency meeting of the Board of Directors, as is necessary to achieve a quorum, shall be considered to be directors for the meeting, and shall so serve in order of rank, and within the same rank, in order of seniority. In the event that less than a quorum (as determined by Section 3.11) of the directors are present (including any officers who are to serve as directors for the meeting), those directors present (including the officers serving as directors) shall constitute a quorum.

SECTION 10.4. Actions Permitted To Be Taken. The board as constituted in Section 10.3, and after notice as set forth in Section 10.2 may:

(a) Officers' Powers. Prescribe emergency powers to any officers of the Corporation;

(b) Delegation of Any Power. Delegate to any officer or

director, any of the powers of the Board of Directors;

21

22

(c) Lines of Succession. Designate lines of succession of officers and agents, in the event that any of them are unable to discharge their duties;

(d) Relocate Principal Place of Business. Relocate the principal place of business, or designate successive or simultaneous principal places of business; and

(e) All Other Action. Take any and all other action, convenient, helpful, or necessary to carry on the business of the Corporation.

Corporate action taken in good faith in accordance with the emergency by-laws binds the Corporation and may not be used to impose liability on any of the Corporation's directors, officers, employees or agents.

22

REVOLVING CREDIT AGREEMENT

AMONG

MANPOWER INC.,
AS BORROWER,THE FINANCIAL INSTITUTIONS LISTED
ON THE SIGNATURE PAGES HEREOF,

AND

CITIBANK, N.A.
AS AGENTSALOMON SMITH BARNEY INC.,
AS LEAD ARRANGER AND SOLE BOOK MANAGER

DECEMBER 2, 1999

LIST OF SCHEDULES AND EXHIBITS

Schedule I	Lending Offices
Schedule II	ERISA Plans
Exhibit A-1	Form of A Note
Exhibit A-2	Form of B Note
Exhibit B-1	Form of Notice of A Borrowing
Exhibit B-2	Form of Notice of B Borrowing
Exhibit C	Form of Designation Agreement
Exhibit D	Form of Extension Request
Exhibit E	Assignment and Acceptance
Exhibit F	Form of Commitment and Acceptance
Exhibit G	Form of Opinion of Counsel of the Borrower (Commitment Increases and Extensions)
Exhibit H	Form of Opinion of Counsel for the Agent

Exhibit I	Form of Notice of Conversion
Exhibit J	Form of Facility Increase Notice
Exhibit K	Form of Opinion of Counsel to the Borrower

3

REVOLVING CREDIT AGREEMENT

Dated as of December 2, 1999

This REVOLVING CREDIT AGREEMENT dated as of December 2, 1999 is among MANPOWER INC., a Wisconsin corporation (the "Borrower"), the financial institutions listed on the signature pages hereof as "Banks", and CITIBANK, N.A. ("Citibank") as agent (the "Agent") for the Banks hereunder. Salomon Smith Barney Inc. is the Lead Arranger and Sole Book Manager in respect of this Revolving Credit Agreement. The parties hereto agree as follows:

ARTICLE I
DEFINITIONS AND ACCOUNTING TERMS

SECTION 1.01. Certain Defined Terms. As used in this Agreement, the following terms shall have the following meanings (such meanings to be equally applicable to both the singular and plural forms of the terms defined):

"A Advance" means an advance by a Bank to the Borrower as part of an A Borrowing and refers to a Base Rate Advance or a Eurodollar Rate Advance, each of which shall be a "Type" of A Advance.

"A Borrowing" means a borrowing consisting of simultaneous A Advances of the same Type (as such Type may be Converted from time to time pursuant to Section 2.02(g)) and in the same currency made by each of the Banks pursuant to Section 2.01.

"A Note" means a promissory note of the Borrower payable to the order of any Bank, in substantially the form of Exhibit A-1 hereto, evidencing the aggregate indebtedness of the Borrower to such Bank resulting from the A Advances made by such Bank.

"Advance" means an A Advance or a B Advance.

"Agreement" means this Revolving Credit Agreement, as it may from time to time be amended, restated, supplemented or otherwise modified.

"Applicable Lending Office" means, with respect to each Bank, (i) in the case of any Base Rate Advance, such Bank's Domestic Lending Office, (ii) in the case of any Eurodollar Rate Advance, such Bank's Eurodollar Lending Office and (iii) in the case of any B Advance, the office of such Bank notified by such Bank to the Agent as its Applicable Lending Office with respect to such B Advance.

"Applicable Margin" has the meaning specified in Section 2.06(c).

"Assignment and Acceptance" means an assignment and acceptance in substantially the form of Exhibit E hereto pursuant to which a Bank assigns all or a

portion of such Bank's rights and obligations under this Agreement in accordance with the terms of Section 9.08.

"B Advance" means an advance by a Bank to the Borrower as part of a B Borrowing resulting from the auction bidding procedure described in Section 2.03.

"B Borrowing" means a borrowing consisting of simultaneous B Advances from each of the Banks whose offer to make one or more B Advances as part of such borrowing has been accepted by the Borrower under the auction bidding procedure described in Section 2.03.

"B Note" means a promissory note of the Borrower payable to the order of any Bank, in substantially the form of Exhibit A-2 hereto, evidencing the indebtedness of the Borrower to such Bank resulting from a B Advance made by such Bank.

"B Reduction" has the meaning specified in Section 2.01.

"Bank" means at any time (i) each of the financial institutions listed on the signature pages hereof as "Banks", after giving effect to the introduction of any new Bank in accordance with Section 3.07 and any assignment made in accordance with Section 9.08 on or prior to such date and (ii) except when used in reference to an A Advance, an A Borrowing, an A Note, a Commitment or a related term, a Designated Bidder.

"Base Rate" means, for any period, a fluctuating interest rate per annum as shall be in effect from time to time which rate per annum shall at all times be equal to the highest of:

(a) the rate of interest announced publicly by Citibank in New York, New York, from time to time, as Citibank's base rate;

(b) 1/2 of one percent per annum above the latest three-week moving average of secondary market morning offering rates in the United States for three-month certificates of deposit of major United States money market banks, such three-week moving average being determined weekly on each Monday (or, if any such day is not a Business Day, on the next succeeding Business Day) for the three-week period ending on the previous Friday by Citibank, N.A. on the basis of such rates reported by certificate of deposit dealers to and published by the Federal Reserve Bank of New York or, if such publication shall be suspended or terminated, on the basis of quotations for such rates received by Citibank, N.A. from three New York certificate of deposit dealers of recognized standing selected by Citibank, N.A., in either case adjusted to the nearest 1/16 of one percent or, if there is no nearest 1/16 of one percent, to the next higher 1/16 of one percent;

(c) 1/2 of one percent per annum above the Federal Funds Rate; and

2

(d) for the period from December 15, 1999 through January 15, 2000, two percent per annum above the Federal Funds Rate.

"Base Rate Advance" means an A Advance which bears interest as provided in Section 2.06(a).

"Benefit Plan" means a defined benefit plan as defined in Section 3(35) of ERISA (other than a Multi-employer Plan) in respect of which the Borrower or any ERISA Affiliate is, or within the immediately preceding six (6) years was, an "employer" as defined in Section 3(5) of ERISA.

"Borrowing" means an A Borrowing or a B Borrowing.

"Business Day" means a day of the year (i) on which banks are not required or authorized to close in New York City and (ii) if the applicable Business Day relates to any Eurodollar Rate Advance or any B Borrowing in respect of which the interest rate shall have been set in reference to the Eurodollar Rate, on which dealings are carried on in the London interbank market.

"Capitalized Lease" means any lease which is or should be capitalized on the balance sheet of the lessee in accordance with GAAP.

"Commitment" has the meaning specified in Section 2.01.

"Commitment and Acceptance" means a commitment and acceptance in substantially the form of Exhibit F hereto pursuant to which a Person becomes a Bank party hereto in accordance with the terms of Section 3.07.

"Consolidated" refers, with respect to any Person, to the consolidation of the accounts of such Person and its Subsidiaries in accordance with GAAP, including principles of consolidation, consistent with those applied in the preparation of the Consolidated financial statements referred to in Section 5.01(e).

"Consolidated EBITDA" means, for any period, the sum of the amounts for such period of (i) Consolidated Net Earnings after taxes of the Borrower and its Consolidated Subsidiaries for such period, determined in accordance with GAAP, plus (ii) the sum of the following amounts for such period, in each case to the extent the same shall have been deducted in the calculation of such Consolidated Net Earnings after taxes for such period: (A) Consolidated Interest Expense, (B) Federal, state, local and foreign income taxes, (C) amortization, (D) depreciation, and (E) any non-cash restructuring charge reported by the Borrower in respect of, or otherwise allocated to, such period, minus (iii) any extraordinary, or unusual and non-recurring gains (or plus any extraordinary, or unusual and non-recurring, losses) calculated pursuant to GAAP for such period.

"Consolidated Interest Expense" means, for any period, total interest expense, whether paid or accrued (including the interest component of Capitalized Leases), of the Borrower and its Consolidated Subsidiaries on a Consolidated

basis, including, without limitation, all commissions, discounts and other fees and charges owed with respect to letters of credit and net costs under any agreements providing interest rate protection, but excluding however, amortization of discount, interest paid in property other than cash or any other interest expense not payable in cash, all as determined in conformity with GAAP.

"Consolidated Net Earnings" means, for any period, all amounts which would be included under net earnings (or losses) on a consolidated income statement of the Borrower and its Consolidated Subsidiaries for such period, all as determined in accordance with GAAP.

"Consolidated Subsidiary" means, at any date with respect to any Person, any Subsidiary thereof the accounts of which would be consolidated with those of such Person in its consolidated financial statements at such date in accordance with GAAP.

"Consolidated Tangible Assets" means, with respect to any Person at any time of determination, total assets of such Person and its Consolidated Subsidiaries as set forth on the balance sheets most recently delivered to the Banks pursuant to Section 6.01(b), excluding all Intangible Assets of such Person and its Consolidated Subsidiaries.

"Consolidated Tangible Net Worth" means, at any date, the consolidated shareholders' equity of the Borrower and its Consolidated Subsidiaries, after deducting treasury stock, which would appear as such on a consolidated balance sheet as of such date of the Borrower and its Consolidated Subsidiaries; excluding, however, to the extent otherwise included, (i) all Intangible Assets of the Borrower and its Consolidated Subsidiaries and (ii) the foreign currency translation adjustment component of shareholder's equity.

"Convert", "Conversion" and "Converted" each refers to (i) a Conversion of A Advances of one Type comprising part of the same A Borrowing into A Advances of another Type or (ii) a continuation of A Advances of one Type comprising part of the same A Borrowing as the same Type of A Advances for an additional Interest Period, in each case pursuant to Section 2.02(g).

"Debt" means, with respect to any Person (but without duplication of any item), (i) indebtedness of such Person for borrowed money, (ii) obligations of such Person evidenced by bonds, debentures, notes or other similar instruments, (iii) obligations of such Person to pay the deferred purchase price of property or services (other than noninterest-bearing trade payables arising in the ordinary course of business), (iv) obligations of such Person as lessee under leases which shall have been or should be, in accordance with GAAP, recorded as capital leases, (v) the undrawn face amount of any letter of credit issued for the account of such Person, (vi) obligations of such Person in respect of any drawing made under any letter of credit and (vii) any Guarantee by such Person, including, without limitation, any guaranty or similar obligation of such Person in respect of the obligations of its franchisees.

4

7

"Debt-to-Capitalization Ratio" means, as of any date, the ratio of (i) all Debt of the Borrower and its Consolidated Subsidiaries on a consolidated basis on such date, excluding Debt constituting any Guarantee issued by the Borrower or any of its Subsidiaries unless the primary obligor on the underlying Debt is a franchisee of the Borrower or any of its Subsidiaries (after giving effect to such exclusion, the "Adjusted Debt"), to (ii) the sum on such date of Adjusted Debt plus Consolidated Tangible Net Worth.

"Designated Bidder" means any Person (i) that shall have become a party hereto pursuant to Section 9.09 and (ii) which is not otherwise a Bank hereunder.

"Designation Agreement" means a designation agreement entered into by a Bank (other than a Designated Bidder) and a Designated Bidder, and accepted by the Agent, in substantially the form of Exhibit C hereto.

"Dollars" and the sign "\$" each means lawful money of the United States.

"Domestic Lending Office" means, with respect to any Bank, the office of such Bank specified as its "Domestic Lending Office" opposite its name on Schedule I hereto or in the Assignment and Acceptance or Commitment and Acceptance pursuant to which it became a Bank, or such other office of such Bank as such Bank may from time to time specify to the Borrower and the Agent.

"Domestic Subsidiary" shall have the meaning assigned to such term in Section 5.01(i).

"Effective Date" means the date this Agreement shall become effective in accordance with the terms of Section 9.07(a).

"Eligible Assignee" means any proposed assignee or Proposed New Bank that is either (i) a Bank or any affiliate of a Bank; (ii) a commercial bank organized under the laws of the United States, any State thereof or the District of Columbia, and having a combined capital and surplus of at least \$250,000,000; or (iii) a commercial bank organized under the laws of any other country which is a member of the Organization for Economic Cooperation and Development, or a political subdivision of any such country, and having a combined capital and surplus of at least \$250,000,000 or the local currency equivalent thereof, provided that such bank is acting through a branch or agency located in the United States; provided, in each case, that such proposed assignee has, as of the date of the proposed assignment, the Requisite Bank Credit Rating.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time and the regulations promulgated and rulings issued thereunder.

"ERISA Affiliate" shall mean any (i) corporation which is a member of the same controlled group of corporations (within the meaning of Section 414(b) of the Internal Revenue Code) as the Borrower or any of its Subsidiaries, (ii)

partnership, trade or business under common control (within the meaning of Section 414(c) of the Internal Revenue Code) with the Borrower or any of its Subsidiaries, and (iii) member of the same affiliated service group (within the meaning of Section 414(m) of the Internal Revenue Code) as the Borrower or any of its Subsidiaries, any corporation described in clause (i) or any partnership, trade or business described in clause (ii).

"Eurocurrency Liabilities" has the meaning assigned to that term in Regulation D of the Board of Governors of the Federal Reserve System, as in effect from time to time.

"Eurodollar Lending Office" means, with respect to any bank, the office of such Bank specified as its "Eurodollar Lending Office" opposite its name on Schedule I hereto or in the Assignment and Acceptance or Commitment and Acceptance pursuant to which it became a Bank (or, if no such office is specified, its Domestic Lending Office), or such other office of such Bank as such Bank may from time to time specify to the Borrower and the Agent.

"Eurodollar Rate Advance" means an A Advance which bears interest as provided in Section 2.06(b).

"Eurodollar Rate" means, for the Interest Period for each Eurodollar Rate Advance comprising part of the same A Borrowing, an interest rate per annum equal to the average (rounded upward to the nearest whole multiple of 1/16 of 1% per annum, if such average is not such a multiple) of the rate per annum at which deposits in Dollars are offered by the principal office of each of the Reference Banks in London, England to prime banks in the London interbank market at 11:00 A.M. (London time) two Business Days before the first day of such Interest Period in an amount substantially equal to such Reference Bank's Eurodollar Rate Advance comprising part of such A Borrowing and for a period equal to such Interest Period. The Eurodollar Rate for the Interest Period for each Eurodollar Rate Advance comprising part of the same A Borrowing shall be determined by the Agent on the basis of applicable rates furnished to and received by the Agent from the Reference Banks two Business Days before the first day of such Interest Period, subject, however, to the provisions of Section 2.08. In the case of any B Borrowing in respect of which quotes are to be made in reference to the "Eurodollar Rate", the "Eurodollar Rate" means the

rate per annum at which deposits in Dollars are offered by the principal office of Citibank in the London interbank market at 11:00 A.M. (London time) two Business Days before the date of such B Borrowing in an amount substantially equal to the aggregate amount of such B Borrowing and for a period equal to the tenor of such B Borrowing.

"Eurodollar Rate Reserve Percentage" of any Bank for the Interest Period for any Eurodollar Rate Advance means the reserve percentage applicable during such Interest Period (or if more than one such percentage shall be so applicable, the daily average of such percentages for those days in such Interest Period during which any such percentage shall be so applicable) under regulations issued from

6

9

time to time by the Board of Governors of the Federal Reserve System (or any successor) for determining the maximum reserve requirement (including, without limitation, any emergency, supplemental or other marginal reserve requirement) for such Bank with respect to liabilities or assets consisting of or including Eurocurrency Liabilities having a term equal to such Interest Period.

"Events of Default" has the meaning specified in Section 7.01.

"Extension Request" has the meaning specified in Section 9.02.

"Facility Fee" has the meaning specified in Section 3.01.

"Facility Quarter" means each consecutive three month period beginning on January 1, April 1, July 1 and October 1.

"Federal Funds Rate" means, for any period, a fluctuating interest rate per annum equal for each day during such period to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers, as published for such day (or, if such day is not a Business Day, for the next preceding Business Day) by the Federal Reserve Bank of New York, or, if such rate is not so published for any day which is a Business Day, the average of the quotations for such day on such transactions received by the Agent from three Federal funds brokers of recognized standing selected by it.

"GAAP" means generally accepted accounting principles in the United States set forth in the opinions, statements and pronouncements of the Financial Accounting Standards Board, Accounting Principles Board and the American Institute of Certified Public Accountants or in such other statements by such other entity as may be in general use by significant segments of the accounting profession, which are applicable to the circumstances as of the date of determination and in any event applied in a manner consistent with the application thereof used in the preparation of the financial statements referred to in Section 5.01(e).

"Guarantee" by any Person means any obligation, contingent or otherwise, of such Person directly or indirectly guaranteeing any Debt of any other Person or otherwise in any manner assuring the holder of any Debt of any other Person against loss (whether by agreement to keep-well, to purchase assets, goods or services, or to take-or-pay or otherwise), provided that the term "Guarantee" shall not include endorsements for collection or deposit in the ordinary course of business.

"Intangible Assets" means, with respect to any Person at any time of determination, (i) goodwill, organizational expenses, research and development expenses, trademarks, tradenames, copyrights, patents, patent applications, licenses and rights in any thereof, (ii) all reserves carried and not deducted from assets, (iii) treasury stock, (iv) securities which are not readily marketable, (v) cash held in a sinking or other

analogous fund for the purpose of redemption, retirement or prepayment of capital stock or indebtedness, (vi) any write-up in the book value of any asset resulting from a reevaluation thereof subsequent to December 31, 1998, and (vii) any items not included in items (i)-(vi) above which are treated as intangibles in accordance with GAAP

"Interest Coverage Ratio" means the ratio of Consolidated EBITDA to Consolidated Interest Expense.

"Interest Period" means, for each A Advance comprising part of the same A Borrowing, the period commencing on the date of such A Advance and ending on the last day of the period selected by the Borrower in a Notice of A Borrowing submitted in accordance with the terms of Section 2.02. The duration of each such Interest Period shall be (a) in the case of a Base Rate Advance, up to 180 days, and (b) in the case of a Eurodollar Rate Advance, subject to Section 2.10(b), one, two, three or six months, in each case as the Borrower may select; provided, however, that: (i) the Borrower may not select any Interest Period which ends after the Revolving Credit Termination Date, (ii) Interest Periods commencing on the same date for A Advances comprising part of the same A Borrowing shall be of the same duration; and (iii) whenever the last day of any Interest Period would otherwise occur on a day other than a Business Day, the last day of such Interest Period shall be extended to occur on the next succeeding Business Day; provided that, in the case of any Eurodollar Rate Advance, if such extension would cause the last day of such Interest Period to occur in the next following calendar month, the last day of such Interest Period shall occur on the next preceding Business Day. If, in accordance with Section 2.10 or otherwise, any A Borrowing shall include both Eurodollar Rate Advances and Base Rate Advances, each such Base Rate Advance shall be assigned an Interest Period that is coextensive with the Interest Period then assigned to such Eurodollar Rate Advances.

"Internal Revenue Code" means the Internal Revenue Code of 1986, as amended and any successor statute.

"Level" means, at any time, "Level 1", "Level 2", "Level 3", "Level 4" or "Level 5" as determined in accordance with the following conditions at such time:

(i) "Level 1" shall exist at such time if the Manpower Credit Rating shall be either A- or better from S&P or A3 or better from Moody's;

(ii) "Level 2" shall exist at such time if (A) Level 1 shall not then exist and (B) the Manpower Credit Rating shall be either BBB+ or better from S&P or Ba1 or better from Moody's;

(iii) "Level 3" shall exist at such time if (A) neither Level 1 nor Level 2 shall then exist and (B) the Manpower Credit Rating shall be either BBB from S&P or Baa2 from Moody's;

(iv) "Level 4" shall exist at such time if (A) neither Level 1, Level 2 nor Level 3 shall then exist and (B) the Manpower Credit Rating shall be both BBB- from S&P and Baa3 from Moody's; and

(v) "Level 5" shall exist at such time if none of Level 1, Level 2, Level 3 or Level 4 shall then exist;

provided that if the Manpower Credit Rating issued by S&P shall at any time be more than one ratings category removed from the equivalent ratings category of the Manpower Credit Rating issued by Moody's at such time, the Level then in effect shall be determined on the basis of an imputed ratings category for both S&P and Moody's that is one ratings category above the lower of the two actual Manpower Credit Ratings then in effect. Solely for purposes of illustration, if the Manpower Credit Ratings issued by S&P and Moody's shall at any time be A- and Baa2, respectively, the imputed ratings category shall be BBB+ and Baa1, respectively, and the Level shall be Level 2.

"Majority Banks" means at any time Banks then holding greater than 50% of the outstanding A Advances; provided that (i) if no A Advances are then outstanding, "Majority Banks" shall mean Banks holding greater than 50% of the Commitments at such time and (ii) if the Commitments shall have been terminated and A Notes shall have been repaid in full, "Majority Banks" shall mean Banks holding greater than 50% of the then aggregate unpaid principal amount of the B Notes.

"Manpower Credit Rating" means, as of any date with respect to any rating agency, the credit rating, if any, publicly announced by such rating agency and then in effect in respect of the senior, unsecured, non-credit enhanced long-term debt of the Borrower. If at any time, and during the period that, a credit rating shall cease to be publicly announced by S&P or Moody's, the "shadow" credit rating, if any, issued by such rating agency in respect of the senior, unsecured, non-credit-enhanced debt of the Borrower may be used as the Manpower Credit Rating for such rating agency at any time following demonstration by the Borrower to the satisfaction of the Agent as to the existence of such shadow credit rating.

"Margin Stock" has the meaning specified in Regulation U issued by the Board of Governors of Federal Reserve System.

"Material Adverse Effect" means a material adverse affect on (i) the business, condition (financial or otherwise), operations or prospects of the Borrower and its Consolidated Subsidiaries taken as a whole or (ii) the ability of the Borrower to perform its obligations under this Agreement.

"Material Subsidiary" means, at any time, (i) any Subsidiary of the Borrower which shall have contributed in excess of 5% of the Consolidated Net Earnings during the fiscal year then most recently ended and (ii) in the case of any other Subsidiary created, restructured in any material respect or acquired since the end of such fiscal year, such Subsidiary if it is reasonably projected to contribute

in excess of 5% of the Consolidated Net Earnings of the Borrower during the then current fiscal year.

"Moody's" means Moody's Investors Service, Inc.

"Multiemployer Plan" means a "multiemployer plan" as defined in Section 4001(a)(3) of ERISA to which the Borrower or any of its ERISA Affiliates is making or accruing an obligation to make contributions, or has within any of the preceding five plan years made or accrued an obligation to make contributions.

"Non-material Subsidiary" means, at any time, any Subsidiary of the Borrower which is not at such time a Material Subsidiary.

"Note" means either an A Note or a B Note, and "Notes" means the A Notes and the B Notes, collectively.

"Notice of A Borrowing" has the meaning specified in Section 2.02(a).

"Notice of B Borrowing" has the meaning specified in Section 2.03(a)(i).

"Payment Office" means the principal office of Citibank in New York City, located on the date hereof at 399 Park Avenue, New York, New York 10043, or such other office of the Agent as shall be from time to time selected by it by written notice to the Borrower and the Banks.

"Person" means an individual, partnership, corporation (including a business trust), joint stock company, trust, unincorporated association, joint venture or other entity, or a government or any political subdivision or agency thereof.

"PBGC" means the Pension Benefit Guaranty Corporation or any successor thereto.

"Plan" means an employee benefit plan as defined in Section 3(3) of ERISA in respect of which the Borrower or any ERISA Affiliate is, or within the immediately preceding six years was, an "employer" as defined in Section 3(5) of ERISA.

"Pro Rata Share" means with respect to any Bank at any time, the percentage that such Bank's Commitment represents of the aggregate Commitments of all Banks at such time.

"Proposed New Banks" has the meaning specified in Section 3.07.

"Reference Banks" means Citibank and Credit Lyonnais.

"Reference Date" has the meaning specified in Section 9.02.

10

13

"Register" has the meaning specified in Section 9.08.

"Replacement Bank" means, for purposes of Section 3.05, a financial institution proposed by the Borrower to replace an existing Bank for the reasons set forth in such section.

"Requisite Bank Credit Rating" shall mean a credit rating issued by S&P, Moody's or any other nationally recognized rating agency of not less than the minimum such rating issued by such agency to signify that the applicable indebtedness or obligation of the rated entity is "investment grade." In the case of any actual or proposed Bank, the applicable "rated entity" for this purpose shall be such Bank or, if such Bank shall not then be rated, the bank holding company owning all or substantially all of the capital stock of such Bank.

"Revolving Credit Facility" shall mean the financial accommodations contemplated in Article II of this Agreement.

"Revolving Credit Termination Date" means November 30, 2000 or the earlier date of termination in whole of the Commitments pursuant to Section 2.04, or such later date as shall be determined under Section 9.02; provided in each case that if such day shall not be a Business Day, the Revolving Credit Termination Date shall occur on the immediately preceding Business Day.

"S&P" means Standard & Poor's Ratings Group, a division of The McGraw Hill Companies, Inc.

"Subsidiary" means, with respect to any Person, any corporation or other entity in which such Person owns directly or

indirectly 50% or more of the combined ordinary voting power of all classes of stock or interests of such entity having ordinary voting power.

"Termination Event" means (i) a "reportable event," as such term is described in Section 4043 of ERISA (other than a "reportable event" not subject to the provision for 30-day notice to the PBGC), or an event described in Section 4062(e) of ERISA, or (ii) the withdrawal of the Borrower or any of its ERISA Affiliates from a Benefit Plan during a plan year in which it was a "substantial employer", as such term is defined in Section 4001(a)(2) of ERISA, or the incurrence of liability by the Borrower or any of its ERISA Affiliates under Section 4064 of ERISA upon the termination of a Plan, or (iii) the imposition of an obligation on the Borrower or any ERISA Affiliate under Section 4041 of ERISA to provide affected parties with a written notice of intent to terminate a Benefit Plan in a distressed termination described in Section 4041(c) of ERISA, or (iv) the institution of proceedings to terminate a Benefit Plan by the PBGC under Section 4042 of ERISA, or (v) any other event or condition which might constitute grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Benefit Plan or (vi) the partial or

11

14

complete withdrawal of the Borrower or any ERISA Affiliate from a Multiemployer Plan.

"Type", in respect of any A Advance, has the meaning assigned thereto in the definition herein of "A Advance".

"Y2K Risk" has the meaning specified in Section 5.01(o).

SECTION 1.02. Computation of Time Periods. In this Agreement in the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding."

SECTION 1.03. Accounting Terms and Change in Accounting Principles. All accounting terms not specifically defined herein shall be construed in accordance with GAAP. If any changes in accounting principles from those used in the preparation of the financial statements referred to in Section 5.01(e) are hereafter required or permitted by the rules, regulations, pronouncements and opinions of the Financial Accounting Standards Board or the American Institute of Certified Public Accountants (or successors thereto or agencies with similar functions) and are adopted by the Borrower with the agreement of its independent certified public accountants and such changes result in a change in the components of the calculation of any of the financial covenants, standards or terms found in Article VI hereof, the Borrower and the Agent agree to enter into negotiations in order to amend such provisions so as to equitably reflect such changes with the desired result that the criteria for evaluating the Borrower's financial condition shall be the same after such changes as if such changes had not been made; provided, however, that no change in GAAP that would affect the components of the calculation of any of such financial covenants, standards or terms shall be given effect in such calculations until such provisions are amended, in accordance with the terms of Section 9.01, to so reflect such change in accounting principles.

ARTICLE II AMOUNTS AND TERMS OF THE ADVANCES

SECTION 2.01. The A Advances. (a) Each Bank severally agrees, on the terms and conditions hereinafter set forth, to make A Advances in Dollars to the Borrower from time to time on any Business Day during the period from the Effective Date until the Revolving Credit Termination Date in an aggregate amount not to exceed at any time outstanding the amount set forth below such Bank's name on the signature pages hereof, as such amount may be reduced pursuant to Section 2.04, increased pursuant to Section 3.07 or increased or decreased in connection with any assignment pursuant to Section 9.08 (such Bank's "Commitment").

(b) The aggregate amount of the Commitments of the Banks shall be deemed used from time to time to the extent of the aggregate amount of the B Advances then outstanding and such deemed use of the aggregate amount of the Commitments shall be applied to the Banks ratably according to their respective Commitments (such deemed use of the aggregate amount of the Commitments being a "B Reduction").

12

15

(c) Each A Borrowing shall consist of A Advances of the same Type made on the same day to the Borrower by the Banks ratably according to their respective Commitments, and shall be in an aggregate amount of not less than \$10,000,000 or an integral multiple of \$1,000,000 in excess thereof.

(d) Within the limits of each Bank's Commitment, the Borrower may borrow, Convert pursuant to Section 2.02(g), repay pursuant to Section 2.05 or prepay pursuant to Section 2.09, and reborrow under this Section 2.01.

SECTION 2.02. Making the A Advances. (a) Each A Borrowing shall be made on notice, given by the Borrower:

(i) in the case of a proposed A Borrowing comprised of Base Rate Advances, to the Agent not later than 10:30 A.M. (New York City time) on the Business Day that is the date of the proposed A Borrowing; and

(ii) in the case of a proposed A Borrowing comprised of Eurodollar Rate Advances, to the Agent not later than 10:30 A.M. (New York City time) on the third Business Day prior to the date of such proposed A Borrowing.

The Agent shall give each Bank prompt notice thereof by telecopy, telex or cable. Each such notice of an A Borrowing (a "Notice of A Borrowing") shall be by telecopy, telex or cable, confirmed immediately in writing, in substantially the form of Exhibit B-1 hereto, specifying therein the requested (i) date of such A Borrowing, (ii) Type of A Advances comprising such A Borrowing, (iii) Interest Period for each such A Advance and (iv) aggregate amount of such A Borrowing. The Borrower shall certify, in each Notice of A Borrowing, the Level then in effect.

(b) Each Bank shall make available for the account of its Applicable Lending Office:

(i) in the case of an A Borrowing comprised of Base Rate Advances, to the Agent before 12:00 noon (New York City time) (or, if the applicable Notice of A Borrowing shall have been given on the date of such A Borrowing, before 4:00 P.M. (New York City time)) on the date of such A Borrowing, at such account maintained at the Payment Office as shall have been notified by the Agent to the Banks prior thereto and in same day funds, such Bank's Pro Rata Share of such A Borrowing; and

(ii) in the case of an A Borrowing comprised of Eurodollar Rate Advances, to the Agent before 12:00 noon (New York City time) on the date of such A Borrowing, at such account maintained at the Payment Office as shall have been notified by the Agent to the Banks prior thereto and in same day funds, such Bank's Pro Rata Share of such A Borrowing.

After the Agent's receipt of such funds and upon fulfillment of the applicable conditions set forth in Article V, the Agent will make such funds available to the Borrower at the aforesaid applicable Payment Office.

13

(c) Anything hereinabove to the contrary notwithstanding,

(i) if any Bank shall, at least one Business Day before the date of any requested A Borrowing comprised of or any requested Conversion to Eurodollar Rate Advances, notify the Agent that the introduction of or any change in or in the interpretation of any law or regulation makes it unlawful, or that any central bank or other governmental authority asserts that it is unlawful, for such Bank or its Applicable Lending Office to perform its obligations hereunder generally to make, fund or maintain Eurodollar Rate Advances, the right of the Borrower to select or Convert to Eurodollar Rate Advances for existing A Advances from such Bank or any subsequent A Advances from such Bank shall be suspended until such Bank shall notify the Agent that the circumstances causing such suspension no longer exist, and each such A Advance comprising part of an A Borrowing otherwise comprised of Eurodollar Rate Advances shall be a Base Rate Advance; or

(ii) if the Majority Banks shall, at least one Business Day before the date of any requested A Borrowing or Conversion, notify the Agent that the Eurodollar Rate for Eurodollar Rate Advances comprising such A Borrowing or Conversion, will not adequately reflect the cost to such Majority Banks of making or funding their respective Eurodollar Rate Advances for such A Borrowing or Conversion, the right of the Borrower to select Eurodollar Rate Advances for such A Borrowing or Conversion, or to select such currency for any subsequent A Borrowing or Conversion, shall be suspended until the Agent shall notify the Borrower and the Banks that the circumstances causing such suspension no longer exist, and each A Advance comprising such A Borrowing shall be a Base Rate Advance on the requested date of Borrowing or Conversion.

In either such case, (A) each affected Bank shall advise the Agent and the Borrower in a written notice setting forth the applicable circumstances in reasonable detail, and (B) the Agent shall, upon becoming aware that the circumstances causing any such suspension no longer apply, promptly so notify the Borrower, provided that the failure of the Agent to so notify the Borrower shall not impair the rights of the Banks under this Section 2.02(c) or expose the Agent to any liability. In the case of any notice given to the Borrower under clause (i) or (ii) above, the Borrower may, upon its receipt of such notice, elect to revoke the applicable Notice of A Borrowing by forthwith providing written notice of such revocation to the Agent.

(d) Except as otherwise provided in Section 2.02(c), each Notice of A Borrowing shall be irrevocable and binding on the Borrower. In the case of any A Borrowing which the related Notice of A Borrowing specifies is to be comprised of Eurodollar Rate Advances, the Borrower shall indemnify each Bank against any loss, cost or expense incurred by such Bank as a result of any failure to fulfill on or before the date specified in such Notice of A Borrowing for such A Borrowing the applicable conditions set forth in Article V or as a result of the revocation by the Borrower of such Notice of A Borrowing under Section 2.02(c), in each case including, without limitation, any loss, cost or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired by such Bank to fund the A Advance to be made by such Bank as part of such A Borrowing when such A Advance, as a result of such failure or revocation, is not made on such date.

(e) Unless the Agent shall have received notice from a Bank prior to the date of any A Borrowing that such Bank will not make available to the Agent such Bank's Pro Rata Share of such A Borrowing, the Agent may assume

that such Bank has made such portion available to it on the date of such A Borrowing in accordance with subsection (b) of this Section 2.02 and it may, in reliance upon such assumption, make (but shall not be required to make) available to the Borrower on such date a corresponding amount. If and to the extent that such Bank shall not have so made such Pro Rata Share available to the Agent, such Bank and the Borrower severally agree to repay to the Agent forthwith on demand such corresponding amount together with interest thereon, for each day from the date such amount is made available to the Borrower until the date such amount is repaid to the Agent at (i) in the case of the Borrower, the interest rate applicable at the time to A Advances comprising such A Borrowing and (ii) in the case of such Bank, the Federal Funds Rate. If such Bank shall repay to the Agent such corresponding amount, such amount so repaid shall constitute such Bank's A Advance as part of such A Borrowing for purposes of this Agreement.

(f) The failure of any Bank to make the A Advance to be made by it as part of any A Borrowing shall not relieve any other Bank of its obligation, if any, hereunder to make its A Advance on the date of such A Borrowing, but no Bank shall be responsible for the failure of any other Bank to make the A Advance to be made by such other Bank on the date of any A Borrowing.

(g) The Borrower may on any Business Day, upon notice given to the Agent not later than 11:00 A.M. (New York City time) on the third Business Day prior to the date of the proposed Conversion, Convert all A Advances of one Type comprising the same A Borrowing into A Advances of another Type or continue such A Advances as the same Type for a new Interest Period; provided, however, that:

(i) the Conversion of any Eurodollar Rate Advances into Base Rate Advances, or the continuation of any Eurodollar Rate Advances for an additional Interest Period, shall be made on, and only on, the last day of the Interest Period then in effect for such Eurodollar Rate Advances; and

(ii) if, on the date of any proposed Conversion, an Event of Default shall have occurred and is then continuing, each Eurodollar Rate Advance that would otherwise be Converted or continued on such date shall Convert into a Base Rate Advance on such date.

Each such notice of a Conversion (a "Notice of Conversion") shall be substantially in the form of Exhibit I hereto and shall, within the restrictions specified above, specify the date of such Conversion, the A Advances to be Converted, and the duration of the new Interest Period for each such A Advance. If the Borrower shall fail to select the duration of any new Interest Period by the time therefor required above in respect of the A Advances comprising any A Borrowing, such A Advances shall, subject to the terms and conditions set forth in this Section 2.02(g), automatically Convert on the last day of the then current Interest Period into A Advances of the same Type and having an Interest Period of one month, and the Agent will so notify the Borrower and the Banks.

SECTION 2.03. The B Advances. (a) Each Bank severally agrees that the Borrower may make B Borrowings in Dollars under this Section 2.03 from time to time on any Business Day during the period from the Effective Date until the date occurring 30 days prior to the Revolving Credit Termination Date in the manner set forth below; provided that, following the making of each B Borrowing, the aggregate amount of the Advances then outstanding shall not exceed the aggregate amount of the Commitments of the Banks (computed without regard to any B Reduction).

(i) The Borrower may request a B Borrowing under this Section 2.03 by delivering to the Agent, by telecopier, telex or cable, confirmed immediately in writing, a notice of a B Borrowing (a "Notice of B Borrowing"), in substantially the form of Exhibit B-2 hereto, specifying the date and aggregate amount of the proposed B Borrowing, the maturity date for repayment of each B Advance to be made as part of such B Borrowing (which maturity date shall be a Business Day that is

not earlier than 30 days after the date of the proposed B Borrowing and not later than the Revolving Credit Termination Date), the interest payment date or dates relating thereto, the basis on which interest is to be calculated and any other terms to be applicable to such B Borrowing, not later than 10:30 A.M. (New York City time) (A) at least one Business Day prior to the date of the proposed B Borrowing, if the Borrower shall specify in the Notice of B Borrowing that the rates of interest to be offered by the Banks shall be fixed rates per annum and (B) at least four Business Days prior to the date of the proposed B Borrowing, if the Borrower shall instead specify in the Notice of B Borrowing that the rates of interest to be offered by the Banks shall be quoted in reference to the Eurodollar Rate. The Agent shall in turn promptly notify each Bank of each request for a B Borrowing received by it from the Borrower by sending such Bank a copy of the related Notice of B Borrowing.

(ii) Each Bank may, if, in its sole discretion, it elects to do so, irrevocably offer to make one or more B Advances to the Borrower as part of such proposed B Borrowing at a rate or rates of interest specified by such Bank in its sole discretion, by notifying the Agent (which shall give prompt notice thereof to the Borrower), before 10:00 A.M. (New York City time) (A) on the date of such proposed B Borrowing, in the case of a Notice of B Borrowing delivered pursuant to clause (A) of paragraph (i) above and (B) three Business Days before the date of such proposed B Borrowing, in the case of a Notice of B Borrowing delivered pursuant to clause (B) of paragraph (i) above, of the minimum amount and maximum amount of each B Advance which such Bank would be willing to make as part of such proposed B Borrowing (which amounts may, subject to the proviso to the first sentence of this Section 2.03(a), exceed such Bank's Commitment), the rate or rates of interest therefor and such Bank's Applicable Lending Office with respect to such B Advance; provided that if the Agent in its capacity as a Bank shall, in its sole discretion, elect to make any such offer, it shall notify the Borrower of such offer before 9:00 A.M. (New York City time) on the date on which notice of such election is to be given to the Agent by the other Banks. If any Bank shall elect not to make such an offer, such Bank shall so notify the Agent, before 10:00 A.M. (New York City time) on the date on which notice of such election is to be given to the Agent by the other Banks, and such Bank shall not be obligated to, and shall not, make any B Advance as part of such B Borrowing; provided that the failure by any Bank to give such notice shall not cause such Bank to be obligated to make any B Advance as part of such proposed B Borrowing.

16

19

(iii) The Borrower shall, in turn, (A) before 11:00 A.M. (New York City time) on the date of such proposed B Borrowing, in the case of a Notice of B Borrowing delivered pursuant to clause (A) of paragraph (i) above and (B) before 1:00 P.M. (New York City time) three Business Days before the date of such proposed B Borrowing, in the case of a Notice of B Borrowing delivered pursuant to clause (B) of paragraph (i) above, either:

(x) cancel such B Borrowing by giving the Agent notice to that effect, or

(y) accept one or more of the offers made by any Bank or Banks pursuant to paragraph (ii) above, in its sole discretion, by giving notice to the Agent of the amount of each B Advance (which amount shall be equal to or greater than the minimum amount, and equal to or less than the maximum amount, notified to the Borrower by the Agent on behalf of such Bank for such B Advance pursuant to paragraph (ii) above) to be made by each Bank as part of such B Borrowing, and reject any remaining offers made by Banks pursuant to

paragraph (ii) above by giving the Agent notice to that effect. The Borrower shall not accept offers in an aggregate amount, in respect of any maturity, in excess of the maximum amount requested for such maturity by the Borrower in the applicable Notice of B Borrowing. The Borrower shall accept offers on the basis of the respective rates quoted, selecting first the lowest such rate and accepting offers thereafter in ascending order of such rates. If two or more Banks make offers at the same rate for the same maturity, and the Borrower elects to accept a portion but not all of the aggregate amount of such offers, the Borrower shall accept such offers ratably in proportion to the amount bid by each such Bank.

(iv) If the Borrower notifies the Agent that such B Borrowing is cancelled pursuant to paragraph (iii)(x) above, the Agent shall give prompt notice thereof to the Banks and such B Borrowing shall not be made.

(v) If the Borrower accepts one or more of the offers made by any Bank or Banks pursuant to paragraph (iii)(y) above, the Agent shall in turn promptly notify (A) each Bank that has made an offer as described in paragraph (ii) above, of the date and aggregate amount of such B Borrowing and whether or not any offer or offers made by such Bank pursuant to paragraph (ii) above have been accepted by the Borrower, (B) each Bank that is to make a B Advance as part of such B Borrowing, of the amount of each B Advance to be made by such Bank as part of such B Borrowing, and (C) each Bank that is to make a B Advance as part of such B Borrowing, upon receipt, that the Agent has received forms of documents appearing to fulfill the applicable conditions set forth in Article V. Each Bank that is to make a B Advance as part of such B Borrowing shall, before 12:00 noon (New York City time) on the date of such B Borrowing specified in the notice received from the Agent pursuant to clause (A) of the preceding sentence or any later time when such Bank shall have received notice from the Agent pursuant to

17

20

clause (C) of the preceding sentence, make available for the account of its Applicable Lending Office to the Agent at the Payment Office such Bank's portion of such B Borrowing, in same day funds. Upon fulfillment of the applicable conditions set forth in Article V and after receipt by the Agent of such funds, the Agent will make such funds available to the Borrower at the Payment Office. Promptly after each B Borrowing, the Agent will notify each Bank of the amount of the B Borrowing, the consequent B Reduction and the dates upon which such B Reduction commenced and will terminate.

(b) Each B Borrowing shall be in an aggregate amount not less than \$5,000,000 or an integral multiple of \$1,000,000 in excess thereof and, following the making of each B Borrowing, the Borrower shall be in compliance with the limitation set forth in the proviso to the first sentence of subsection (a) above.

(c) Within the limits and on the conditions set forth in this Section 2.03, the Borrower may from time to time borrow under this Section 2.03, repay or prepay pursuant to subsection (d) below, and reborrow under this Section 2.03; provided that a B Borrowing shall not be made within three Business Days of the date of any other B Borrowing.

(d) The Borrower shall repay to the Agent for the account of each Bank which has made a B Advance, or each other holder of a B Note, on the maturity date of each B Advance (such maturity date being that specified by the Borrower for repayment of such B Advance in the related Notice of B Borrowing delivered pursuant to subsection (a)(i) above and provided in the B Note evidencing such B Advance), the then unpaid principal amount of such B Advance. The Borrower shall have no right to prepay any principal amount of any B Advance unless, and then only on the terms, specified by the Borrower for such B Advance

in the related Notice of B Borrowing delivered pursuant to subsection (a) (i) above and set forth in the B Note evidencing such B Advance.

(e) The Borrower shall pay interest on the unpaid principal amount of each B Advance from the date of such B Advance to the date the principal amount of such B Advance is repaid in full, at the rate of interest for such B Advance specified by the Bank making such B Advance in its notice with respect thereto delivered pursuant to subsection (a) (ii) above, payable on the interest payment date or dates specified by the Borrower for such B Advance in the related Notice of B Borrowing delivered pursuant to subsection (a) (i) above, as provided in the B Note evidencing such B Advance.

(f) The indebtedness of the Borrower resulting from each B Advance made to the Borrower as part of a B Borrowing shall be evidenced by a separate B Note of the Borrower payable to the order of the Bank making such B Advance.

SECTION 2.04. Reduction of the Commitments. The Borrower shall have the right, upon at least three Business Days' written notice to the Agent, to terminate in whole or reduce ratably in part the unused portions of the respective Commitments of the Banks; provided, that (i) each partial reduction shall be in the aggregate amount of \$10,000,000 or an integral multiple of \$1,000,000 in excess thereof, and (ii) after giving effect to any such reduction, the aggregate Commitments then in effect shall be in an amount not less than the

18

21

aggregate principal amount of the Advances then outstanding. No portion of the Commitments which has been terminated in accordance with this Section 2.04 may be reinstated.

SECTION 2.05. Repayment of A Advances. The Borrower shall repay the principal amount of each A Advance made to it by each Bank on the Revolving Credit Termination Date (or on such earlier date as may be required under Section 2.10 or otherwise hereunder).

SECTION 2.06. Interest on A Advances. The Borrower shall pay interest on the unpaid principal amount of each A Advance made by each Bank to the Borrower from the date of such A Advance until such principal amount shall be paid in full, at the following rates per annum:

(a) Base Rate Advances. If an A Advance is a Base Rate Advance, a rate per annum equal at all times to the sum of the Base Rate in effect from time to time plus the Applicable Margin, payable on the last day of each Facility Quarter during which such Base Rate Advance shall have been outstanding and on the last day of the applicable Interest Period (or on any earlier date on which such A Advance shall be Converted or paid in full). The Agent shall provide notice by telephone or by any other method contemplated by Section 9.03 to the Borrower of the amount of interest due and payable on Base Rate Advances by a date not later than the date such payment is due; provided, however, that the Agent's failure to give such notice shall not discharge the Borrower from the Borrower's obligation to make payment of interest but shall only delay the due date of such interest until such telephonic or other form of notice is given.

(b) Eurodollar Rate Advances. If such A Advance is a Eurodollar Rate Advance, a rate per annum equal at all times during each Interest Period for such A Advance to the sum of the Eurodollar Rate for such Interest Period plus the Applicable Margin, payable on the last day of such Interest Period and, if such Interest Period has a duration of more than three months, on each day which occurs during such Interest Period every three months from the first day of such Interest Period.

(c) "Applicable Margin" means, in respect of any A Advance, a rate per annum determined for each day during the Interest Period for such A Advance in reference to the table set forth below on the basis of the Level existing on such day:

Applicable Margin (rate per annum)

Level -----	Base Rate Advances -----	Eurodollar Rate Advances -----
Level 1	0	0.26%
Level 2	0	0.40%
Level 3	0	0.475%
Level 4	0	0.60%
Level 5	0	0.75%;

provided that, in respect of any calendar month, if the average aggregate principal amount of Advances outstanding during such calendar month shall exceed an amount equal to 50% of the average aggregate Commitments during such calendar month, then the Applicable Margin in respect of each A Advance outstanding during the month next following such calendar month shall be as set forth below:

Applicable Margin (rate per annum)
During the Month Following Calendar Month of Designated Utilization

Level -----	Base Rate Advances -----	Eurodollar Rate Advances -----
Level 1	0.15%	0.41%
Level 2	0.25%	0.65%
Level 3	0.275%	0.75%
Level 4	0.375%	0.975%
Level 5	0.50%	1.25%;

provided further that upon the occurrence and during the continuance of any Event of Default, the Applicable Margin in respect of each A Advance shall increase to 2.00% per annum over the Applicable Margin otherwise in effect for such A Advance.

SECTION 2.07. Additional Interest on Eurodollar Rate Advances. The Borrower shall pay to each Bank, so long as such Bank shall be required under regulations of the Board of Governors of the Federal Reserve System to maintain reserves with respect to liabilities or assets consisting of or including Eurocurrency Liabilities, additional interest on the unpaid principal amount of each Eurodollar Rate Advance made by such Bank to the Borrower, from the date of such A Advance until such principal amount is paid in full, at an interest rate per annum equal at all times to the remainder obtained by subtracting (i) the Eurodollar Rate for the Interest Period for such A Advance from (ii) the rate obtained by dividing such Eurodollar Rate by a percentage equal to 100% minus the Eurodollar Rate Reserve Percentage of such Bank for such Interest Period, payable on each date on which interest is payable on such A Advance. Such

additional interest so notified to the Borrower by any Bank shall be payable to the Agent for the account of such Bank on the dates specified for payment of interest for such A Advance in Section 2.06.

SECTION 2.08. Interest Rate Determination. Each Reference Bank agrees to furnish to the Agent timely information for the purpose of determining each Eurodollar Rate. If any one or more of the Reference Banks shall not furnish such timely information to the Agent for the purpose of determining any such interest rate, the Agent shall determine such interest rate on the basis of timely information furnished by the remaining Reference Banks. The Agent shall give prompt notice to the Borrower and the Banks of the applicable interest rate determined by the Agent for purposes of Section 2.06, and the applicable rate, if any, furnished by each Reference Bank for the purpose of determining the applicable interest rate under Section 2.06(b).

SECTION 2.09. Prepayments. (a) The Borrower may, upon written notice given to the Agent not later than 11:00 A.M. (New York City time) on the date of prepayment and stating the proposed date (which shall be a Business Day) and aggregate principal amount of the prepayment, and if such notice is given the Borrower shall, prepay the outstanding principal amounts of the Base Rate Advances comprising part of the same A Borrowing in whole or ratably in part, together with accrued interest to the date of such prepayment on the principal amount prepaid, on such date specified for prepayment; provided, however, that (i) each partial prepayment shall be in an aggregate principal amount not less than \$10,000,000 or an integral multiple of \$1,000,000 in excess thereof and (ii) a Base Rate Advance that constitutes part of an A Borrowing that, pursuant to Section 2.10, contains Eurodollar Rate Advances may not be prepaid unless at such time such Eurodollar Rate Advances are being prepaid in accordance with Section 2.09(b).

(b) The Borrower may, upon written notice given to the Agent not later than 11:00 A.M. (New York City time) two Business Days prior to the date of prepayment and stating the proposed date (which shall be a Business Day) and aggregate principal amount of the prepayment, and if such notice is given the Borrower shall, prepay the outstanding principal amounts of the Eurodollar Rate Advances comprising part of the same A Borrowing in whole (and not in part), together with accrued interest to the date of such prepayment on the principal amount prepaid, on such date specified for prepayment and shall pay to each Bank, on demand, such other amounts in connection therewith as may be required under Section 9.05(b).

(c) Subject to Section 2.03(d), the Borrower shall have no right to prepay any principal amount of any B Advance.

SECTION 2.10. Illegality. (a) In the event that any Bank shall have determined in good faith (which determination shall, absent manifest error, be final, conclusive and binding upon all parties) at any time that the making or continuance of any of its Eurodollar Rate Advances has become unlawful because of the introduction of or any change in or in the interpretation of any law or regulation or because of the assertion of unlawfulness by any central bank or other governmental authority, then, in any such event, such Bank shall give prompt notice (by telephone confirmed in writing) to the Borrower and to the Agent of such determination (which notice the Agent shall promptly transmit to the other Banks).

(b) Upon the giving of the notice to the Borrower referred to in subsection (a) above, if the affected Eurodollar Rate Advances are then outstanding, the Borrower shall, upon at least one Business Day's written notice to the Agent and the affected Bank, or if permitted by applicable law no later than the date permitted thereby, in the Borrower's sole discretion, either (i) prepay the principal amount of all outstanding Eurodollar Rate Advances of such Bank to which such notice related, together with accrued interest thereon to the

date of payment or (ii) Convert each such Eurodollar Rate Advance into a Base Rate Advance, and, in each case be obligated to reimburse the Banks in respect thereof pursuant to Section 9.05(b) hereof. If more than one Bank gives notice pursuant to Section 2.10(a) at any time, then all outstanding Eurodollar Rate Advances of such Banks must be treated the same by the Borrower pursuant to this Section 2.10(b). Any Base Rate Advance arising by reason of this Section 2.10(b) shall have an Interest Period assigned to it that ends on the date that the Eurodollar Rate Advance for which it shall have been substituted would have expired, and the principal thereof and interest thereon shall be payable on the date that principal and interest would otherwise have been payable on such Eurodollar Rate Advance (whether on the last day of such Interest Period or on any earlier date that the other A Advances comprising a part of the related A Borrowing shall be prepaid). Such Base Rate Advance may not be prepaid at any time prior to the date that the Eurodollar Rate Advances comprising a part of such A Borrowing shall be repaid.

SECTION 2.11. Evidence of A Advances. (a) The indebtedness of the Borrower to each Bank resulting from the A Advances made to the Borrower by such Bank shall be evidenced by an A Note of the Borrower payable to the order of such Bank. Prior to the transfer of its A Note, each Bank may either (i) record each A Advance (and payment thereon) on the grid attached to its A Note or (ii) maintain, in accordance with its usual practice, an account or accounts evidencing the indebtedness of the Borrower to such Bank resulting from each A Advance owing to such Bank from time to time, including the amounts of principal and interest payable and paid to such Bank from time to time hereunder. At the time of transfer of its A Note, each Bank shall record on the grid attached to such A Note the A Advances then owing to such Bank the Interest Period for each such A Advance. Notwithstanding the foregoing, no failure on the part of any Bank to make the notations or recordations contemplated herein shall impair, modify or otherwise adversely affect the claim of such Bank against the Borrower in respect of any A Advance made by such Bank hereunder.

(b) The Register maintained by the Agent pursuant to Section 9.08(c) shall include a control account, and a subsidiary account for each Bank, in which accounts (taken together) shall be recorded (i) the date and amount of each A Borrowing made hereunder, the Type of A Advances comprising such Borrowing, the currency of such A Advances and the Interest Period applicable thereto, (ii) the terms of each Assignment and Acceptance delivered to and accepted by it, (iii) the amount of any principal or interest due and payable or to become due and payable from the Borrower to each Bank hereunder, and (iv) the amount of any sum received by the Agent from the Borrower hereunder and each Bank's share thereof.

(c) The entries made in the Register shall be conclusive and binding for all purposes, absent manifest error.

ARTICLE III
GENERAL TERMS

SECTION 3.01. Fees. (a) Facility Fee. The Borrower agrees to pay to the Agent for the account of each Bank a facility fee ("Facility Fee") at the respective rate per annum set forth below on the average daily aggregate amount of the Commitment of such Bank (whether used or unused, and without regard to any B Reduction that may then exist) from the date hereof until the Revolving Credit Termination Date, payable on the last day of each Facility Quarter during the term of such Bank's Commitment and on the Revolving Credit Termination Date. The Facility Fee in respect of any period shall be determined on the basis of the Level in effect during such period, in accordance with the table set forth below. The rate per annum at which such Facility Fee is calculated shall change when and as the existing Level changes.

Level	Facility Fee (Rate per annum)
-----	-----
Level 1	0.09%

Level 2	0.10%
Level 3	0.125%
Level 4	0.15%
Level 5	0.25%

(b) Participation Fee. The Borrower agrees to pay to the Agent for the account of each Bank a participation fee on the date hereof in an amount equal to the following applicable percentage of the Commitment of such Bank (without regard to any Advances being made on such date): (i) 0.075%, in the case of any Bank appearing as part of "Tier 1" on Schedule I hereto, (ii) 0.05% in the case of any Bank appearing as part of "Tier 2" on Schedule I hereto, and (iii) 0.03%, in the case of any Bank appearing as part of "Tier 3" on Schedule I hereto.

(c) Agency and Arrangement Fees. The Borrower agrees to pay (i) to the Agent such fees as may from time to time be agreed upon among the Borrower and the Agent and (ii) to Salomon Smith Barney Inc. the arrangement or other fees as may from time to time be agreed upon between the Borrower and Salomon Smith Barney Inc., in each case when and as such fees shall become due and payable by the Borrower as provided therein.

(d) Auction Fee. The Borrower agrees to pay to the Agent, for the account of the Agent, on the date of issuance of any Notice of B Borrowing, an auction fee in the amount of \$3500. Such fee shall be fully earned upon issuance of such Notice of B Borrowing, and shall be nonrefundable without regard to whether or not any B Advances are thereafter made in response to the solicitation of bids made in such Notice of B Borrowing.

SECTION 3.02. Payments and Computations. (a) The Borrower shall make each payment hereunder and under the Notes not later than 11:00 A.M. (New York City time) on the day when due to the Agent in same day funds by deposit of such funds to the Agent's account maintained at the Payment Office in New York City. The Agent will promptly thereafter cause to be distributed like funds relating to the payment of principal or interest or fees ratably (other than amounts payable pursuant to Section 2.07, 3.03, 3.05 or 9.05) to the Banks for the account of their respective Applicable Lending Offices, and like funds relating to the

payment of any other amount payable to any Bank to such Bank for the account of its Applicable Lending Office, in each case to be applied in accordance with the terms of this Agreement.

(b) The Borrower hereby authorizes each Bank, if and to the extent payment owed to such Bank by the Borrower is not made when due hereunder or under any Note held by such Bank, to charge from time to time against any or all of the Borrower's accounts with such Bank any amount so due. Each Bank agrees promptly to notify the Borrower after any such charge, provided that the failure to give such notice shall not affect the validity of such charge.

(c) All computations of interest based on the Base Rate shall be made by the Agent on the basis of a year of 365 or 366 days, as the case may be, and all computations of interest based on the Eurodollar Rate or the Federal Funds Rate, and of fees, shall be made by the Agent, and all computations of interest pursuant to Section 2.07 shall be made by a Bank, on the basis of a year of 360 days, in each case for the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest or fees are payable. Each determination by the Agent (or, in the case of Section 2.07, by a Bank) of an interest rate hereunder shall be conclusive and binding for all purposes, absent manifest error.

(d) Whenever any payment hereunder or under the Notes shall be stated to be due on a day other than a Business Day, such payment shall be made on the next succeeding Business Day, and such extension of time shall in such cases be included in the computation of payment of interest or facility fee, as the case may be; provided, however, if such extension would cause payment of interest on or principal of Eurodollar Rate Advances to be made in the next following calendar month, such payment shall be made on the next preceding Business Day.

(e) Unless the Agent shall have received notice from the Borrower prior to the date on which any payment is due from the Borrower to the Banks hereunder that the Borrower will not make such payment in full, the Agent may assume that the Borrower has made such payment in full to it on such date and it may, in reliance upon such assumption, cause (but shall not be required to cause) to be distributed to each Bank on such due date an amount equal to the amount then due such Bank. If and to the extent the Borrower shall not have so made such payment in full to the Agent each Bank shall repay to the Agent forthwith on demand such amount distributed to such Bank together with interest thereon, for each day from the date such amount is distributed to such Bank until the date such Bank repays such amount to the Agent at the Federal Funds Rate.

SECTION 3.03. Increased Costs and Reduced Return. (a) If, due to either (i) the introduction of or any change (other than any change by way of imposition or increase of reserve requirements, in the case of Eurodollar Rate Advances, included in the Eurodollar Rate Reserve Percentage) in or in the interpretation of any law or regulation or (ii) the compliance with any guideline or request from any central bank or other governmental authority (whether or not having the force of law), there shall be any increase after the date hereof in the cost to any Bank of agreeing to make or making, funding or maintaining Eurodollar Rate Advances by an amount deemed by such Bank in good faith to be material, then the Borrower shall from time to time, within 15 days after demand by such Bank (with a copy of such demand to the Agent), pay to the Agent for the account of such Bank additional amounts sufficient to compensate such Bank for such increased cost.

24

27

(b) If, after the date hereof, any Bank shall have determined that the compliance with any applicable law, rule or regulation regarding capital adequacy, or any change therein, or any change in the interpretation or administration thereof by any governmental authority, central bank or comparable agency charged with the interpretation or administration thereof, or compliance by any Bank (or its Applicable Lending Office or any corporation controlling such Bank) with any request or directive regarding capital adequacy (whether or not having the force of law) of any such authority, central bank or comparable agency, has or would have the effect of reducing the rate of return on such Bank's capital or the capital of any corporation controlling such Bank as a consequence of such Bank's obligations hereunder or in connection herewith to a level below that which such Bank (or such corporation) could have achieved but for such adoption, change or compliance by an amount deemed by such Bank in good faith to be material, then the Borrower shall, from time to time, within 15 days after demand by such Bank (with a copy of such demand to the Agent), pay to the Agent for the account of such Bank such additional amount or amounts as will compensate such Bank or such controlling corporation for such reduction.

(c) Each Bank will promptly notify the Borrower and the Agent of any event of which it has knowledge, occurring after the date hereof, which will entitle such Bank to compensation pursuant to this Section and, in the case of a Bank, will designate a different Applicable Lending Office if such designation will avoid the need for, or reduce the amount of, such compensation and will not, in the judgment of such Bank, be otherwise disadvantageous to such Bank. A certificate of any Bank claiming compensation under this Section shall set forth the additional amount or amounts to be paid to it hereunder in reasonable detail, including the basis for the calculation thereof and shall be conclusive in the absence of manifest error. In determining such amount, such Bank may use any reasonable averaging and attribution methods.

SECTION 3.04. Sharing of Payments, Etc. If any Bank shall obtain any payment (whether voluntary, involuntary, through the exercise of any right of set-off, or otherwise) on account of the A Advances made by it (other than pursuant to Section 2.07, 3.03 or 3.05), in excess of its ratable share of payments on account of the A Advances obtained by all the Banks, such Bank shall forthwith purchase from the other Banks such participations in the A Advances made by them as shall be necessary to cause such purchasing Bank to share the excess payment ratably with each of them, provided, however, that if all or any portion of such excess payment is thereafter recovered from such purchasing Bank, such purchase from each Bank shall be rescinded and such Bank shall repay to the purchasing Bank the purchase price to the extent of such recovery together with an amount equal to such Bank's ratable share (according to the

proportion of (i) the amount of such Bank's required repayment to (ii) the total amount so recovered from the purchasing Bank) of any interest or other amount paid or payable by the purchasing Bank in respect of the total amount so recovered. The Borrower agrees that any Bank so purchasing a participation from another Bank pursuant to this Section 3.04 may, to the fullest extent permitted by law, exercise all its rights of payment (including the right of set-off) with respect to such participation as fully as if such Bank were the direct creditor of the Borrower in the amount of such participation.

SECTION 3.05. Taxes; Bank Certifications. (a) Any and all payments by the Borrower hereunder shall be made, in accordance with Section 3.02 hereof, without deduction or withholding for, any and all present or future taxes, levies, imposts, deductions or charges and all

25

28

liabilities with respect thereto, excluding (i) in the case of each Bank and the Agent, taxes imposed on its income and franchise taxes imposed on it, by the jurisdiction under the laws of which such Bank or the Agent (as the case may be) is organized or by the laws of any political subdivision thereof or by the laws of any nation which includes or is included within such jurisdiction and in the case of each Bank, taxes imposed on its income, and franchise taxes imposed on it, by the jurisdiction of the location of such Bank's Applicable Lending Office, or any political subdivision thereof and (ii) in the case of any assignment by a Bank to an Eligible Assignee pursuant to Section 9.08, or any change by a Bank of an Applicable Lending Office in one jurisdiction to an Applicable Lending Office in another jurisdiction, any excess in the withholding tax applicable to such Eligible Assignee, or such new Applicable Lending Office, over the withholding tax (other than any withholding tax excluded from the definition of Taxes under clause (i) or this clause (ii) of Section 3.05(a)) applicable to the former Bank, or the former Applicable Lending Office, in each case as determined under laws (including, without limitation, any treaty, law, rule, regulation or determination) applicable to the former Bank and such Eligible Assignee, or the former Applicable Lending Office and such new Applicable Lending Office, and in effect on the date of such assignment, or such change in Applicable Lending Office, but not including any increase in withholding tax resulting from any subsequent change in such laws (all such non-excluded taxes, levies, imposts, deductions, charges, withholdings and liabilities being hereinafter referred to as "Taxes"). If the Borrower shall be required by law to deduct any Taxes from or in respect of any sum payable hereunder, to any Bank or the Agent, (i) the sum payable shall be increased as may be necessary so that after making all required deductions such Bank or the Agent (as the case may be) receives an amount equal to the sum it would have received had no such deductions been made and (ii) the Borrower shall pay the full amount deducted to the relevant taxation authority or other authority in accordance with applicable law. If any Bank is entitled to reduce the taxes or any amounts otherwise payable by it (whether through utilization of a tax credit or other benefit, application against other payments or otherwise) as a result of any payments required to be made by the Borrower pursuant to this Section 3.05(a), or if any Bank subsequently recovers any amount of Taxes previously paid by the Borrower pursuant hereto, such Bank shall, to the extent permitted by applicable law, (i) in the case of a reduction in taxes or other payments, pay to the Borrower the amount of such reduction within thirty days after such reduction is realized and (ii) in the case of a recovery of Taxes previously paid by the Borrower, refund the amount of such recovery to the Borrower within thirty days after receipt thereof. Each Bank shall endeavor in good faith to achieve any such reductions and recover such Taxes to the extent that it may do so without the incurrence of expenses or other detriments deemed by it in good faith to be material. If the Borrower is required to make any payments to or on behalf of any Bank pursuant to this Section 3.05(a), such Bank shall provide to the Borrower, within 90 days after the Borrower's request therefor, a written statement executed by an appropriate officer of the Bank stating whether such Bank anticipates making any payment to the Borrower pursuant to the provisions of this Section 3.05(a) and the anticipated timing thereof and briefly summarizing the tax or other considerations involved.

(b) If the Borrower makes any payment hereunder in respect of which it is required by law to make any deduction or withholding of any Taxes, it shall pay the full amount to be deducted or withheld to the relevant taxation or other authority within the time allowed for such payment under applicable law and shall deliver to the Agent and the applicable Banks as soon as practicable

after it has made such payment to the applicable authority a receipt issued by

26

29

such authority or, if no such receipt is available, a statement of the Borrower confirming the payment to such authority of all amounts so required to be deducted or withheld from such payment. The Borrower will indemnify each Bank and the Agent for the full amount of Taxes (including, without limitation, any Taxes imposed by any jurisdiction on amounts payable under this Section 3.05) paid by such Bank or the Agent (as the case may be) and any liability (including penalties, interest and expenses) arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally asserted. This indemnification shall be made within 30 days from the date such Bank or the Agent (as the case may be) makes written demand therefor.

(c) Prior to the date of the initial Borrowing hereunder in the case of each Bank (and on the date of the Assignment and Acceptance, Commitment and Acceptance or Designation Agreement, as applicable, pursuant to which it became a Bank in the case of each other Bank), and from time to time thereafter if requested by the Borrower or the Agent, each Bank that is organized under the laws of any jurisdiction other than the United States or any political subdivision thereof agrees to furnish to the Borrower and the Agent, two copies of either U.S. Internal Revenue Service Form 4224 or U.S. Internal Revenue Service Form 1001 or any successor forms thereto (wherein such Bank claims entitlement to complete exemption from U.S. federal withholding tax on interest paid by the Borrower hereunder) and to provide to the Borrower and the Agent a new Form 4224 or Form 1001 or any successor forms thereto if any previously delivered form shall have expired or is found to be incomplete or incorrect in any material respect or upon the obsolescence of any previously delivered form.

(d) The Borrower shall not be required to pay any increased amount on account of Taxes pursuant to this Section 3.05 to any Bank or the Agent to the extent such Taxes would not have been payable if (i) such Bank had furnished a form (properly and accurately completed in all material respects by such Bank) which it was otherwise required to furnish in accordance with Section 3.05(c) hereof and (ii) the Borrower fully cooperated with such Bank in the preparation and completion of such form. In the event of any change in applicable law, rule or regulation resulting in liability to the Borrower for withholding taxes, the Agent or any Bank entitled to receive additional amounts pursuant to this Section 3.05 as a result of such change, shall use its reasonable endeavors (consistent with its internal policy and legal or regulatory restrictions) to change its Applicable Lending Office or take any other action if the making of such change or the taking of such other action would avoid the need for, or reduce the amount of, any additional amounts chargeable to the Borrower under this Section 3.05 and would not, in the judgment of the Agent or such Bank, as applicable, be otherwise disadvantageous to the Agent or such Bank.

SECTION 3.06. Replacement of a Bank. In the event the Borrower (i) becomes obligated to pay additional amounts to any Bank pursuant to Sections 3.03 or 3.05, (ii) loses the right to select or convert to Eurodollar Rate Advances pursuant to Section 2.02(c) (i) or (iii) shall be required to prepay a Eurodollar Rate Advance pursuant to Section 2.10 (each such event or condition a "Replacement Event"), unless such Bank has theretofore taken steps to change, and has changed the circumstances giving rise to such Replacement Event, the Borrower may, provided that no Event of Default or event which with the giving of notice or lapse of time or both would be an Event of Default has occurred and is continuing and that the Borrower has satisfied all of its obligations under this Agreement to the Bank which the Borrower intends to replace, designate a Replacement Bank which is reasonably acceptable to the Agent to assume

27

30

such Bank's Commitment and other obligations hereunder and to purchase such Bank's Notes and other rights hereunder, without recourse to or warranty (other than as to unencumbered ownership) by, or expense to, such Bank for a purchase

price equal to the outstanding principal amount of the Advances then payable to such Bank plus any accrued but unpaid interest and accrued but unpaid fees with respect thereto. Such purchase shall be effected by the execution and delivery by such Bank and such Replacement Bank of an Assignment and Acceptance, and shall otherwise be made in the manner described in Section 9.08. Upon such purchase and the payment of the additional amounts described above and all other obligations owing to such Bank, such Bank shall no longer be a party hereto or have any rights or benefits hereunder (except for rights or benefits that such Bank would retain hereunder upon termination of this Agreement), and the Replacement Bank shall succeed to the rights and benefits, and shall assume the obligations, of such Bank hereunder. Each Bank agrees to use its best efforts to notify the Borrower as promptly as practicable upon such Bank's becoming aware that circumstances exist which would cause the Borrower to become obligated to pay additional amounts to such Bank pursuant to Sections 3.03 or 3.05, to lose the right to select or convert to Eurodollar Rate Advances pursuant to Section 2.02(c)(i) or (iii) or to be required to prepay a Eurodollar Rate Advance pursuant to Section 2.10, provided, that the failure by any Bank to give such notice shall not affect the obligations of the Borrower under such Section.

SECTION 3.07. Increases in the Facility. (a) At any time prior to the Revolving Credit Termination Date, the Borrower may request that the Revolving Credit Facility be increased; provided that, without the prior written consent of all of the Banks, no such increase shall occur if (i) the aggregate amount of the Commitments would, after giving effect to such increase, exceed \$400,000,000, (ii) any Event of Default, or event which with the giving of notice or the lapse of time or both would constitute an Event of Default, has occurred and is continuing or would occur as a result of such increase or (iii) any increase in the Revolving Credit Facility under this Section 3.07 shall have occurred within the twelve month period immediately preceding the date such increase is proposed to be made.

(b) Each request for an increase in the facilities shall be made in a written notice substantially in the form of Exhibit J hereto given to the Agent not less than 30 days prior to the effective date of such increase, which notice (a "Facility Increase Notice") shall specify (i) the aggregate amount of the proposed increase in the Commitments, which shall be an amount that is an integral multiple of \$10,000,000, (ii) each financial institution, which shall be an Eligible Assignee, that shall have agreed to become a "Bank" party hereto (a "Proposed New Bank") in connection therewith and/or the Banks then parties hereto that shall have agreed to increase their respective Commitments hereunder (collectively with the Proposed New Banks, the "Increasing Banks"), (iii) the allocation of Commitments among the Increasing Banks, and (iv) the effective date of such increase (an "Increase Date").

(c) Prior to the inclusion of any Proposed New Bank in any Facility Increase Notice, the Borrower shall have obtained the consent thereto of the Agent. The aggregate Commitment of any Proposed New Bank shall be in a minimum amount of \$10,000,000. The Borrower may elect to offer some or all of the Banks the opportunity to participate in the anticipated increase; provided that each such Bank shall have the right but not the obligation to commit to participate in such increase. Nothing contained herein shall constitute, or otherwise

be deemed to be, a commitment on the part of any Bank to increase its Commitment hereunder at any time.

(d) Upon its receipt of any Facility Increase Request, the Agent shall provide notice thereof to each Bank. Upon satisfaction of the conditions set forth in Section 4.03 and otherwise set forth herein, the increases requested in a Facility Increase Request shall become effective on the applicable Increase Date, whereupon each Proposed New Bank shall become and be a party hereto as a Bank and shall have the rights and obligations of a Bank hereunder and the Commitment of each Bank that shall have agreed to participate in such increase shall be increased by the applicable amount. The Agent shall maintain a copy of each Commitment and Acceptance delivered to it and record the same in the Register.

ARTICLE IV
CONDITIONS PRECEDENT

SECTION 4.01. Conditions Precedent to Closing. The obligation of each Bank to make its initial Advance is subject to the condition precedent that the Agent shall have received the following, each dated the date hereof, in form and substance satisfactory to the Agent and in sufficient copies for each Bank:

(i) The A Notes, made by the Borrower to the order of each Bank which has requested that an A Note be executed on its behalf;

(ii) A certificate of the Secretary or an Assistant Secretary of the Borrower certifying a copy of the resolutions of the Board of Directors of the Borrower approving this Agreement and all documents evidencing other necessary corporate action and governmental approvals, if any, with respect to this Agreement;

(iii) A certificate of the Secretary or an Assistant Secretary of the Borrower certifying the names and true signatures of the officers of the Borrower authorized to sign this Agreement and the other documents to be delivered hereunder;

(iv) A favorable opinion of Godfrey & Kahn, S.C., special counsel for the Borrower, in substantially the form of Exhibit K hereto; and

(v) A favorable opinion of Sidley & Austin, counsel for the Agent, in substantially the form of Exhibit H hereto.

SECTION 4.02. Conditions Precedent to Each A Borrowing. The obligation of each Bank to make an A Advance on the occasion of each A Borrowing (including the initial A Borrowing) shall be subject to the further conditions precedent that on the date of such A Borrowing: (a) the following statements shall be true and the Agent shall have received for the account of such Bank a certificate signed by a duly authorized officer of the Borrower as follows:

(i) The representations and warranties contained in Section 5.01 (excluding those contained in subsections (e) and (f) (i) thereof) are correct on and as of the date of such A

29

32

Borrowing, before and after giving effect to such A Borrowing and to the application of the proceeds therefrom, as though made on and as of such date, and

(ii) no event has occurred and is continuing, or would result from such A Borrowing or from the application of the proceeds therefrom, which constitutes an Event of Default or which would constitute an Event of Default but for the requirement that notice be given or time elapse or both; and

(b) the Agent shall have received such other approvals, opinions or documents as any Bank through the Agent may reasonably request.

SECTION 4.03. Conditions Precedent to an Increase in or Renewal of the Commitments. The ability of the Borrower to request an increase in the Revolving Credit Facility pursuant to Section 3.07 or an extension of the Commitments pursuant to Section 9.02 shall be subject to the further conditions precedent that on the related Increase Date or Reference Date, as applicable: (a) the following statements shall be true and the Agent shall have received for the account of such Bank a certificate signed by a duly authorized officer of the Borrower as follows:

(i) The representations and warranties contained in Section 5.01 are correct on and as of such date, before and after giving effect to such increase or extension of the Commitments, as though made on and

as of such date, and

(ii) No event has occurred and is continuing, or would result from such increase or extension of the Commitments, which constitutes an Event of Default or which would constitute an Event of Default but for the requirement that notice be given or time elapse or both; and

(b) the Agent shall have received on or before the date of such increase or extension the following, each dated as of such date:

(i) certified copies of resolutions of the Board of Directors of the Borrower approving such increase or extension, as applicable, and the corresponding modifications to this Agreement;

(ii) an opinion of counsel for the Borrower (which may be in-house counsel) in substantially the form of Exhibit G hereto;

(iii) in the case of any increase in the Commitments pursuant to Section 3.07, (A) with respect to each Increasing Bank, a Commitment and Acceptance duly executed and delivered by such Increasing Bank, (B) with respect to each Proposed New Banks, such other instruments and documents as may be required under Section 3.05, or that the Agent shall have reasonably requested in connection with such increase, and (C) from the Borrower, an A Note made to the order of each Increasing Bank in an amount equal to such Increasing Bank's Commitment after giving effect to such extension;

30

33

(c) the Agent shall have received such other approvals, opinions or documents as any Bank through the Agent may reasonably request.

SECTION 4.04. Conditions Precedent to Each B Borrowing. The obligation of each Bank which is to make a B Advance on the occasion of a B Borrowing (including the initial B Borrowing) to make such B Advance as part of such B Borrowing is subject to the conditions precedent that (i) the Agent shall have received the written confirmatory Notice of B Borrowing with respect thereto, (ii) on or before the date of such B Borrowing, but prior to such B Borrowing, the Agent shall have received a B Note payable to the order of such Bank for each of the one or more B Advances to be made by such Bank as part of such B Borrowing, in a principal amount equal to the principal amount of the B Advance to be evidenced thereby and otherwise on such terms as were agreed to for such B Advance in accordance with Section 2.03, and (iii) on the date of such B Borrowing the following statements shall be true (and each of the giving of the applicable Notice of B Borrowing and the acceptance by the Borrower of the proceeds of such B Borrowing shall constitute a representation and warranty by the Borrower that on the date of such B Borrowing such statements are true):

(a) The representations and warranties contained in Section 5.01 (excluding those contained in subsections (e) and (f)(i) thereof) are correct on and as of the date of such B Borrowing, before and after giving effect to such B Borrowing and to the application of the proceeds therefrom, as though made on and as of such date,

(b) No event has occurred and is continuing, or would result from such B Borrowing or from the application of the proceeds therefrom, which constitutes an Event of Default or which would constitute an Event of Default but for the requirement that notice be given or time elapse or both, and

(c) No event has occurred and no circumstance exists as a result of which the information concerning the Borrower that has been provided to the Agent and each Bank by the Borrower in connection herewith would include an untrue statement of a material fact or omit to state any material fact or any fact necessary to make the statements contained therein, in the light of the circumstances under which they were made, not misleading.

ARTICLE V REPRESENTATIONS AND WARRANTIES

SECTION 5.01. Representation and Warranties of the Borrower. The Borrower represents and warrants to the Banks and the Agent as follows:

(a) The Borrower and each of its Subsidiaries is an entity duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, and is duly qualified to do business and is in good standing in every jurisdiction in which the nature of its business or the ownership of its properties requires such qualification and where failure so to qualify might have a Material Adverse Effect.

(b) The execution, delivery and performance by the Borrower of this Agreement and the Notes are within the Borrower's corporate powers, have been duly authorized by all

31

34

necessary corporate action, and do not contravene (i) the Borrower's certificate of incorporation or by-laws or (ii) any law or any contractual restriction binding on or affecting the Borrower.

(c) No authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the due execution, delivery and performance by the Borrower of this Agreement or any of the Notes.

(d) This Agreement is, and each of the Notes when delivered hereunder will be, the legal, valid and binding obligation of the Borrower enforceable against the Borrower in accordance with their terms, subject to any applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally and to general principles of equity.

(e) The audited consolidated balance sheets of the Borrower and its Consolidated Subsidiaries as of December 31, 1998, and the related statements of income and retained earnings of the Borrower and its Consolidated Subsidiaries for the fiscal year then ended, copies of which have been furnished to each Bank, fairly present the financial condition of the Borrower and its Consolidated Subsidiaries as at such date and the consolidated results of the operations of the Borrower and its Consolidated Subsidiaries for the fiscal year ended on such date, all in accordance with GAAP consistently applied, and since December 31, 1998, there has been no material adverse change in such condition (financial or otherwise), or operations or the prospects of the Borrower and its Consolidated Subsidiaries taken as a whole.

(f) There is no pending or threatened action or proceeding affecting the Borrower or any of its Subsidiaries before any court, governmental agency or arbitrator, (i) which, if adversely determined, may have a Material Adverse Effect, or (ii) which purports to affect the legality, validity or enforceability of this Agreement or any of the Notes or (iii) which, if adversely determined, would impair the ability of the Borrower to perform its obligations under this Agreement.

(g) The Borrower and its Subsidiaries have filed all United States Federal income tax returns and all other material tax returns which are required to be filed by them and have paid all taxes due pursuant to such returns or pursuant to any assessment received by the Borrower or any of its Subsidiaries except such taxes or assessments, if any, as are being contested in good faith by appropriate proceedings. The charges, accruals and reserves on the books of the Borrower and its Subsidiaries in respect of taxes are, in the opinion of the Borrower, adequate.

(h) No events, including, without limitation, any "Reportable Event" or "Prohibited Transactions," as those terms are defined in ERISA, have occurred in connection with any Plan of the Borrower or any of its ERISA Affiliates which might reasonably be expected to constitute grounds for the termination of any such Plan by the PBGC or for the appointment by the appropriate United States District Court of a trustee to administer any such Plan, which termination would have a Material Adverse Effect. All of the Plans of the Borrower and its ERISA Affiliates meet the minimum funding standards of Section 302 of ERISA, except where failure to meet such standards would not have a Material Adverse Effect. Each Foreign Subsidiary (as defined in Section 5.01(i) below) of the Borrower is in compliance in all material

32

respects with all applicable requirements of law with respect to employee benefits, the failure to comply with which would have a Material Adverse Effect.

(i) (i) The operations of the Borrower and each of its Domestic Subsidiaries comply in all material respects with all applicable environmental, health and safety requirements of law the failure to comply with which would have a Material Adverse Effect; (ii) the operations of each Foreign Subsidiary of the Borrower comply in all material respects with all applicable environmental, health and safety requirements of law, the failure to comply with which would have a Material Adverse Effect; and (iii) prior to the date hereof, the Borrower shall have inspected, and shall have caused each of its Subsidiaries to have inspected, its property owned in fee and, with respect to each building in which asbestos shall have been found, the Borrower shall have caused such building to be in compliance with applicable rules and regulations under local law relating to asbestos containment, maintenance and removal. The term "Domestic Subsidiary" means a Subsidiary organized under the laws of, or having its principal place of business within, a jurisdiction located in the United States and the term "Foreign Subsidiary" means any other Subsidiary.

(j) No proceeds of any Advance will be used to acquire any equity security of a class which is registered pursuant to Section 12 of the Securities Exchange Act of 1934 if the Borrower has reason to know that the board of directors of the issuer of such equity security opposes or will oppose such acquisition.

(k) The Borrower is not engaged in the business of extending credit for the purpose of purchasing or carrying Margin Stock and no proceeds of any Advance will be used to purchase or carry any Margin Stock or to extend credit to others for the purpose of purchasing or carrying any Margin Stock in a manner that would cause any party hereto to be in violation of any of Regulation T, U or X of the Board of Governors of the Federal Reserve System. Not more than twenty-five percent (25%) of the value of the assets subject to any "arrangement" (as such term is used in section 221.2(g)(1) of Regulation U of the Board of Governors of the Federal Reserve System) under this Agreement or the Notes is represented by Margin Stock.

(l) Except as set forth on Schedule II hereto, neither the Borrower nor any ERISA Affiliate maintains or contributes to any Plan; each Plan which is intended to be a qualified plan has been determined by the Internal Revenue Service to be qualified under Section 401(a) of the Internal Revenue Code as currently in effect and each trust related to any such Plan has been determined to be exempt from federal income tax under Section 501(a) of the Internal Revenue Code; neither the Borrower nor any ERISA Affiliate maintains or contributes to any employee welfare benefit plan within the meaning of Section 3(1) of ERISA which provides lifetime benefits to retirees; neither the Borrower nor any ERISA Affiliate has breached in any material respect any of the responsibilities, obligations or duties imposed on it by ERISA or regulations promulgated thereunder with respect to any Plan; no accumulated funding deficiency (as defined in Section 302(a)(2) of ERISA and Section 412(a) of the Internal Revenue Code) exists in respect to any Plan; neither the Borrower nor any ERISA Affiliate nor any fiduciary of any Plan (i) has engaged in a nonexempt "prohibited transaction" described in Section 406 of ERISA or Section 4975 of the Internal Revenue Code or (ii) has taken any action which would constitute or may result in a Termination Event with respect to any Plan; neither the Borrower nor any ERISA Affiliate has incurred any liability to the PBGC which remains outstanding other than with

respect to the payment of premiums which are not yet due and payable. Schedule B to the most recent annual report filed with the Internal Revenue Service with respect to each Benefit Plan and furnished to the Banks is complete and accurate in all material respects and, except as disclosed on Schedule II hereto, since the date of each such Schedule B, there has been no material adverse change in the funding status or financial condition of the Benefit Plan relating to such Schedule B; neither the Borrower nor any ERISA Affiliate has (i) failed to make a required contribution or payment to a Multiemployer Plan or (ii) made a complete or partial withdrawal under Sections 4203 or 4205 of ERISA from a Multiemployer Plan; neither the Borrower nor any ERISA Affiliate has failed to make a required installment or any other required payment under Section 412 of the Internal Revenue Code on or before the due date for such installment or

other payment; neither Manpower Inc. nor any ERISA Affiliate is required to provide security to a Benefit Plan under Section 401(a)(29) of the Internal Revenue Code due to a Plan amendment that results in an increase in current liability of the plan year.

(m) The Borrower is not an "investment company," or a company "controlled" by an "investment company," within the meaning of the Investment Company Act of 1940, as amended.

(n) All information furnished to the Agent or any Bank by or at the direction of the Borrower in connection with this Agreement was, on the date furnished, true and correct in all material respects and did not fail to state any fact the omission of which rendered the information provided materially misleading in any material respect.

(o) The Borrower (i) has reviewed, and has caused each of its Consolidated Subsidiaries to review, the areas which are material to its respective business and operations which could be materially adversely affected by the risk (the "Y2K Risk") that computer applications used by that Person cannot or will not handle accurately, timely and without interruption any information involving any and all dates before, during and/or after January 1, 2000, (ii) has taken, and has caused each of its Consolidated Subsidiaries to have taken, all reasonable actions necessary to minimize or eliminate any material impact of the Y2K Risk on its business and operations and (iii) does not reasonably anticipate that the Y2K Risk will have a Material Adverse Effect.

ARTICLE VI
COVENANTS OF THE BORROWER

SECTION 6.01. Affirmative Covenants. So long as any Note shall remain unpaid or any Bank shall have any Commitment hereunder, the Borrower will, unless the Majority Banks shall otherwise consent in writing:

(a) Compliance with Laws, Etc. Comply, and cause each of its Material Subsidiaries to comply, in all material respects with all applicable laws, rules, regulations and orders, such compliance to include, without limitation, (i) paying before the same become delinquent all taxes, assessments and governmental charges imposed upon it or upon its property except to the extent contested in good faith and (ii) complying in all material respects with ERISA and all applicable environmental, health and safety laws and regulations.

34

37

(b) Reporting Requirements. Furnish to the Banks:

(i) as soon as available and in any event within 45 days after the end of each of its fiscal quarters, consolidated balance sheets of the Borrower and its Subsidiaries as of the end of such quarter and statements of income and retained earnings of the Borrower and its Subsidiaries for the period commencing at the end of the previous fiscal year and ending with the end of such quarter, and statements of income and retained earnings of the Borrower and its Subsidiaries for the twelve-month period then ended;

(ii) as soon as available and in any event within 90 days after the end of each of its fiscal years, a copy of the annual report for such year for the Borrower and its Subsidiaries, containing Consolidated financial statements for such year and certified in a manner acceptable to the Majority Banks by Arthur Andersen, LLP or other independent public accountants acceptable to the Majority Banks;

(iii) simultaneously with the delivery of each set of financial statements referred to in clauses (i) and (ii) above, a certificate of the treasurer of the Borrower, (A) setting forth in reasonable detail the calculations required to establish whether the Borrower was in compliance with the requirements of Sections 6.01(j) and 6.01(k) hereof, on the date of such financial statements, (B) stating whether there exists on the date of such certificate any Event of Default or an event which with the giving of notice or lapse of time, or both, would constitute an Event of Default and, if there exists any such Event of Default or event, setting forth the details

thereof and the action which the Borrower is taking or proposes to take with respect thereto and (C) setting forth the Manpower Credit Rating as of the date of such financial statements (and, if different, as of the date of such certificate);

(iv) as soon as possible and in any event within five days after any of the chief financial officer or the chief accounting officer of the Borrower or the director of international finance of the Borrower learns of the occurrence of any Event of Default or any event which, with the giving of notice or lapse of time, or both, would constitute an Event of Default, continuing on the date of such statement, a statement of the chief financial officer of the Borrower setting forth details of such Event of Default or event and the action which the Borrower has taken and proposes to take with respect thereto;

(v) promptly after the sending or filing thereof, copies of all reports which the Borrower sends to all holders of any class of its securities and copies of all reports and registration statements which the Borrower or any of its Subsidiaries files with the Securities and Exchange Commission or any national securities exchange;

(vi) promptly after the filing or receiving thereof, copies of all reports and notices which the Borrower or any of its Subsidiaries or any ERISA Affiliate files under ERISA with the Internal Revenue Service or the PBGC or the U.S. Department of Labor or which the Borrower or any of its Subsidiaries or any ERISA Affiliate receives from such entities;

35

38

(vii) promptly following any change in any credit rating (whether publicly announced or shadow) by either S&P or Moody's in respect of any debt of the Borrower, notice thereof; and

(viii) such other information respecting the condition or operations, financial or otherwise, of the Borrower or any of its Subsidiaries as any Bank through the Agent may from time to time reasonably request.

(c) Corporate or Other Existence. Subject to Section 6.02(c), preserve and keep, and will cause each of its Material Subsidiaries to preserve and keep, its corporate or other existence, rights, franchises and licenses in full force and effect; provided, however, that the Borrower may terminate the corporate or other existence of any of its Subsidiaries, or permit the termination or abandonment of any right, franchise or license if, in the good faith judgment of the appropriate officer or officers of the Borrower, such termination or abandonment is not disadvantageous to the Borrower and is not materially disadvantageous to the Banks.

(d) Insurance. Maintain, and cause each of its Subsidiaries to maintain, insurance with sound and reputable insurers covering all such properties and risks as are customarily insured by, and in amounts not less than those customarily carried by, corporations engaged in similar businesses and similarly situated.

(e) Properties. Maintain and preserve, and cause each of its Material Subsidiaries to maintain and preserve, all of its properties necessary (in the Borrower's best business judgment) for the proper conduct of its business in good working order and condition, ordinary wear and tear excepted.

(f) Business. Without prohibiting the Borrower from making acquisitions or divestitures permitted under Section 6.02(c), remain in the same businesses, similar businesses or other service businesses reasonably related thereto, taken as a whole, as are carried on at the date of this Agreement.

(g) Keeping of Books. Keep, and cause each of its Consolidated Subsidiaries to keep, proper books of record and account, in which full and correct entries shall be made of all financial transactions and the assets and business of the Borrower and each of its Consolidated Subsidiaries in accordance with GAAP consistently applied.

(h) Visitation Rights. At any reasonable time and from time to

time, permit the Agent or any of the Banks or any agents or representatives thereof, to examine and make copies of and abstracts from the records and books of account of, and visit the properties of, the Borrower and any of its Subsidiaries, and to discuss the affairs, finances and accounts of the Borrower and any of its Subsidiaries with any of their respective officers or directors.

(i) Material Contracts. Perform and observe, and cause each of its Material Subsidiaries to perform and observe, all the terms and provisions of each Material Contract to be performed or observed by it. For this purpose, the term "Material Contract" means each contract to which the Borrower or any of its Material Subsidiaries is a party that involves consideration

36

39

payable by the Borrower or any of its Material Subsidiaries of \$20,000,000 or more in any one case or an aggregate amount of \$50,000,000 or more.

(j) Maintenance of Interest Coverage Ratio. Maintain a ratio of Consolidated EBITDA to Consolidated Interest Expense as of the end of each fiscal quarter, in respect of the four-quarter period then ended, of not less than 3.0 to 1.0.

(k) Maintenance of Debt-to-Capitalization Ratio. Maintain a Debt-to-Capitalization Ratio as of the end of each fiscal quarter of not greater than 0.60 to 1.0.

(l) Y2K Risk. Take all actions necessary to prevent the Y2K Risk from having a material adverse effect on the business, condition (financial or otherwise) or operations of the Borrower and its Consolidated Subsidiaries taken as a whole.

(m) Non-material Subsidiaries. Cause its Non-material Subsidiaries to comply with each of the requirements otherwise applicable to Material Subsidiaries or Consolidated Subsidiaries under this Section 6.01, except where the failure to comply therewith would not have a Material Adverse Effect.

SECTION 6.02. Negative Covenants. So long as any Note shall remain unpaid or any Bank shall have any Commitment hereunder, the Borrower will not, without the written consent of the Majority Banks:

(a) Liens, Etc. Create or suffer to exist, or permit any of its Subsidiaries to create or suffer to exist, any lien, security interest or other charge or encumbrance, or any other type of preferential arrangement, upon or with respect to any of its properties, whether now owned or hereafter acquired, or assign, or permit any of its Subsidiaries to assign, any right to receive income, other than:

(i) Liens for taxes not yet due or which are being contested in good faith by appropriate proceedings and with respect to which adequate reserves are being maintained;

(ii) Statutory liens of landlords and liens of carriers, warehousemen, mechanics, materialmen and other Liens imposed by law created in the ordinary course of business for amounts not yet due or which are being contested in good faith by appropriate proceedings and with respect to which adequate reserves are being maintained;

(iii) Liens (other than any lien imposed by ERISA) incurred or deposits made in the ordinary course of business in connection with workers' compensation, unemployment insurance and other types of social security, or to secure the performance of tenders, statutory obligations, surety and appeal bonds, bids, leases, government contracts, performance and return-of-money bonds and other similar obligations (exclusive of obligations for the payment of borrowed money);

37

40

(iv) Easements, rights-of-way, restrictions and other similar charges or encumbrances not interfering with the ordinary conduct of the business of the Borrower or any of its Subsidiaries;

(v) Liens existing on any property prior to the acquisition thereof, or prior to the acquisition of the entity which owns such property, by the Borrower or any of its Subsidiaries, in each case which lien was not created in contemplation of such acquisition;

(vi) (A) Purchase money liens or purchase money security interests upon or in any property acquired or held by the Borrower or any of its Subsidiaries in the ordinary course of business to secure the purchase of such property or to secure indebtedness incurred solely for the purpose of financing the acquisition of such property, (B) liens consisting of the interests of lessors under Capitalized Leases and (C) liens not otherwise described above in this Section 6.02(a); provided, that the aggregate capitalized amount of Debt incurred pursuant to such Capitalized Leases, plus the aggregate principal amount of the indebtedness or other obligations secured by any of the liens described in this clause (vi) (or, if greater, the book value of the assets that are subject to such liens) shall not exceed \$20,000,000 at any time outstanding; and

(vii) Liens permitted by Section 6.02(h).

(b) Subsidiary Debt. At any time, permit its Subsidiaries to incur or maintain Debt in an aggregate principal amount outstanding at any time greater than \$50,000,000, other than Debt of the type permitted under Section 6.02(e)(vi) or (vii).

(c) Mergers, Etc. Merge or consolidate with or into, or convey, transfer, lease or otherwise dispose of (whether in one transaction or in a series of transactions) all or substantially all of its assets (whether now owned or hereafter acquired) to, or acquire all or substantially all of the assets of, any Person, or permit any of its Subsidiaries to do so, except that:

(i) the Borrower or any Subsidiary of the Borrower may, in the ordinary course of its business, acquire all or any portion of the stock of any Person conducting business primarily in the staffing or workforce management services industry or acquire all or substantially all of the assets used in the conduct by any Person of a staffing or workforce management services business (and assume the liabilities related to such assets); and

(ii) any Subsidiary of the Borrower or the Borrower may merge into or consolidate with, or transfer assets to or acquire the assets of any other Subsidiary of the Borrower or the Borrower; provided, that in the case of any such transaction to which the Borrower is a party, the Borrower shall be the surviving corporation;

provided that, in each such case, immediately after giving effect to such proposed transaction, no Event of Default or event which, with the giving of notice or lapse of time, or both, would constitute an Event of Default shall exist.

(d) Sales, Etc. of Assets. Sell, lease, transfer or otherwise dispose of, or permit any of its Material Subsidiaries to sell, lease, transfer or otherwise dispose of, any material portion of its assets, including (without limitation) assets constituting any investment in any Subsidiary thereof or substantially all of the assets constituting the business of any division, branch or other unit operation thereof, except (i) in a transaction or a series of related transactions where the aggregate amount of the fair market value of all assets of the Borrower and its Subsidiaries sold, leased, assigned, transferred or otherwise disposed of in such transaction or transactions (as such fair market value is determined by the Board of Directors of the Borrower at the time of such transaction or transactions) does not exceed 15% of the Borrower's Consolidated Tangible Assets, and the consideration received by the Borrower or any of its Subsidiaries in each such transaction shall constitute fair market value, or (ii) in connection with a transaction permitted by Section 6.02(c).

(e) Investments in Other Persons. Make, or permit any of its Material Subsidiaries to make, any loan or advance to any Person, other than to the Borrower, except in the ordinary course of its business as presently conducted, or purchase or otherwise acquire, or permit any of its Subsidiaries to purchase or otherwise acquire, any capital stock, obligations or other securities of, make any capital contribution to, or otherwise invest in, any Person other than a wholly-owned (except for qualifying shares that may be required to be owned by other Persons under applicable law) Subsidiary of the Borrower; provided, however, that nothing in this subsection shall prevent the Borrower or any Subsidiary of the Borrower from:

(i) purchasing readily marketable direct obligations of the United States of America, or any agency thereof, or obligations guaranteed by the United States or any agency thereof, in each case maturing within three years from the date of purchase thereof;

(ii) purchasing certificates of deposit issued by any Bank or by commercial banks of the United States of America with a net worth of not less than \$100,000,000;

(iii) investing up to \$100,000 in certificates of deposit issued by any FDIC insured bank or FSLIC insured savings and loan institution which does not meet the net worth limitation set forth in clause (ii) above;

(iv) purchasing the stock of any Person in connection with a transaction permitted by Section 6.02(c) above;

(v) entering into repurchase agreements with primary dealers, any Bank or commercial banks of the United States of America with a net worth of not less than \$100,000,000, provided that such repurchase agreements are fully collateralized by obligations of or guaranteed by the United States or any agency thereof;

(vi) extending loans or other financial accommodations to the Borrower, any Domestic Subsidiary, Manpower France S.A.R.L., Manpower GmbH Salespower, Manpower Japan Co., Ltd., Manpower PLC, or Manpower Italia Srl and its Subsidiaries or their successors (collectively, the "Designated Affiliates");

39

42

(vii) extending loans or other financial accommodations to any Subsidiary of the Borrower other than a Designated Affiliate; provided, that the aggregate outstanding amount of all loans and other financial accommodations extended to such Subsidiaries may not at any time exceed \$100,000,000;

(viii) extending loans or other financial accommodations to any Person other than a Designated Affiliate or a Subsidiary of the Borrower, in which Person the Borrower directly or indirectly holds not less than 10% of the ordinary voting power through its ownership of common stock or similar ownership interests therein (each such Person being an "Other Affiliate"); provided, that the aggregate outstanding amount of all loans and other financial accommodations extended to Other Affiliates shall not at any time exceed \$3,000,000;

(ix) purchasing prime commercial paper that is rated A-1 (or better) by S&P and P-1 by Moody's;

(x) in the case of any Subsidiary of the Borrower which is organized under the laws of a country (the "Domicile Country") other than the United States of America, such Subsidiary (i) investing in certificates of deposit (or comparable instruments) issued by a commercial bank located in its Domicile Country and having a net worth that is the equivalent of \$100,000,000 (United States dollars), or (ii) purchasing readily marketable direct obligations of the government of its Domicile Country or any agency thereof, or obligations guaranteed by such government or agency (collectively, "Country Obligations"), in each case such certificate of deposit or Country Obligation being denominated in the currency of such Domicile Country and maturing within one year from the date of purchase thereof; provided that any

Subsidiary incorporated in France, Germany, Norway or the United Kingdom may purchase Country Obligations of its Domicile Country that mature up to three years after the date of purchase thereof if, after giving effect to such purchase, the aggregate outstanding investment by the Borrower and its Subsidiaries in the Country Obligations of France, Germany, Norway and the United Kingdom and having a maturity date of more than one year from the date of purchase thereof does not exceed an amount equal to (x) \$5,000,000 in the case of any such country or (y) \$20,000,000 in the case of all such countries; and

(xi) extending personal loans or advances to employees of the Borrower or employees of any of its Subsidiaries in the ordinary course of business; provided that the aggregate principal amount of all such employee loans and advances shall not at any time exceed an amount equal to \$3,000,000;

provided, that in the case of each of the transactions described in clauses (iv), (vi), (vii) and (viii) above, immediately prior to and immediately after giving effect to such transaction, no Event of Default or event which, with the giving of notice or lapse of time, or both, would constitute an Event of Default shall exist.

(f) Assumptions, Guaranties, Etc. of Indebtedness of Other Persons. Assume, guarantee, endorse or otherwise become directly or contingently liable, or permit any of its Subsidiaries to assume, guarantee, endorse, or otherwise become directly or contingently liable

40

43

(including, without limitation, liable by way of agreement, contingent or otherwise, to purchase, to provide funds for payment, to supply funds to or otherwise invest in the debtor or otherwise to assure the creditor against loss) in connection with any obligations or indebtedness of any Person or entity other than the Borrower or any Subsidiary of the Borrower, except (i) guaranties by endorsement of negotiable instruments for deposit or collection or similar transactions in the ordinary course of business and (ii) guaranties or similar obligations (other than the obligations described in clause (i) above) in an aggregate amount not to exceed \$80,000,000 at any time outstanding.

(g) Subsidiaries Not Permitted to Restrict Certain of their Rights. At any time, become, or permit any of its Subsidiaries to become, subject to any document, instrument, agreement, charter, by-laws, cooperative association, consensual decree or other contractual or constitutional arrangement that has the effect (either alone or together with any other contractual or constitutional arrangements) of in any manner impairing, limiting, restricting or delaying the ability of any of its Subsidiaries (other than Ironwood Capital Corporation) to:

(i) make or declare, in accordance with applicable law, dividends or other distributions of assets, properties, cash, rights, obligations or securities on account of any shares of any class of capital stock of such Subsidiary,

(ii) purchase, redeem or otherwise acquire for value, in accordance with applicable law, any shares of any class of capital stock of such Subsidiary or any warrants, rights or options to acquire any such shares,

(iii) make any loan, advance or other financial accommodation of any type to the Borrower or to any other Subsidiary of the Borrower, or

(iv) incur or maintain Debt (in an aggregate amount with respect to all Subsidiaries) of up to \$60,000,000 outstanding at any time;

provided, that the existence of (1) the covenants contained in Section 6.02(b) and Section 6.02(e) and (2) covenants substantially similar to Section 6.02(b), Section 6.02(e) or this Section 6.02(g) under Section 7.02 of the Revolving Credit Agreement (as amended, restated, supplemented or otherwise modified from

time to time), dated as of November 25, 1997, among the Borrower, certain co-agents and banks and Citibank, as agent, shall not constitute a violation of this Section 6.02(g).

(h) Securitization Facilities. At any time sell, assign or otherwise dispose of all or any material portion of the Borrower's or any Subsidiary's accounts receivable, lease receivables or other rights to receive payment or income (any of the foregoing being a "Receivable"); provided that notwithstanding anything contained in Section 6.02 to the contrary, the Borrower or any of its Subsidiaries may enter into one or more agreements contemplating the sale, assignment or other transfer of its Receivables, whether constituting a "true sale" or secured financing for accounting, tax or any other purpose (each, a "Receivables Purchase Agreement"), so long as (i) the aggregate outstanding investment or claims held at any time by purchasers, assignees or other transferees of (or of interests in) Receivables under Receivables Purchase Agreements shall not exceed an amount equal to \$500,000,000 and (ii) each sale, assignment or

41

44

other transfer effected under or in connection with a Receivables Purchase Agreement shall be effected on a non-recourse or limited recourse basis.

(i) Use of Proceeds. Use the proceeds of any advance for any purpose other than general corporate purposes, which may include the repayment of commercial paper of the Borrower and its Subsidiaries from time to time outstanding, the making of any acquisitions or as otherwise permitted hereunder.

(j) Non-material Subsidiaries. Permit any of its Non-material Subsidiaries to take any of the actions prohibited in respect of Material Subsidiaries under this Section 6.02, except where the taking of such action would not have a Material Adverse Effect.

ARTICLE VII EVENTS OF DEFAULT

SECTION 7.01. Events of Default. If any of the following events ("Events of Default") shall occur and be continuing:

(a) The Borrower shall fail to pay any principal when due under this Agreement, or the Borrower shall fail to pay any interest, fees or other amounts within three Business Days after the date such interest, fees or other amounts shall have become due under this Agreement; or

(b) Any written representation or warranty made by the Borrower herein or in connection with this Agreement shall prove to have been incorrect in any material respect when made; or

(c) The Borrower shall fail to perform or observe (i) any term, covenant or agreement contained in Section 6.01(b)(iv), 6.01(d), 6.01(j), 6.01(k), 6.01(l), or 6.02 or (ii) any other term, covenant or agreement contained in this Agreement, on its part to be performed or observed if (in the case of any failure described in this clause (ii)) such failure shall remain unremedied for 30 days after written notice thereof shall have been given to the Borrower by the Agent or any Bank; or

(d) (i) The Borrower or any of its Subsidiaries shall fail to pay any principal of or premium or interest on any Debt (excluding Debt which as to it constitutes "Guarantee Debt" as defined below) (such non-excluded Debt being "Other Debt") which is outstanding in a principal amount of at least \$10,000,000 in the aggregate of the Borrower or such Subsidiary (as the case may be), when the same becomes due and payable (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise), and such failure shall continue after the applicable grace period, if any, specified in the agreement or instrument relating to such Other Debt; or any other event shall occur or condition shall exist under any agreement or instrument relating to any such Other Debt and shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such event or condition is to accelerate or permit the acceleration of the maturity of such Other Debt; or any such Other Debt shall be declared to be due and payable, or

required to be prepaid (other than by a regularly

42

45

scheduled required prepayment), prior to the stated maturity thereof, whether by acceleration or otherwise; or

(ii) In the case of any Debt (the "Guarantee Debt") existing by reason of a Guarantee issued by the Borrower or any of its Subsidiaries in respect of the indebtedness or obligations (the "Primary Obligation") of any other Person (the "Primary Obligor"), the Primary Obligor shall fail to pay any principal of, premium or interest on, or other amount payable on or in connection with the Primary Obligation which is outstanding in a principal or other amount of at least \$10,000,000 in the aggregate when the same becomes due or declared payable (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise), such failure shall continue after the applicable grace period, if any, specified in the agreement or instrument relating to such Primary Obligation, and demand for such payment shall be made under the Guarantee Debt; or any other event shall occur or condition exist under any agreement or instrument relating to any such Primary Obligation and shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such event or condition is to accelerate the maturity of such Primary Obligation; or any such Primary Obligation shall be declared to be due and payable, or required to be prepaid (other than by a regularly scheduled required prepayment), prior to the stated maturity thereof; or

(e) The Borrower or any of its Subsidiaries shall generally not pay its debts as such debts become due, or shall admit in writing its inability to pay its debts generally, or shall make a general assignment for the benefit of creditors; or any proceeding shall be instituted by or against the Borrower or any of its Subsidiaries seeking to adjudicate it a bankrupt or insolvent, or seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee, or other similar official for it or for any substantial part of its property; or the Borrower or any of its Subsidiaries shall take any corporate action to authorize any of the actions set forth above in this subsection (e); or

(f) Any judgment or order for the payment of money (except to the extent covered by insurance as to which the insurer has not disclaimed coverage) in excess of \$10,000,000 shall be rendered against the Borrower or any of its Subsidiaries and (i) enforcement proceedings shall have been commenced by any creditor upon such judgment or order or (ii) there shall be any period of 30 consecutive days during which a stay of enforcement of such judgment or order, by reason of a pending appeal or otherwise, shall not be in effect; or

(g) Any Termination Event with respect to a Plan shall have occurred and be continuing 30 days after notice thereof shall have been given to the Borrower by the Agent, and the then current value of such Plan's benefits guaranteed under Title IV of ERISA exceeds then current value of such Plan's assets allocable to such benefits by more than \$5,000,000 (or in the case of a Termination Event involving the withdrawal of a substantial employer or the withdrawal from a Multiemployer Plan, the withdrawing employer's proportionate share of such excess amount or such withdrawal liability); or

43

46

(h) (i) Any Person or two or more Persons acting in concert shall have acquired beneficial ownership (within the meaning of Rule 13d-3 of

the Securities and Exchange Commission under the Securities Exchange Act of 1934), directly or indirectly, of securities of the Borrower (or other securities convertible into such securities) representing 20% or more of the combined voting power of all securities of the Borrower entitled to vote in the election of directors, other than securities having such power only by reason of the happening of a contingency; or (ii) any Person or two or more Persons acting in concert shall have acquired by contract or otherwise, or shall have entered into a contract or arrangement that, upon consummation, will result in its or their acquisition of, the power to exercise, directly or indirectly, a controlling influence over the management or policies of the Borrower;

then, and in any such event, the Agent (i) shall at the request, or may with the consent, of the Majority Banks, by notice to the Borrower, declare the obligation of each Bank to make Advances to be terminated, whereupon the same shall forthwith terminate, and (ii) shall at the request, or may with the consent, of the Majority Banks by notice to the Borrower, declare the outstanding Advances, all interest thereon and all other amounts payable under this Agreement to be forthwith due and payable, whereupon the outstanding Advances, all such interest and all such amounts shall become and be forthwith due and payable, without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by the Borrower; provided, however, that in the event of an actual or deemed entry of an order for relief with respect to the Borrower or any of its Subsidiaries under the Federal Bankruptcy Code, (A) the obligation of each Bank to make Advances shall automatically be terminated and (B) the outstanding Advances, all such interest and all such amounts shall automatically become and be due and payable, without presentment, demand, protest or any notice of any kind, all of which are hereby expressly waived by the Borrower.

ARTICLE VIII THE AGENT

SECTION 8.01. Authorization and Action. Each Bank hereby appoints and authorizes the Agent to take such action as agent on its behalf and to exercise such powers under this Agreement as are delegated to the Agent by the terms hereof, together with such powers as are reasonably incidental thereto. As to any matters not expressly provided for by this Agreement (including, without limitation, enforcement or collection of the Advances), the Agent shall not be required to exercise any discretion or take any action, but shall be required to act or to refrain from acting (and shall be fully protected in so acting or refraining from acting) upon the instructions of the Majority Banks, and such instructions shall be binding upon all Banks; provided, however, that the Agent shall not be required to take any action which exposes the Agent to personal liability or which is contrary to this Agreement or applicable law. The Agent agrees to give to each Bank prompt notice of each written notice given to it by the Borrower pursuant to the terms of this Agreement.

SECTION 8.02. Agent's Reliance, Etc. Neither the Agent nor any of its directors, officers, agents or employees shall be liable for any action taken or omitted to be taken by it or them under or in connection with this Agreement, except for its or their own gross negligence or willful misconduct. Without limitation of the generality of the foregoing, the Agent: (i) may treat the payee of any Advance as the holder thereof until the Agent receives

written notice of the assignment or transfer thereof signed by such payee and in form satisfactory to the Agent; (ii) may consult with legal counsel (including counsel for the Borrower), independent public accountants and other experts selected by it and shall not be liable for any action taken or omitted to be taken in good faith by it in accordance with the advice of such counsel, accountants or experts; (iii) makes no warranty or representation to any Bank and shall not be responsible to any Bank for any statements, warranties or representations made in or in connection with this Agreement; (iv) shall not have any duty to ascertain or to inquire as to the performance or observance of any of the terms, covenants or conditions of this Agreement on the part of the Borrower or to inspect the property (including the books and records) of the Borrower; (v) shall not be responsible to any Bank for the due execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement or any other instrument or document furnished pursuant hereto; and (vi) shall incur no liability under or in respect of this Agreement by acting

upon any notice, consent, certificate or other instrument or writing (which may be by telegram, cable or telex) believed by it to be genuine and signed or sent by the proper party or parties.

SECTION 8.03. Citibank and Affiliates. With respect to its Commitment and the Advances made by it, Citibank shall have the same rights and powers under this Agreement as any other Bank and may exercise the same as though it were not the Agent; and the term "Bank" or "Banks" shall, unless otherwise expressly indicated, include Citibank in its individual capacity. Citibank and its affiliates may accept deposits from, lend money to, act as trustee under indentures of, and generally engage in any kind of business with, the Borrower, any of its Subsidiaries and any Person who may do business with or own securities of the Borrower or any of its Subsidiaries all as if Citibank were not the Agent and without any duty to account therefor to the Banks.

SECTION 8.04. Bank Credit Decision. Each Bank acknowledges that it has, independently and without reliance upon the Agent or any other Bank and based on the financial statements referred to in Section 5.01 and such other documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Bank also acknowledges that it will, independently and without reliance upon the Agent or any other Bank and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under this Agreement.

SECTION 8.05. Indemnification. The Banks agree to indemnify the Agent (to the extent not reimbursed by the Borrower), ratably according to the respective amounts of their Commitments, from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against the Agent in any way relating to or arising out of this Agreement or any action taken or omitted by the Agent under this Agreement, provided that no Bank shall be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from the Agent's gross negligence or willful misconduct. Without limitation of the foregoing, each Bank agrees to reimburse the Agent promptly upon demand for its ratable share of any out-of-pocket expenses (including counsel fees) incurred by the Agent in connection with the preparation, execution, delivery, administration, modification, amendment or enforcement (whether through

45

48

negotiations, legal proceedings or otherwise) of, or legal advice in respect of rights or responsibilities under, this Agreement, to the extent that the Agent is not reimbursed for such expenses by the Borrower.

SECTION 8.06. Successor Agent. The Agent may resign at any time by giving written notice thereof to the Banks and the Borrower and may be removed at any time with or without cause by the Majority Banks. Upon any such resignation or removal, the Majority Banks shall have the right to appoint one of the Banks as the successor Agent. If no successor Agent shall have been so appointed by the Majority Banks, and shall have accepted such appointment, within 30 days after the retiring Agent's giving of notice of resignation or the Majority Banks' removal of the retiring agent, then the retiring Agent may, on behalf of the Banks, appoint one of the Banks as the successor Agent. If none of the Banks will accept such an appointment, the retiring Agent may, on behalf of the Banks, appoint a successor Agent which shall be a commercial bank organized under the laws of the United States of America or of any State thereof and having a combined capital and surplus of at least \$50,000,000. Upon the acceptance of any appointment as Agent hereunder by a successor Agent, such successor Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Agent, and the retiring Agent shall be discharged from its duties and obligations under this Agreement. The successor Agent shall immediately notify the Borrower of such appointment. After any retiring Agent's resignation or removal hereunder as Agent, the provisions of this Article IX shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Agent under this Agreement.

SECTION 8.07. Borrower's Reliance. The Borrower (i) may at all times assume that the Agent is and remains duly appointed and authorized to act

in its capacity as agent hereunder, and (ii) shall be entitled to rely on any notice, consent, certificate or other advice by the Agent on behalf of itself or its respective principal, in each case until such time as the Agent delivers written notice to the Borrower that the Agent has resigned or been removed and that a replacement agent has been appointed and authorized to act in the capacity of the agent that has been removed.

ARTICLE IX
MISCELLANEOUS

SECTION 9.01. Amendments, Etc. No amendment or waiver of any provision of this Agreement or the A Notes, nor consent to any departure by the Borrower therefrom, shall in any event be effective unless the same shall be in writing and signed by the Majority Banks, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided, however, that no amendment, waiver or consent shall, unless in writing and signed by all the Banks (other than Designated Bidders), do any of the following: (i) waive any of the conditions specified in Section 4.01, 4.02, 4.03 or 4.04, (ii) increase the Commitment of any Bank, or subject the Banks to any additional obligations, (iii) except as provided in Section 3.07, increase the aggregate Commitment, (iv) reduce the principal of, or interest on, the Advances or any fees or other amounts payable hereunder, (v) other than as contemplated in Section 9.02, postpone the Revolving Credit Termination Date or any date fixed for any payment of principal of, or interest on, the Advances or any fees or other amounts payable hereunder, (vi) change the percentage of the Commitments or of the

46

49

aggregate unpaid principal amount of the Advances, or the number of Banks, which shall be required for the Banks or any of them to take any action hereunder, (vii) amend the definition of "Majority Banks", this Section 9.01 or Section 9.06, (viii) release the Borrower from personal liability with respect to any of its obligations under this Agreement, or (ix) subordinate any Bank's right to payment under this Agreement to any other claim against the Borrower; and provided, further, that (a) no amendment, waiver or consent shall, unless in writing and signed by the Agent in addition to the Banks required above to take such action, affect the rights or duties of the Agent under this Agreement, (b) no amendment, waiver or consent shall, unless in writing and signed by the applicable Designated Bidder in addition to the other Persons required hereunder to take such action, reduce the principal of, or interest on, or otherwise modify any of the terms of any B Note held by such Designated Bidder, and (c) if the Commitments shall have been terminated and the A Notes shall have been repaid in full, then the term "all the Banks" as used in the foregoing proviso shall mean all of the Banks then holding B Notes.

SECTION 9.02. Extensions of the Commitments. The Borrower may, by written notice (an "Extension Request") substantially in the form of Exhibit D hereto given to the Agent not less than 30 days (and not more than 45 days) prior to the scheduled Revolving Credit Termination Date (each date upon which such notice is received being a "Reference Date"), request that the Revolving Credit Termination Date then in effect be extended for an additional 364 days. The Agent shall promptly advise each Bank of its receipt of an Extension Request. Each Bank may, in its sole discretion, consent to a requested extension by giving written notice thereof to the Agent not less than 20 days (and not more than 30 days) prior to the scheduled Revolving Credit Termination Date. Failure on the part of any Bank to respond to an Extension Request shall be deemed to be a denial of such request by such Bank. If the Majority Banks shall consent to the requested extension, then the Revolving Credit Termination Date shall be extended. In the event that the Majority Banks, but not all of the Banks, shall have agreed to the extension proposed in an Extension Request, the Agent shall inquire of each Bank that shall have agreed to such extension whether such Bank would be willing to increase its Commitment in an amount up to the amount of the Commitments (collectively, the "Deficiency Commitment") of the Banks that shall not have agreed to such extension. In the event one or more Banks shall express willingness to increase their Commitments during the proposed extension (each an "Increasing Bank"), the Commitment of each such Increasing Bank during such period shall be increased by the amount agreed to by

such Increasing Bank; provided, that if the Increasing Banks shall agree to increase their Commitments by an aggregate amount that exceeds the Deficiency Commitment, the Agent shall allocate the Deficiency Commitment among such Increasing Banks ratably on the basis of the respective amounts by which each shall have offered to increase its Commitment. The Agent shall promptly (and in any event by no later than 15 days prior to the scheduled Revolving Credit Termination Date) notify the Borrower in writing as to whether the requested extension has been granted, the amount of such extension, and the effective Commitments of the Banks during the extension period (such written notice being an "Extension Confirmation Notice"), and shall promptly thereafter provide a copy of such Extension Confirmation Notice to each Bank. In the event that the Increasing Banks shall fail to increase their Commitments by an amount equal to the Deficiency Commitment, the Borrower (i) may elect to withdraw its Extension Request or (ii) may, with the consent of the Agent, accept commitments from third party financial institutions, each of which would, if such institution were a proposed assignee, qualify as an Eligible Assignee; provided, that the aggregate Commitments immediately following the extension of the scheduled Revolving Credit

47

50

Termination Date shall not exceed the aggregate Commitments immediately prior to such extension. The Commitment of any Bank which declines the Borrower's request for an extension of the scheduled Revolving Credit Termination Date will terminate on the then scheduled Revolving Credit Termination Date, regardless of the decision of any of the other Banks to grant the Borrower's request, and on such date the Borrower shall pay to each such Bank the outstanding principal amount of the Advances then payable to such Bank plus any accrued but unpaid interest, fees and expenses with respect thereto. The Commitment of any Bank which accepts the Borrower's request for an extension of the scheduled Revolving Termination Date will be renewed for an additional 364 days from the scheduled Revolving Credit Termination Date.

SECTION 9.03. Notices, Etc. All notices and other communications provided for hereunder shall be in writing (including telegraphic, telecopy, telex or cable communication) and mailed, telegraphed, telecopied, telexed, cabled or delivered:

(a) if to the Borrower, at its address at:

5301 North Ironwood Road
Milwaukee, Wisconsin 53217
Attention: George P. Herrmann;

(b) if to any Bank, at its Domestic Lending Office specified opposite its name on Schedule I hereto (or, if applicable, the Assignment and Acceptance or Commitment and Acceptance pursuant to which it became a Bank);

(c) if to the Agent, at its address at:

Citibank, N.A.
Two Penns Way, Suite 200
New Castle, Delaware 19730
Attention: Pat Dimery
Bank Loan Syndications
Telephone No: 302-894-6022
Fax No.: 302-894-6120

with a copy to:

Citicorp North America, Inc.
500 W. Madison, 7th floor
Chicago, Illinois 60661
Attention: Lesley Noer;

or, as to each party, at such other address as shall be designated by such party in a written notice to the other parties. All such notices and communications shall be effective, in the case of mail, three (3) days after deposited in the mails, or, in the case of telecopy, cable or telex, upon confirmation by conventional means that such telecopy, telex or cable has been properly

transmitted, except that notices and communications to the Agent pursuant to Article II or IX shall not be effective until received by the Agent.

SECTION 9.04. No Waiver; Remedies. No failure on the part of any Bank or the Agent to exercise, and no delay in exercising, any right hereunder or under any Note shall operate as a waiver thereof; nor shall any single or partial exercise of any such right preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

SECTION 9.05. Costs, Expenses and Taxes. (a) The Borrower agrees to pay on demand all costs and expenses in connection with (i) the preparation, execution, delivery, administration, syndication, modification and amendment of this Agreement, the Notes and the other documents to be delivered hereunder, including, without limitation, the reasonable fees and out-of-pocket expenses of counsel and other advisors for Salomon Smith Barney Inc. and the Agent with respect thereto and with respect to advising the Agent as to its rights and responsibilities under this Agreement, provided, that the Borrower shall not be required to pay the fees and expenses of more than one law firm in connection with the services described in this clause (i), and (ii) all costs and expenses of the Agent and the Banks, if any (including, without limitation, reasonable counsel fees and expenses), in connection with the enforcement (whether through negotiations, legal proceedings or otherwise) of this Agreement and the other documents to be delivered hereunder. In addition, the Borrower shall pay any and all stamp and other taxes payable or determined to be payable in connection with the execution and delivery of this Agreement and the other documents to be delivered hereunder, and agrees to save the Agent and each Bank harmless from and against any and all liabilities with respect to or resulting from any delay in paying or omission to pay such taxes.

(b) If any payment of principal of any Eurodollar Rate Advance is made other than on the last day of the Interest Period for such Advance or any payment of principal of any B Advance is made other than on the maturity date originally scheduled therefor, in either case as a result of a prepayment thereon pursuant to Section 2.09, the acceleration of the maturity of the Advances pursuant to Section 7.01 or for any other reason, or if any Eurodollar Rate Advance is Converted to a Base Rate Advance pursuant to Section 2.10(b), then the Borrower shall, upon demand by any Bank (with a copy of such demand to the Agent), pay to the Agent for the account of such Bank any amounts required to compensate such Bank for any additional losses, costs or expenses which it may reasonably incur as a result of such payment including, without limitation, any loss (including loss of anticipated profits), cost or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired by any Bank to fund or maintain such Advance.

SECTION 9.06. Right of Set-off. Upon (i) the occurrence and during the continuance of any Event of Default and (ii) the making of the request or the granting of the consent specified by Section 7.01 to authorize the Agent to declare the Advances due and payable pursuant to the provisions of Section 7.01, each Bank is hereby authorized at any time and from time to time, to the fullest extent permitted by law, to set-off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other indebtedness at any time owing by such Bank to or for the credit or the account of the Borrower against any and all of the obligations of the Borrower now or hereafter existing under this

Agreement and the Advances owed to such Bank, irrespective of whether or not such Bank shall have made any demand under this Agreement and although such obligations may be unmatured. Each Bank agrees promptly to notify the Borrower after any such set-off and application made by such Bank, provided that the failure to give such notice shall not affect the validity of such set-off and application. The rights of each Bank under this Section are in addition to other rights and remedies (including, without limitation, other rights of set-off) which such Bank may have.

SECTION 9.07. Binding Effect. This Agreement shall become effective on the latest to occur of the date (i) this Agreement shall have been executed by the Borrower and the Agent, (ii) the Agent shall have been notified by each Bank that such Bank has executed this Agreement and (iii) each of the conditions precedent set forth in Section 4.01 shall have been satisfied, and thereafter this Agreement shall be binding upon and inure to the benefit of the Borrower, the Agent and each Bank and their respective successors and assigns, except that the Borrower shall not have the right to assign its rights hereunder or any interest herein without the prior written consent of the Banks.

SECTION 9.08. Assignments and Participations. (a) Each Bank (other than a Designated Bidder) may assign to one or more banks or other entities all or a portion of its rights and obligations under this Agreement (including, without limitation, all or a portion of its Commitment and the A Advances owing to it); provided, however, that (i) each such assignment shall be of a constant, and not a varying, percentage of the assigning Bank's rights and obligations (other than in respect of any B Notes or B Advances then held by such Bank) so assigned and shall contemplate a fixed percentage assumption of each of the assigning Bank's Commitment, A Advances, (ii) except for assignments by one Bank to another Bank, the aggregate amount of the Commitment of the assigning Bank being assigned pursuant to each such assignment (determined as of the date of the Assignment and Acceptance with respect to such assignment) shall in no event be less than \$10,000,000 and, if in excess of \$10,000,000, shall be in an integral multiple of \$1,000,000; provided that a Bank may, in a single transaction, assign the then remaining amount of such assigning Bank's Commitment, (iii) each such assignment shall be to an Eligible Assignee, (iv) in the case of any proposed assignment to a Person that is not a Bank or an affiliate of a Bank, each of the Agent and, provided that no Event of Default or event which with the giving of notice or lapse of time or both would be an Event of Default has occurred and is continuing, the Borrower shall have consented to such assignment (which consent in each case shall not be unreasonably withheld or delayed), (v) the parties to each such assignment shall execute and deliver to the Agent, for its acceptance and recording in the Register, an Assignment and Acceptance, and shall deliver to the Agent the A Note or A Notes that are subject to such assignment together with a processing and recordation fee of \$3,500 and (vi) in the case of any assignment to an affiliate of such Bank, such Bank shall provide notice thereof to the Borrower. Upon such execution, delivery, acceptance and recording, from and after the effective date specified in each Assignment and Acceptance, which effective date shall be at least two (2) Business Days after the execution thereof or such earlier date as the Agent shall permit, (x) the assignee thereunder shall be a party hereto and, to the extent that rights and obligations hereunder have been assigned to it pursuant to such Assignment and Acceptance, shall have the rights and obligations of a Bank hereunder and (y) the Bank assignor shall, to the extent that rights and obligations hereunder have been assigned by it pursuant to such Assignment and Acceptance, relinquish its rights and be released from its obligations under this Agreement (and, in the case of an Assignment and Acceptance covering

all or the remaining portion of an assigning Bank's rights and obligations under this Agreement, such Bank shall cease to be a party hereto).

(b) By executing and delivering an Assignment and Acceptance, the Bank assignor thereunder and the assignee thereunder confirm to and agree with each other and the other parties hereto as follows: (i) other than as provided in such Assignment and Acceptance, such assigning Bank makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with this Agreement or the execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement or any other instrument or document furnished pursuant hereto; (ii) such assigning Bank makes no representation or warranty and assumes no responsibility with respect to the financial condition of the Borrower or the performance or observance by the Borrower of any of its obligations under this Agreement or any other instrument or document furnished pursuant hereto; (iii) such assignee confirms that it has received a copy of this Agreement, together with copies of the financial statements referred to in Section 5.01 and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into such

Assignment and Acceptance; (iv) such assignee will, independently and without reliance upon the Agent, such assigning Bank or any other Bank and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under this Agreement; (v) such assignee confirms that it is an Eligible Assignee; (vi) such assignee appoints and authorizes the Agent to take such action as agent on its behalf and to exercise such powers under this Agreement as are delegated to the Agent by the terms hereof, together with such powers as are reasonably incidental thereto; and (vii) such assignee agrees that it will perform in accordance with their terms, all of the obligations which by the terms of this Agreement are required to be performed by it as a Bank.

(c) The Agent shall maintain at its address referred to in Section 9.03 a copy of each Assignment and Acceptance delivered to and accepted by it and a register for the recordation of the names and addresses of the Banks and the Commitment of, and principal amount of the Advances owing to, each Bank from time to time (the "Register"). The entries in the Register shall be conclusive and binding for all purposes, absent manifest error, and the Borrower, the Agent and each Bank may treat each Person whose name is recorded in the Register as a Bank hereunder for all purposes of this Agreement. The Register shall be available for inspection by the Borrower or any Bank at any reasonable time and from time to time upon reasonable prior notice.

(d) Upon its receipt of an Assignment and Acceptance executed by an assigning Bank and an assignee representing that it is an Eligible Assignee, the Agent shall, if such Assignment and Acceptance has been completed and is substantially in the form of Exhibit E hereto, and otherwise satisfies the requirements of Section 9.08(a), (i) accept such Assignment and Acceptance, (ii) record the information contained therein in the Register and (iii) give prompt notice thereof to the Borrower. Within five Business Days after its receipt of such notice, the Borrower, at its own expense, shall execute and deliver to the Agent in exchange for the surrendered A Note or Notes a new A Note to the order of such Eligible Assignee in an amount equal to the Commitment assumed by it pursuant to such Assignment and Acceptance and, if the assigning Bank has retained a Commitment hereunder, a new A Note to the order of the assigning Bank in an amount equal to the Commitment retained by it hereunder. Such new A

51

54

Note or Notes shall be in an aggregate principal amount equal to the aggregate principal amount of such surrendered A Note or Notes, shall be dated the effective date of such Assignment and Acceptance and shall otherwise be in substantially the form of Exhibit A-1 hereto.

(e) Each Bank may assign to one or more banks or other entities any B Note or B Notes held by it.

(f) Each Bank may sell participations to one or more banks or other entities in or to all or a portion of the Advances owing to it; provided, however, that (i) such Bank's obligations under this Agreement (including, without limitation, its Commitment) shall remain unchanged, (ii) such Bank shall remain solely responsible to the other parties hereto for the performance of such obligations, and (iii) the Borrower, the Agent and the other Banks shall continue to deal solely and directly with such Bank in connection with such Bank's rights and obligations under this Agreement, including, without limitation in respect of any matter requiring the consent of such Bank hereunder.

(g) Notwithstanding any other provisions set forth in this Agreement, any Bank at any time may assign, as collateral or otherwise, any of its rights (including, without limitation, rights to payments of principal of and/or interest on the Advances) under this Agreement to any Federal Reserve Bank without notice to or consent of the Borrower, the Agent or any other Bank.

(h) Any Bank may, in connection with any assignment or participation or proposed assignment or participation pursuant to this Section 9.08, disclose to the assignee or participant or proposed assignee or participant, any information relating to the Borrower furnished to such Bank by or on behalf of the Borrower; provided that, prior to any such disclosure of non-public information, such Bank shall have obtained the Borrower's consent

(which consent shall not be unreasonably withheld) and the assignee or participant or proposed assignee or participant shall agree to preserve the confidentiality of any confidential information relating to the Borrower received by it from such Bank.

SECTION 9.09. Designated Bidders. Each Bank may assign to one or more banks or other entities any B Note or B Notes held by it. In addition, each Bank (other than a Designated Bidder) may grant to one or more banks or other entities the right to bid for and to make B Advances as a Bank pursuant to Section 2.03; provided, however, that (i) no such Bank shall be entitled to make more than three such designations, (ii) each such Bank making one or more such designations shall retain the right to make B Advances as a Bank pursuant to Section 2.03, (iii) each such designation shall be subject to the consent of the Borrower, which consent shall not be unreasonably withheld or delayed, and (iv) the parties to each such designation shall execute and deliver to the Agent, for its acceptance and recording in the Register, a Designation Agreement. Upon such execution, delivery, acceptance and recording, from and after the effective date specified in each Designation Agreement, the designee thereunder shall be a party hereto with the right to make B Advances as a Bank pursuant to Section 2.03 and the obligations related thereto.

(b) By executing and delivering a Designation Agreement, the Bank making the designation thereunder and its designee thereunder confirm and agree with each other and the other parties hereto as follows: (i) such Bank makes no representation or warranty and assumes

52

55

no responsibility with respect to any statements, warranties or representations made in or in connection with this Agreement or the execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement or any other instrument or document furnished pursuant hereto; (ii) such Bank makes no representation or warranty and assumes no responsibility with respect to the financial condition of the Borrower or the performance or observance by the Borrower or any of its obligations under this Agreement or any other instrument or document furnished pursuant hereto; (iii) such designee confirms that it has received a copy of this Agreement, together with copies of the financial statements referred to in Section 5.01 and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into the Designation Agreement; (iv) such designee will, independently and without reliance upon the Agent, such designating Bank or any other Bank and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under this Agreement; (v) such designee confirms that it is qualified to become a Designated Bidder; (vi) such designee appoints and authorizes the Agent to take such action as agent on its behalf and to exercise such powers under this Agreement as are delegated to the Agent by the terms hereof, together with such powers as are reasonably incidental thereto; and (vii) such designee agrees that it will perform in accordance with their terms all of the obligations which by the terms of this Agreement are required to be performed by it as a Bank.

(c) Upon its receipt of a Designation Agreement executed by a designating Bank and a designee representing that it is qualified to become a Designated Bidder, the Agent shall, if such Designation Agreement has been completed and is substantially in the form of Exhibit C hereto, (i) accept such Designation Agreement, (ii) record the information contained therein in the Register and (iii) give prompt notice thereof to the Borrower.

SECTION 9.10. Governing Law. This Agreement and the Notes shall be governed by, and construed in accordance with the internal laws (including Section 5-1401 of the General Obligations laws but otherwise without regard to the conflicts of laws provisions) of the State of New York.

SECTION 9.11. Execution in Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

SECTION 9.12. Indemnification. The Borrower agrees to indemnify and hold harmless the Agent and each Bank from and against any and all

claims, damages, liabilities and expenses (including, without limitation, reasonable fees and disbursements of counsel) which may be incurred by or asserted against the Agent or such Bank in connection with or arising out of any investigation, litigation or proceeding related to this Agreement, or the use of the proceeds of the Borrowings by the Borrower, whether or not the Agent or such Bank is a party thereto; provided, however, that the Borrower shall not be liable for any portion of such claims, damages, liabilities and expenses resulting from the Agent's or any Bank's gross negligence or willful misconduct or for such claims and liabilities settled without the consent of the Borrower (which consent shall not be unreasonably withheld). Each Bank agrees to give the Borrower prompt written notice of any investigation, litigation or proceeding which may lead to a claim for

53

56

indemnification under this Section, provided that the failure to give such notice shall not affect the validity or enforceability of the indemnification hereunder.

SECTION 9.13. WAIVER OF JURY TRIAL. EACH OF THE PARTIES HERETO IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER BASED UPON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR IN ANY WAY RELATED TO THIS AGREEMENT OR ANY OTHER INSTRUMENT, DOCUMENT OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HEREWITH.

54

57

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers thereunto duly authorized, as of the date first above written.

MANPOWER INC.

By: /s/ Michael J. Van Handel

Name: Michael J. Van Handel
Title: Senior Vice President - Chief
Financial Officer and Secretary

CITIBANK, N.A., as Agent

By: /s/ Laura A. Siracuse

Name: Laura A. Siracuse
Title: Vice President

Signature Page to Manpower Inc. Credit Agreement

58

CITIBANK, N.A. THE BANKS Commitment: \$45,000,000

By: /s/ Laura A. Siracuse

Name: Laura A. Siracuse
Title: Vice President

Signature Page to Manpower Inc. Credit Agreement

CREDIT LYONNAIS CHICAGO BRANCH Commitment: \$42,000,000

By: /s/ Lee E. Greve

Name: Lee E. Greve
Title: First Vice President

Signature Page to Manpower Inc. Credit Agreement

FIRST UNION NATIONAL BANK Commitment: \$42,000,000

By: /s/ Mark B. Felker

Name: Mark B. Felker
Title: Senior Vice President

Signature Page to Manpower Inc. Credit Agreement

WACHOVIA BANK, N.A. Commitment: \$42,000,000

By: /s/ B. Brantley Echols

Name: B. Brantley Echols
Title: Senior Vice President

Signature Page to Manpower Inc. Credit Agreement

FIRSTAR BANK, N.A. Commitment: \$22,500,000

By: /s/ R. Bruce Anthony

Name: R. Bruce Anthony
Title: Assistant Vice President

Signature Page to Manpower Inc. Credit Agreement

MELLON BANK, N.A. Commitment: \$22,500,000

By: /s/ Louis E. Flori

Name: Louis E. Flori
Title: Vice President

Signature Page to Manpower Inc. Credit Agreement

64

THE BANK OF NOVA SCOTIA

Commitment: \$14,000,000

By: /s/ M. D. Smith

Name: M. D. Smith
Title: Agent Operations

Signature Page to Manpower Inc. Credit Agreement

65

BANK OF TOKYO-MITSUBISHI, LTD.,
CHICAGO BRANCH

Commitment: \$14,000,000

By: /s/ Hisashi Miyashiro

Name: Hisashi Miyashiro
Title: Deputy General Manager

Signature Page to Manpower Inc. Credit Agreement

66

BANK ONE, NA

Commitment: \$14,000,000

By: /s/ Jenny A. Gilpin

Name: Jenny A. Gilpin
Title: First Vice President

Signature Page to Manpower Inc. Credit Agreement

67

BANQUE NATIONALE DE PARIS,

Commitment: \$14,000,000

By: /s/ Arnaud Collin du Bocage

Name: Arnaud Collin du Bocage
Title: E.V.P. and General Manager

Signature Page to Manpower Inc. Credit Agreement

THE DAI-ICHI KANGYO BANK, LTD.

Commitment: \$14,000,000

By: /s/ Nobuyasu Fukatsu

Name: Nobuyasu Fukatsu
Title: General Manager

Signature Page to Manpower Inc. Credit Agreement

WELLS FARGO BANK, N.A.

Commitment: \$14,000,000

By: /s/ Melissa F. Nachman

Name: Melissa F. Nachman
Title: Vice President

TOTAL COMMITMENT: \$300,000,000

By: /s/ Bradley A. Hardy

Name: Bradley A. Hardy
Title: Vice President

Signature Page to Manpower Inc. Credit Agreement

SCHEDULE I

LENDING OFFICES

Bank	Domestic Lending Office	Eurodollar Lending Office
	TIER 1	
Citibank, N.A.	Two Penns Way, Suite 200 New Castle, Delaware 19730 Attention: Pat Dimery Bank Loan Syndications Telephone No: (302) 894-6022 Fax No.: (302) 894-6120	Same as Domestic Lending Office
Credit Lyonnais Chicago Branch	227 W. Monroe Street Suite 3800 Chicago, IL 60606	Same as Domestic Lending Office
First Union National Bank	First Union National Bank 301 South College St., DC-5	Same as Domestic Lending Office

Charlotte, NC 28288-0737
Attention: Mark B. Felker
Phone: (704) 374-7074
Fax: (704) 374-4793

Wachovia Bank, N.A. 191 Peachtree Street, N.E. Same as Domestic
Atlanta, GA 30303 Lending Office
Fax: (404) 332-6898

TIER 2

Firststar Bank, N.A. 777 E. Wisconsin Avenue Same as Domestic
Milwaukee, WI 53202 Lending Office
Attn.: R. Bruce Anthony
Phone: (414) 765-4724
Fax: (414) 765-5367

Mellon Bank, N.A. Three Mellon Bank Center Same as Domestic
Room 1203 Lending Office
Pittsburgh, PA 15259-0003
Attn.: Richard Bouchard
Phone: (412) 234-5767
Fax: (412) 209-6117

68

71

TIER 3

The Bank of Nova Scotia 600 Peachtree Street, N.E. Same as Domestic
Suite 2700 Lending Office
Atlanta, GA 30308

Bank of Tokyo-Mitsubishi, 227 West Monroe Street Same as Domestic
Ltd., Chicago Branch Suite 2300 Lending Office
Chicago, IL 60603
Attn.: Wayne Yamanaka
Phone: (312) 696-4664
Fax: (312) 696-4535

Bank One, NA 1 Bank One Plaza, Same as Domestic
Mail code ILL-0088 Lending Office
Chicago, IL 60670
Attn.: Edna Guerra
Phone: (312) 732-9609
Fax: (312) 732-1117

Banque Nationale de Paris, 209 South LaSalle Street Same as Domestic
Chicago Branch Chicago, IL 60604 Lending Office

The Dai-Ichi Kangyo One World Trade Center Same as Domestic
Bank, Ltd. Suite 4911 Lending Office
New York, New York 10048
Attn.: Merine Geerwar
Phone: (212) 432-8458
Fax: (212) 524-0049

Wells Fargo Bank, N.A. Commercial Banking Service Same as Domestic
Center Lending Office
Loan Accounting Department
201 Third Street, 8th Floor
San Francisco, CA 94163

SCHEDULE II
ERISA PLANS

None; except:

Plan No. -----	Name of Plan -----
001	Manpower International Inc. Retirement Plan
008	Manpower 401(k) (Pretax Savings Plan with no contribution by Manpower)
501	Manpower International Inc. Group Insurance Plan
502	Manpower Inc. Accident Insurance Program (Voluntary - Payroll Deduction. No contribution by Manpower)
504	Transpersonnel, Inc. & Subsidiary Health Benefits and Life Insurance
508	Manpower Inc. Temporary Employee Health and Life Plan
509	Manpower Inc. Long Term Disability Benefit Trust Plan
510	Manpower Inc. Dental Benefit Plan
511	Manpower Inc. Franchise Long Term Disability Benefit Plan (No contribution by Manpower)
513	Manpower Paid Leave Plan
514	Manpower Enhanced Group Plan
515	Manpower International Inc. Flexible Spending Plan (Pretax Savings Under Section 125) - Dependent Care Reimbursement Account - Medical Reimbursement Expense Account

ARTICLE I
DEFINITIONS AND ACCOUNTING TERMS.....1
SECTION 1.01. Certain Defined Terms.....1
SECTION 1.02. Computation of Time Periods.....12
SECTION 1.03. Accounting Terms and Change in Accounting Principles.....12

ARTICLE II
AMOUNTS AND TERMS OF THE ADVANCES.....12
SECTION 2.01. The A Advances.....12
SECTION 2.02. Making the A Advances.....13
SECTION 2.03. The B Advances.....16
SECTION 2.04. Reduction of the Commitments.....18
SECTION 2.05. Repayment of A Advances.....19
SECTION 2.06. Interest on A Advances.....19
SECTION 2.07. Additional Interest on Eurodollar Rate Advances.....20
SECTION 2.08. Interest Rate Determination.....21
SECTION 2.09. Prepayments.....21
SECTION 2.10. Illegality.....21
SECTION 2.11. Evidence of A Advances.....22

ARTICLE III
GENERAL TERMS.....23
SECTION 3.01. Fees 23
SECTION 3.02. Payments and Computations.....23
SECTION 3.03. Increased Costs and Reduced Return.....24
SECTION 3.04. Sharing of Payments, Etc.....25
SECTION 3.05. Taxes; Bank Certifications.....25
SECTION 3.06. Replacement of a Bank.....27
SECTION 3.07. Increases in the Facility.....28

ARTICLE IV
CONDITIONS PRECEDENT.....29
SECTION 4.01. Conditions Precedent to Closing.....29
SECTION 4.02. Conditions Precedent to Each A Borrowing.....29
SECTION 4.03. Conditions Precedent to an Increase in or Renewal of the Commitments.....30

SECTION 4.04. Conditions Precedent to Each B Borrowing.....	31
ARTICLE V	
REPRESENTATIONS AND WARRANTIES.....	31
SECTION 5.01. Representation and Warranties of the Borrower.....	31
ARTICLE VI	
COVENANTS OF THE BORROWER.....	34
SECTION 6.01. Affirmative Covenants.....	34
SECTION 6.02. Negative Covenants.....	37

ARTICLE VII	
EVENTS OF DEFAULT.....	42
SECTION 7.01. Events of Default.....	42
ARTICLE VIII	
THE AGENT.....	44
SECTION 8.01. Authorization and Action.....	44
SECTION 8.02. Agent's Reliance, Etc.....	44
SECTION 8.03. Citibank and Affiliates.....	45
SECTION 8.04. Bank Credit Decision.....	45
SECTION 8.05. Indemnification.....	45
SECTION 8.06. Successor Agent.....	46
SECTION 8.07. Borrower's Reliance.....	46
ARTICLE IX	
MISCELLANEOUS.....	46
SECTION 9.01. Amendments, Etc.....	46
SECTION 9.02. Extensions of the Commitments.....	47
SECTION 9.03. Notices, Etc.....	48
SECTION 9.04. No Waiver; Remedies.....	49
SECTION 9.05. Costs, Expenses and Taxes.....	49
SECTION 9.06. Right of Set-off.....	49
SECTION 9.07. Binding Effect.....	50
SECTION 9.08. Assignments and Participations.....	50
SECTION 9.09. Designated Bidders.....	52
SECTION 9.10. Governing Law.....	53
SECTION 9.11. Execution in Counterparts.....	53
SECTION 9.12. Indemnification.....	53
SECTION 9.13. WAIVER OF JURY TRIAL.....	54

Manpower Inc.
5301 North Ironwood Road
Milwaukee, Wisconsin 53217

April 26, 1999

Mr. Gilbert Palay:

This letter will confirm our agreement with respect to the compensation to be paid and the other benefits to be provided to you in connection with your continuing advisory relationship with Manpower Inc. (the "Corporation"). We have agreed as follows:

1. Advisory Services. Beginning on April 30, 1999 (the "Effective Date"), and continuing until the date three years thereafter unless earlier terminated under Section 11 hereof (the "Advisory Period"), you will be employed by the Corporation on a part-time basis to render such advice and assistance respecting the affairs and activities of the Corporation and its direct or indirect subsidiaries (collectively, the "Manpower Group") as the Chairman of the Board of Directors or a senior executive officer of the Corporation may from time to time reasonably request, contemplated to include principally advice and assistance as requested relating to accounting and financial matters. Your advisory services will be performed at such times as are mutually agreed upon by you and the Corporation. It is understood that the Corporation will not be entitled to your services on a full-time basis, and that you will not be required without your consent to devote in excess of 375 hours per year to the performance of such services. During the Advisory Period, you may engage in other activities, subject to the restrictions set forth in Sections 7 through 9 hereof. At the end of the Advisory Period, your employment will terminate.

2. Advisory Fee. In consideration of the advisory services to be performed by you pursuant hereto, and in partial consideration of your other obligations under this letter, the Corporation will pay you during the Advisory Period an annual salary (the "Advisory Fee") of One Hundred Fifty Thousand Dollars (\$150,000). The Advisory Fee will be payable in installments according to the standard payroll practice of the Corporation.

3. Benefits.

(a) In accordance with the terms of your Employment Agreement dated September 16, 1987, as amended, for the remainder of the lives of you and your spouse, regardless of any eligibility rules in effect at any time and regardless of your age, the Corporation will arrange to provide you and your spouse, at the Corporation's expense, with full coverage under medical and dental plans of the Corporation having benefits at least as favorable as those existing under the Corporation's plans in effect on

September 16, 1990, and any increased benefits as may thereafter have been or may be provided from time to time under any such plan or substitute therefor or modification thereof; and notwithstanding any provision of any such plan to the contrary, neither you nor your spouse will be required to make any additional payment in order to obtain this coverage. In the event that your participation in any such plan is prohibited by the terms and provisions thereof or the Corporation otherwise cannot offer such benefits under its plans, the Corporation will provide alternative coverage for you and your spouse for each of your remaining lives, as nearly as practicable, equivalent to that which you and your spouse would otherwise be entitled under this Section 3(a).

(b) In addition to other payments under this letter, the Corporation will make equal monthly payments to you for your lifetime (or to your spouse for her lifetime if you predecease her) in such amount as is necessary to assure that the total payments received by you (or your spouse) under this Section 4(b) and under the Manpower Inc. Retirement Plan and the Manpower Inc. Deferred Compensation Plan will equal Three Hundred Four Thousand Three Hundred Twenty-One Dollars (\$304,321); provided, however, that if you were to remarry, the amount payable under this Section 3(b) to your new spouse during her lifetime if you predecease her shall not exceed the actuarial equivalent as of the time of your death of the amount which would be payable to a spouse with the birth date of your present spouse. These monthly payments will commence on May 1, 1999, and will continue on the first day of each calendar month thereafter for the life of the survivor of you and your spouse.

(c) Except for the retirement benefits and medical and dental insurance set forth in this Section 3, any accrued benefits under company plans and the stock options referred to in Section 6, below, and any employee benefits provided by law, you shall not receive on or after April 30, 1999, any employee benefits or perquisites from the Corporation or be entitled to participate in any Corporation stock or other benefit plans.

4. Office and Secretary. The Corporation shall provide to you reasonable and reasonably equipped office space in a location to be mutually agreed upon between you and the Corporation and secretarial assistance during the Advisory Period.

5. Expense Reimbursement. The Corporation will reimburse you for all reasonable out-of-pocket expenses incurred by you in the course of performing advisory services requested by the Corporation and approved by the Chief Executive Officer during the Advisory Period, subject to your compliance with the guidelines or rules of the Corporation concerning expense reimbursement.

6. Stock Options. The Corporation confirms that:

(a) this letter agreement will not affect your rights with respect to the options you hold to purchase shares of the Corporation's stock under the 1991 Executive Stock Option and Restricted Stock Plan (the "Plan") set forth in the Nonstatutory Stock Option granted May 31, 1991, and the Nonstatutory Stock Option Agreement executed as of February 10, 1992 (the "Grant Documents");

2

3

(b) your employment will not be considered to have terminated for purposes of determining your rights with respect to such options until the termination of the Advisory Period; and

(c) the Plan has been amended to provide for a period of one year, as opposed to three months as originally provided, following the cessation of employment due to retirement (as described in the Plan) to exercise any option held under the Plan, and the Plan as so amended will govern your rights with respect to such options notwithstanding the terms of the applicable Grant Documents.

7. Nondisclosure Agreement. You will not, directly or indirectly, at any time during the Advisory Period or during the two-year period immediately following the termination of the Advisory Period, use for yourself or others, or disclose to others, 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 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 any company in the Manpower

Group and which is not known to the public generally (absent your disclosure), including but not limited to confidential knowledge, operating instructions, computer software, 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. This obligation will survive the termination of your employment for a period of two years and will not be construed to in any way limit the Corporation's rights to protect confidential information which constitute trade secrets under applicable trade secrets law even after such two-year period. Upon your termination of employment with the Manpower Group, or at any other time upon request of the Corporation, you will promptly surrender to the Corporation, or destroy and certify such destruction to the Corporation, any documents, materials, or computer or electronic records containing any Confidential Information which are in your possession or under your control.

8. Noncompetition Agreement. During the Advisory Period, you will not directly or indirectly assist any competitor of the Manpower Group in any capacity. In addition, you will not at any time during the two-year period following the termination of the Advisory Period, either directly or indirectly:

(a) Contact any customer or prospective customer of the Manpower Group with whom you have had contact on behalf of the Manpower Group during the two-year period preceding the date of such termination or any customer or prospective customer about whom you obtained Confidential Information (as defined below) in connection with your employment by the Manpower Group during such two-year period so as to cause or attempt to cause such customer or prospective customer of the Manpower Group not to do business or to reduce such customer's business with the Manpower Group or divert any business from the Manpower Group.

3

4

(b) Provide services or assistance of a nature similar to the services provided to the Manpower Group during the term of your full-time and/or part-time employment with the Manpower Group to any entity engaged in the business of providing temporary staffing services anywhere in the United States or any other country in which the Manpower Group conducts business as of the date when the Advisory Period terminates which has, together with its affiliated entities, annual revenues from such business in excess of US \$500,000,000. You acknowledge that the scope of this limitation is reasonable in that, among other things, providing any such services or assistance during such two-year period would permit you to use unfairly your close identification with the Manpower Group and the customer contacts you developed while employed by the Manpower Group and would involve the use or disclosure of Confidential Information pertaining to the Manpower Group.

9. Nonsolicitation of Employees. You agree that you will not, at any time during the Advisory Period or during the two-year period immediately following the termination of the Advisory Period, 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 an employee of any company in the Manpower Group, or has been such an employee within the preceding three months, to terminate his or her employment with the Manpower Group so as to accept employment elsewhere.

10. Requests for Services; Injunction. The restrictions imposed by Sections 7 through 9, above, will not apply in circumstances where you have been asked to perform services that might otherwise involve a violation of such Sections. You recognize that irreparable and incalculable injury will result to the Manpower Group and its businesses and properties in the event of your breach of any of the restrictions imposed by Sections 7 through 9, above. You therefore agree that, in the event of any such actual, impending or threatened breach, the Corporation will be entitled, in addition to any other remedies and damages available to it, to temporary and permanent injunctive relief (without the necessity of posting a bond or other security) restraining the violation, or further violation, of such restrictions by you and by any other person or entity from whom you may be acting or who is acting for you or in concert with you.

11. Termination of Advisory Period. The Advisory Period shall terminate prior to the date three years after the Effective Date upon the occurrence of any of the following.

(a) Death. The Advisory Period shall terminate upon your death.

(b) Cause. The Corporation may terminate the Advisory Period for "Cause." As used in this letter, "Cause" shall include (i) your willful and continued failure to substantially perform your duties with the Corporation after a written demand for substantial performance is delivered to you that specifically identifies the manner in which the Corporation believes that you have not substantially performed your duties, and you have failed to resume substantial performance of your duties on a continuous basis within ten days after receiving such demand, (ii) your willful engaging in conduct which is demonstrably and materially injurious to the Manpower Group, monetarily or

4

5

otherwise, (iii) any dishonest or fraudulent conduct which results or is intended to result in gain to you or your personal enrichment at the expense of the Manpower Group, or (iv) your conviction of a felony, misdemeanor or criminal offense, as evidenced by a binding and final judgment, order or decree of a court of competent jurisdiction which impairs your ability substantially to perform your duties with the Corporation.

(c) Voluntary Termination. You may terminate the Advisory Period at any time by delivering notice to the Corporation of your election to terminate.

12. Nondisparagement. As of the Effective Date, the Manpower Group agrees to maintain a positive and constructive attitude and demeanor toward you, and agrees to refrain from making any derogatory comments or statements of a negative nature about you. Likewise, as of the Effective Date, you agree to maintain a positive and constructive attitude and demeanor toward the Manpower Group, and agree to refrain from making derogatory comments or statements of a negative nature about the Manpower Group, its officers, directors, shareholders, agents, partners, representatives and employees, to anyone.

13. Release of Claims.

(a) Release of Claims by You. As further consideration for the benefits and payments to you as described in this letter (which you acknowledge to be greater, in their totality, than any benefits due you absent the commitments being made by the Corporation in this letter), you hereby irrevocably and unconditionally release, waive, and fully and forever discharge all companies within the Manpower Group and their past and current agents, servants, officers, directors, stockholders, attorneys, and employees and their respective successors and assigns (the "Released Parties") 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 any agreement, act, omission, occurrence, transaction or matter up to and including the date you sign this letter confirming your agreement to its terms as provided below, including, without limitation, any and all claims relating to or arising out of your employment by the Manpower Group and also including any claim that might arise regarding our agreement set forth above providing for your eventual termination of employment at the end of the Advisory Period. This release of claims includes, but is not limited to, any claims or remedies arising under or affected by the Age Discrimination in Employment Act of 1967, as amended, Title VII of the Civil Rights Act of 1964, as amended, the Civil Rights Act of 1991, the Equal Pay Act, as amended, the Employee Retirement Income Security Act, as amended, the Americans With Disabilities Act, the Fair Labor Standards Act, as amended, the Family and Medical Leave Act of 1993, the Wisconsin Fair Employment Act, as amended, the Wisconsin Family and Medical Leave Act, or any other local, state or federal laws, whether statutorily codified or not, or any claim arising in contract or in tort. You agree to give up any benefit conferred on you by any order or judgment issued in connection with any proceeding filed against any of the Released Parties regarding the matters released in this Subsection

(b) Release of Claims by the Manpower Group. As further consideration for the agreements being made by you as provided in this letter, the Corporation, on behalf of all companies within the Manpower Group, hereby irrevocably and unconditionally releases, waives, and fully and forever discharges you and your successors and assigns 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 any agreement, act, omission, occurrence, transaction or matter up to and including the date you sign this letter confirming your agreement to its terms as provided below.

(c) Scope of Release. Nothing in the waivers or releases set forth in this letter shall be construed to constitute any release or waiver by you of any rights or claims against the Manpower Group, or by the Manpower Group against you, arising under this letter.

(d) Waiver of Reinstatement. You waive any and all rights to reinstatement to full-time employment, and hereby agree not to reapply for full-time employment with any company in the Manpower Group.

(e) Representations. You represent and warrant to the Corporation that: (i) BY SIGNING THIS LETTER TO CONFIRM YOUR AGREEMENT, YOU UNDERSTAND THAT YOU HEREBY WAIVE AND RELEASE ANY AND ALL RIGHTS AND CLAIMS ARISING UNDER THE AGE DISCRIMINATION IN EMPLOYMENT ACT OF 1967, AS AMENDED, ITS STATE LAW EQUIVALENT AND ALL OTHER CLAIMS AGAINST THE CORPORATION ARISING UP TO AND INCLUDING THE DATE YOU SIGN THIS LETTER, AND ANY CLAIM ARISING FROM YOUR RESIGNATION FROM FULL-TIME EMPLOYMENT, (ii) you have executed this letter to confirm your agreement on the date set forth below your name on the signature page hereof, (iii) you have carefully read this letter, you know and understand its contents, you signed this letter freely and voluntarily, and you intend to be bound by it, and (iv) you are not relying on any representations, statements, or promises whatsoever of the Corporation or anyone else, other than as set forth in this letter, as an inducement to execute this letter.

(f) No Admission. Nothing in this letter shall be deemed an admission by you or any company in the Manpower Group of liability or wrongdoing of any nature.

14. Execution and Revocation Rights.

(a) You have the right to sign this letter, confirming your agreement, any time within twenty-one (21) calendar days following receipt of the letter.

(b) Following the date you sign, you have the right to revoke the agreement reflected by this letter at any time within seven (7) calendar days of your signing it, not including the date of your signing (the "Revocation Period"). Any notice of revocation shall be deemed effective when it is deemed to have been given as provided below. Our

agreement as reflected by this letter will not become effective or enforceable until the Revocation Period has expired. If you give a notice of revocation during the Revocation Period, this agreement reflected by this letter will be null and void, all rights and claims of the parties which would have existed, but for the execution of this letter, will be restored.

15. Successors; Binding Agreement. This letter agreement will be binding on any successor of the Corporation and will inure to the benefit of and be enforceable by your personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees.

16. Notices. Any notice required or permitted to be given or made hereunder shall be sufficient if, and occur when, hand delivered, mailed postage prepaid, sent by prepaid express or courier service or sent by facsimile transmission and actually received, to the party to receive such notice at its address set forth beneath its signature hereto or to such changed address as such party shall designate by proper notice to the other.

17. Previous Agreement. This letter, upon acceptance by you, expressly supersedes any and all previous agreements or understandings relating to your employment by the Corporation or the Manpower Group, the termination of such employment, or compensation or benefits to be provided by Manpower Group, including, but not limited to, your Employment Agreement dated September 16, 1987, as amended, or your Consulting Agreement dated January 1, 1994, and all such agreements and understandings shall have no further force or effect.

18. 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.

19. Withholding. The amounts payable to you hereunder are stated before deductions, if any, required to be made by the Corporation under applicable law.

If this letter correctly sets forth your understanding of our agreement, please sign and return one copy of this letter which will constitute our agreement with respect to the subject matter of this letter.

7

8

THIS LETTER WAIVES LEGAL CLAIMS AGAINST THE CORPORATION, INCLUDING POTENTIAL AGE DISCRIMINATION AND OTHER CLAIMS. YOU ARE ADVISED TO CONSULT YOUR OWN ATTORNEY PRIOR TO SIGNING THE DOCUMENT. YOU HAVE TWENTY-ONE (21) DAYS TO SIGN THIS LETTER. YOU CAN REVOKE YOUR ACCEPTANCE AS PROVIDED IN THIS LETTER. YOUR DECISION TO SIGN THIS LETTER MUST BE KNOWING AND VOLUNTARY.

Sincerely,

MANPOWER INC.

By: /s/ Michael J. Van Handel

Address for Notice:
5301 North Ironwood Road
Milwaukee, WI 53217
Attn: President

Agreed this 26th day of April, 1999.

/s/ Gilbert Palay

Gilbert Palay

Address for Notice:
7123 North Barnett Lane

Milwaukee, WI 53217

8

MANPOWER INC.

2000 CORPORATE SENIOR MANAGEMENT
INCENTIVE PLAN

ADMINISTRATIVE GUIDELINES

EFFECTIVE
JANUARY 1, 2000

TABLE OF CONTENTS

ARTICLE I. GENERAL PROVISIONS.....1

 Section 1. Purpose of the Plan.....1

 Section 2. Overview of the Plan.....1

 Section 3. Definitions.....2

 Section 4. Plan Administration.....4

ARTICLE II. ANNUAL BONUS PLAN.....5

 Section 1. Eligibility and Participation Guidelines.....5

 Section 2. Performance Measures.....5

 Section 3. Performance Goals.....6

 Section 4. Award Opportunities.....7

 Section 5. Calculation of Awards.....7

 Section 6. Distribution of Awards.....8

ARTICLE III. LONG-TERM INCENTIVE PLAN.....9

 Section 1. Eligibility and Participation Guidelines.....9

 Section 2. Award Type.....9

 Section 3. Award Opportunities.....10

 Section 4. Performance Measures for LTIP.....11

 Section 5. Performance Goals for LTIP.....12

 Section 6. Calculation of LTIP Awards.....13

 Section 7. Distribution of LTIP Awards.....13

 Section 8. Stock Option Grants.....13

ARTICLE IV. MISCELLANEOUS PROVISIONS.....15

 Section 1. Termination of Employment.....15

 Section 2. No Discretion to Increase Awards Otherwise Earned.....15

 Section 3. Change of Control.....15

 Section 4. No Guarantee of Employment.....15

 Section 5. Withholding Taxes.....15

 Section 6. Amendment and Discontinuance

of the Plan.....16

 Section 7. Effective Date.....16

 Section 8. Term of the Plan.....16

ARTICLE I
GENERAL PROVISIONS

SECTION 1. PURPOSE OF THE PLAN

The Plan has several key objectives:

- o Reinforce the Company's short-term and long-term business strategy
- o Focus Company Executives on shareholder value creation
- o Reward Company Executives for performance and provide opportunities to earn significant rewards for outstanding performance
- o Enable the Company to attract, retain and motivate Company Executives
- o Enhance teamwork

SECTION 2. OVERVIEW OF THE PLAN

The Plan has two components - an Annual Bonus Plan and a Long-term Incentive Plan. The Annual Bonus Plan will focus Company Executives and reinforce the short-term business strategy by rewarding Executives for achieving short-term operating goals. The Long-term Incentive Plan will focus Company Executives on long-term shareholder value creation and execution of the long-term business strategy by aligning Executives' interests with shareholders' interests.

The Plan encourages and focuses Company Executives on shareholder value creation. Shareholder value is defined as sustained improvement in the Company's stock price over time. The Company can create shareholder value by improving both its short-term and long-term operating performance and growth.

Improving operating performance in the short term needs to be focused on improving earnings while managing assets. Growing EPS while controlling the asset base is consistent with the Company's goal of improving operating performance relative to peers. Therefore, the best performance measures for short-term operating performance improvement are a combination of EPS growth and asset growth.

Improving operating performance over the long term should be captured and measured by a single performance measure to avoid confusion. Having too many performance measures will dilute Executives' focus on what areas of operating performance to improve. Economic profit is the best performance measure to use as the long-term measure for the Company because it is an all-inclusive measure that captures both EPS growth and asset efficiency. In addition, economic profit is highly correlated with shareholder value creation.

2000 Corporate Senior Management Incentive Plan

The Annual Bonus Plan provides for cash awards to be determined shortly after the end of each Plan Year. The performance measures in the Annual Bonus Plan are EPS growth and asset growth. The annual bonus Award is dependent on achieving certain EPS and asset growth goals set at the beginning of the year by the Compensation Committee. Each Participant is assigned threshold, target and outstanding bonus opportunity levels.

The Long-term Incentive Plan has two components - Stock option grants and a performance-based long-term incentive plan. The first component of the Long-term Incentive Plan is granting a portion of the total long-term incentive Award in stock options. Stock options are designed to align Executive's interests with shareholders' interests by promoting growth in shareholder value.

The second component of the Long-term Incentive Plan is a performance-based long-term incentive plan ("LTIP"). The LTIP is designed to focus corporate Executives on improving the Company's operating performance over the long term. The performance measure is three-year cumulative economic profit improvement. The LTIP Award is dependent on achieving certain levels of economic profit improvement as established at the beginning of the Performance Cycle by the

Compensation Committee. Performance Cycles are three years long and are overlapping. The LTIP award will be a portion of Executives' total long-term incentive award opportunity, paid in Restricted Stock (subject to the terms provided below) based on actual economic profit improvement over the Performance Cycle.

SECTION 3. DEFINITIONS

As used herein, the following terms shall have the following meanings:

- (a) Award - any cash, stock option, or restricted stock award granted under the Plan.
- (b) Cause - termination of Employment by the Company for Cause will mean termination upon (i) Participant's willful and continued failure to substantially perform his or her duties with the Company after a written demand for substantial performance is delivered to the Participant that specifically identifies the manner in which the Company believes that the Participant has not substantially performed such duties and the Participant has failed to resume substantial performance of such duties on a continuous basis within ten days after receiving such demand, (ii) the Participant's commission of any material act of dishonesty or disloyalty involving the Company, (iii) the Participant's chronic absence from work other than by reason of a serious health condition, (iv) the Participant's commission of a crime which substantially relates to the circumstances of his or her position with the Company or which has material adverse effect on the business of the Company, or (v) the willful engaging by the Participant in conduct which is demonstrably and materially injurious to the Company.
- (c) Change of Control - a Triggering Event as defined in the Stock Option and Restricted Stock Plan, as the same may be amended from time to time, or if a successor plan is adopted then as defined in such successor plan.

2

5

2000 Corporate Senior Management Incentive Plan

- (d) Common Stock - the common stock of the Company with a par value of \$0.01 per share.
- (e) Compensation Committee - the Executive Compensation Committee of the Board of Directors of the Company.
- (f) Code - the Internal Revenue Code of 1986, as it may be amended from time to time, and any proposed, temporary or final Treasury Regulations promulgated thereunder.
- (g) Company - Manpower Inc., a Wisconsin corporation.
- (h) Employment - continuous employment with the Company or its subsidiaries.
- (i) EPS - fully diluted earnings per share as shown in the audited financial statements of the Company and its subsidiaries.
- (j) Executives - all Participants for a given performance period. Pertains to corporate executives and not country managers.
- (k) LTIP - defined in Section 2 of Article I.
- (l) LTIP Target Opportunity, LTIP Threshold Opportunity, LTIP Outstanding Opportunity - defined in Section 3 of Article III.
- (m) Participant - any Executive designated by the Compensation Committee to participate in the Plan.
- (n) Performance Compensation Committee - the Executive Performance

Compensation Committee of the Board of Directors of the Company.

- (o) Performance Cycle - each consecutive three-year period, and the one-year period for 2000 and two-year period for 2000-2001 described in Section 5 of Article III, commencing on January 1st of each year during the term of the Plan.
- (p) Plan - 2000 Corporate Senior Management Incentive Plan. Includes the Annual Bonus Plan and Long-term Incentive Plan.
- (q) Plan Year - each yearly period commencing on January 1st of each year during the term of the Plan.
- (r) Plan Document - this document which shall govern the administration of the Plan.
- (s) Restricted Stock - as defined in the Stock Option and Restricted Stock Plan.
- (t) Stock Option Amount - defined in Section 3 of Article III.

3

6

2000 Corporate Senior Management Incentive Plan

- (u) Stock Option and Restricted Stock Plan - the 1994 Executive Stock Option and Restricted Stock Plan of the Company or any successor plan.

SECTION 4. PLAN ADMINISTRATION

- (a) Power and authority of the Compensation Committee:

The Compensation Committee shall administer the Plan. The Compensation Committee is authorized to interpret the Plan, to adopt such rules and regulations, as it may from time to time deem necessary for the effective operation of the Plan, and to act upon all matters relating to the granting of Awards under the Plan. Any determination, interpretation, construction or other action made or taken pursuant to the provisions of the Plan by or on behalf of the Compensation Committee shall be final, binding and conclusive for all purposes and upon all persons including, without limitation, the Company and Executives and their respective successors in interest.

- (b) Performance Compensation Committee:

Notwithstanding the foregoing, in recognition of the requirements of Section 162(m) of the Code, the Compensation Committee may require in the case of any proposed Participant (i) that such Executive's participation in the Plan and the performance goals and award opportunities established for such Participant under Sections 3 and 4 of Article II and Sections 3 and 5 of Article III shall be subject to the approval of the Performance Compensation Committee, and (ii) that the payment or distribution of Awards shall be subject to the prior certification by the Performance Compensation Committee that the relevant performance goals have been attained. The Compensation Committee shall itself take the actions indicated, in lieu of action by the Performance Compensation Committee, if at the time of the action the Compensation Committee is comprised solely of two or more "outside directors" under Section 162(m) of the Code.

- (c) No liability:

No member of the Compensation Committee or Performance Compensation Committee shall be personally liable by reason of any contract or other instrument executed by such member, or on such member's behalf, in such member's capacity as a member of such committee nor for any mistake of judgment made in good faith, and the Company shall indemnify and hold harmless each member of the Compensation Committee and Performance Compensation Committee and each other officer,

employee, or director of the Company to whom any duty or power relating to the administration or interpretation of the Plan has been delegated, against any cost or expense (including counsel fees) or liability (including any sum paid in settlement of a claim with the approval of the Compensation Committee) arising out of any act or omission in connection with the Plan unless arising out of such person's own fraud or bad faith.

4

7

2000 Corporate Senior Management Incentive Plan

ARTICLE II
ANNUAL BONUS PLAN

SECTION 1. ELIGIBILITY AND PARTICIPATION GUIDELINES

(a) Criteria for participation:

The Compensation Committee (subject to Section 4 of Article I) will approve Plan Participants based on such criteria as it determines, including:

- o Corporate executives who can have a significant impact on EPS growth and asset growth through their actions or decisions
- o Corporate executives who have demonstrated significant teamwork and leadership skills
- o Corporate executives with consistent outstanding performance and contributions to the Company
- o The nature of any existing compensation agreement in effect for a corporate executive

(b) Notification of participation:

The Compensation Committee will notify Participants of their participation at the beginning of the Plan Year.

(c) Renewal of participation:

The Compensation Committee reserves the right to remove any Plan Participant from the Plan at any time. Plan participation in one year does not guarantee participation in subsequent Plan Years.

SECTION 2. PERFORMANCE MEASURES

(a) Performance measures:

The performance measures used in the Annual Bonus Plan for each Participant will be EPS growth and net asset growth.

(b) Definition of measures:

- o EPS growth shall be defined as follows:
 - EPS growth is the growth in EPS from the previous year to the current year

5

8

2000 Corporate Senior Management Incentive Plan

- o Net asset growth shall be defined as follows:
 - Net assets are consolidated total assets less non-interest bearing liabilities plus securitized accounts receivable plus accumulated amortization of intangible assets minus cumulative translation adjustments
 - The amount of the purchase price for any acquisitions in excess of \$20,000,000 will be excluded from net assets for the year in which the acquisition is consummated
 - Net assets for the Plan Year will equal the average of the monthly ending net assets during the Plan Year. Similarly, net assets for the prior year will equal the average of the monthly ending net assets during the prior year.
 - Net asset growth is the growth in net assets from the previous year to the current year

In the determination of Awards, 75% of the weight will be assigned to EPS growth and 25% to asset growth.

Formal and final calculations of EPS growth and asset growth will be based on the audited financial statements of the Company as applicable.

SECTION 3. PERFORMANCE GOALS

The Compensation Committee shall set the appropriate EPS growth and asset growth goals for each Plan Year (subject to Section 4 of Article I) no later than 90 days into the Plan Year. The EPS growth and asset growth goals will be based on meeting shareholder expectations as well as the Company's strategic goals. EPS growth and asset growth goals may vary from year to year.

- (a) Threshold goal - The minimum level of performance for which an Award will be earned, will be established as the threshold goal. Achieving the threshold goal will yield the threshold opportunity level.
- (b) Target goal - The expected level of performance will be established as the target goal. Achieving the target goal will yield the target opportunity level.
- (c) Outstanding goal - An outstanding level of performance, for which an outstanding Award will be earned, will be established as the outstanding goal. Achieving the outstanding goal will yield the outstanding opportunity level.

2000 Corporate Senior Management Incentive Plan

SECTION 4. AWARD OPPORTUNITIES

The Compensation Committee shall set the Award opportunities for each Participant for the Plan Year (subject to Section 4 of Article I) no later than 90 days into the Plan Year.

- (a) Target opportunity equals a dollar amount determined by the Compensation Committee with respect to each Participant for each Plan Year.
- (b) Threshold opportunity equals a dollar amount, which will be less than the target opportunity, determined by the Compensation Committee with respect to each Participant for each Plan Year.
- (c) Outstanding opportunity equals a dollar amount, which will be greater than the target opportunity, determined by the Compensation Committee with respect to each Participant for each Plan Year.

Notwithstanding any other provision of this Plan to the contrary, the maximum

Award any Participant will be entitled to receive for any Plan Year under this annual Bonus Plan is \$1,500,000.

SECTION 5. CALCULATION OF AWARDS

The Compensation Committee shall determine the Awards for each Plan Year based on actual performance relative to the pre-established EPS growth and asset growth goals for the year.

Actual EPS growth and asset growth performance at the target goal will result in 100% of the target opportunity.

EPS growth and/or asset growth performance between the target goal and outstanding goal will result in a payout that is linearly interpolated between the target and outstanding opportunities. The amount of the bonus Award shall be capped, and therefore performance in excess of the outstanding goal will result in the outstanding opportunity.

EPS growth and/or asset growth performance between the threshold goal and target goal will result in a payout that is linearly interpolated between the threshold and target opportunities. Performance that is below the threshold goal will result in no bonus Award.

Notwithstanding the foregoing, the Compensation Committee may in its discretion reduce the amount of any Award otherwise determined under the foregoing criteria to reflect any extraordinary items, repurchases of Common Stock, or such other items as it may deem relevant.

SECTION 6. DISTRIBUTION OF AWARDS

The annual bonus Awards earned for the Plan Year will be distributed as soon as possible after the Awards have been determined, but in no event beyond 90 days after the end of the Plan Year. The annual bonus Award will be distributed as cash.

7

10

2000 Corporate Senior Management Incentive Plan

Participants may elect to defer a portion of their annual bonus Award in accordance with the terms of the Company's Nonqualified Savings Plan.

8

11

2000 Corporate Senior Management Incentive Plan

ARTICLE III

LONG-TERM INCENTIVE PLAN

SECTION 1. ELIGIBILITY AND PARTICIPATION GUIDELINES

(a) Criteria for participation:

The Compensation Committee (subject to Section 4 of Article I) will select Plan Participants based on such criteria as it determines, including:

- o Corporate executives who can have a significant impact on economic profit over the long term through their actions or decisions
- o Corporate executives who have demonstrated significant teamwork and leadership skills

- o Corporate executives with consistent outstanding performance and contributions to the Company
- o The nature of any existing compensation agreement in effect for a corporate executive

(b) Notification of participation:

The Compensation Committee will notify Participants of their participation at the beginning of the Performance Cycle.

(c) Renewal of participation:

The Compensation Committee reserves the right to remove any Plan Participant from the Long-term Incentive Plan at any time. Plan participation in one Performance Cycle does not guarantee participation in subsequent Performance Cycles.

SECTION 2. AWARD TYPE

The Long-term Incentive Plan has two components - Stock option grants and a performance-based long-term incentive plan.

Granting stock options will align Executives' interests with shareholders' interests by promoting growth in shareholder value. Accordingly, each Participant shall be eligible to receive grants of options to purchase shares of Common Stock.

- (a) Such stock options shall be granted under, and subject to the terms of, the Stock Option and Restricted Stock Plan.

2000 Corporate Senior Management Incentive Plan

- (b) The exercise price shall be determined by the Compensation Committee; provided however, that such exercise price shall not be less than 100 percent of the Market Price (as defined in the Stock Option and Restricted Stock Plan) on the business day immediately preceding the date of grant of such stock option.
- (c) Such stock options shall not be immediately exercisable but shall become exercisable as to 25 percent of the shares covered by the option on each of the first four anniversaries of the date of grant.
- (d) Such stock options shall have such other terms as the Compensation Committee shall determine.

The second component of the Long-term Incentive Plan is the LTIP. The LTIP is designed to focus Executives on improving the Company's operating performance over the long term. The LTIP will have the following characteristics:

- (a) The value of the LTIP will be a percentage of the target award opportunity.
- (b) The LTIP Award is dependent on achieving three-year economic profit improvement goals set at the beginning of each Performance Cycle for the Company.
- (c) The Award will be paid out in Restricted Stock (subject to the terms provided below) based on actual economic profit improvement during the Performance Cycle.
- (d) The Restricted Stock shall be granted under, and subject to the terms of, the Stock Option and Restricted Stock Plan.
- (e) The number of shares of Restricted Stock issued will equal the dollar amount of the Award divided by the Market Price (as defined in the

Stock Option and Restricted Stock Plan) on the business day immediately preceding the date of grant.

- (f) The Restricted Stock shall fully vest one year after the date of grant and shall be subject to such other terms as the Compensation Committee shall determine.

SECTION 3. AWARD OPPORTUNITIES

The Compensation Committee shall set the Award opportunities for each Participant for each Performance Cycle (subject to Section 4 of Article I) no later than 90 days into the Performance Cycle.

- (a) Target opportunity equals a dollar amount determined by the Compensation Committee with respect to each Participant for each Performance Cycle. The Stock Option Amount will equal 80% of the target opportunity for the

10

13

2000 Corporate Senior Management Incentive Plan

Performance Cycle, and the LTIP Target Opportunity will equal 20% of the target opportunity for the Performance Cycle.

- (b) Threshold opportunity equals a dollar amount, which will be less than the target opportunity, determined by the Compensation Committee with respect to each Participant for each Performance Cycle. The LTIP Threshold Opportunity will equal 20% of the threshold opportunity for the Performance Cycle.
- (c) Outstanding opportunity equals a dollar amount, which will be greater than the target opportunity, determined by the Compensation Committee with respect to each Participant for each Performance Cycle. The LTIP Outstanding Opportunity will equal 20% of the outstanding opportunity for the Performance Cycle.
- (d) Notwithstanding the foregoing, for the start-up cycles referred to in Section 5 of this Article, the LTIP Opportunities will be separately determined.

Notwithstanding any other provision of this Plan to the contrary, the maximum Award any Participant will be entitled to receive under the LTIP component of this Long-term Incentive Plan for any cycle (including any start-up cycle) is \$1,500,000.

SECTION 4. PERFORMANCE MEASURES FOR LTIP

- (a) Performance measure:

The performance measure used in the LTIP for each Participant will be a three-year (except at inception as described below) cumulative economic profit improvement of the Company and its subsidiaries.

- (b) Definition of measures:

Economic profit is defined as net operating profit after taxes less a capital charge.

- o Net operating profit after taxes is defined as operating profit plus (or minus) translation gain (loss) plus (or minus) net other income (loss) plus goodwill amortization plus (minus) loss (gain) on sale of securitized accounts receivable less taxes at the effective rate
- o Capital charge is defined as net assets multiplied by cost of capital
 - Net assets are consolidated total assets less non-interest bearing liabilities plus securitized accounts receivable

plus accumulated amortization of intangible assets minus cumulative translation adjustments

- Net assets will be calculated based on an average of the monthly ending net assets during the year

11

14

2000 Corporate Senior Management Incentive Plan

- Cost of capital is the weighted average of the Company's cost of equity and cost of debt as determined by the Compensation Committee

Economic profit improvement will mean the increase in economic profit for any year during a Performance Cycle over the economic profit, using the same cost of capital, in the base year.

- o Economic profit improvement will be measured over a three-year period (except at inception as indicated below)
- o The base year will be the year immediately preceding the first year of any Performance Cycle
- o Any decrease in economic profit in any year during any Performance Cycle as compared to the base year will be subtracted in determining cumulative economic profit improvement for such cycle.

The amount of the purchase price for any acquisitions in excess of \$20,000,000 will be excluded from net assets for purposes of the cost of capital calculation, including for the base year, for the year in which the acquisition is consummated and for the first year thereafter

Formal and final calculations of economic profit will be based on the audited financial statements of the Company as applicable.

SECTION 5. PERFORMANCE GOALS FOR LTIP

For the LTIP, the Compensation Committee will set the cumulative three-year economic profit improvement goal for each Performance Cycle (subject to Section 4 of Article I) no later than 90 days into the Performance Cycle. The economic profit improvement goal is based on reinforcing the EPS and asset growth goals, meeting shareholder expectations as well as Company strategic goals.

At the inception of the plan, three cycles of the LTIP will begin simultaneously. One will be a one-year cycle (FY 2000), one is a two-year cycle (FY 2000-2001), and one is a three-year cycle (FY 2000-2002). In subsequent years, one three-year cycle will be instituted at the beginning of the year. The shorter cycles will have separately determined economic profit improvement goals reflecting the shorter periods.

- (a) Threshold goal - The minimum level of performance for which an LTIP Award will be earned, will be established as the threshold goal. Achieving the threshold goal will yield the LTIP Threshold Opportunity level.
- (b) Target goal - The expected level of performance will be established as the target goal. Achieving the target goal will yield the LTIP Target Opportunity level.

12

15

2000 Corporate Senior Management Incentive Plan

- (c) Outstanding goal - An outstanding level of performance, for which an outstanding Award will be earned, will be established as the outstanding goal. Achieving the outstanding goal will yield the LTIP Outstanding Opportunity level.

SECTION 6. CALCULATION OF LTIP AWARDS

The Compensation Committee shall determine the LTIP Awards for each Performance Cycle based on actual economic profit improvement relative to the pre-established goals for the Performance Cycle.

Actual economic profit performance at the target goal will result in 100% of the LTIP Target Opportunity.

Economic profit performance between the target goal and outstanding goal will result in a payout that is linearly interpolated between the LTIP Target and LTIP Outstanding Opportunities. The LTIP Award is uncapped, and therefore performance in excess of the outstanding goal will result in Awards based on the linear relationship between LTIP Target and Outstanding Opportunities (subject to the maximum specified in Section 3 of this Article III).

Economic profit performance between the threshold goal and target goal will result in a payout that is linearly interpolated between the LTIP Threshold and LTIP Target opportunities. Performance that is below the threshold goal will result in no Award under the LTIP.

Notwithstanding the foregoing, the Compensation Committee may in its discretion reduce the amount of any LTIP Award otherwise determined under the foregoing criteria to reflect any extraordinary items or other items as it may deem relevant.

SECTION 7. DISTRIBUTION OF LTIP AWARDS

It is anticipated that the Restricted Stock for LTIP Awards earned for the Performance Cycle will be granted by the Compensation Committee at the time of the first meeting of the Compensation Committee after the end of each Performance Cycle and the Award amounts have been determined, but in no event later than 90 days after the end of the Performance Cycle. Any such grant shall be subject to and shall require action by the Compensation Committee.

SECTION 8. STOCK OPTION GRANTS

Each Participant shall be eligible to receive a grant of an option each year to purchase shares of Common Stock on the terms specified in Section 2 of this Article. Any such grant shall be subject to and shall require action by the Compensation Committee (or Performance Compensation Committee as indicated below). The number of shares for each annual grant shall be determined by the Compensation Committee based on the following guidelines:

- (a) The Compensation Committee shall determine the value of an option to purchase one share of Common Stock on the terms specified in Section 2 using the Black-Scholes method as of the date of grant.

- (b) The number of shares will equal (i) the sum of the Stock Option Amounts for each Performance Cycle in which the year is included divided by three, (ii) such amount further divided by the Black-Scholes value determined under subparagraph (a), above.
- (c) Notwithstanding the foregoing, for the year 2000, the number of shares will equal the Stock Option Amount for the three-year Performance Cycle beginning in 2000, divided by the Black-Scholes value determined under subparagraph (a), above.
- (d) Notwithstanding the foregoing, for the year 2001, the number of shares will equal (i) the sum of the Stock Option Amount for the three-year

Performance Cycle beginning in 2000, multiplied by two and divided by three, and the Stock Option Amount for the three-year Performance Cycle beginning in 2001, divided by three, (ii) such amount further divided by the Black-Scholes value determined under subparagraph (a), above.

It is anticipated that such stock option grants will be made at the time of the first meeting each calendar year of the Compensation Committee. A Participant shall not be granted any such option if at the time the grant would otherwise be made the Participant is no longer in the Employment of the Company or the Plan has been terminated.

Notwithstanding the foregoing, in recognition of the requirements of Section 162(m) of the Code, for any Participant who is a "covered employee" under that Section, the grant of any option to purchase Common Stock under this Plan shall be subject to the approval of, and only made by, the Performance Compensation Committee. However, if the Compensation Committee is comprised solely of two or more "outside directors" under that Section at the time of the proposed grant, such grant shall be subject to the approval of, and made by, the Compensation Committee.

14

17

2000 Corporate Senior Management Incentive Plan

ARTICLE IV

MISCELLANEOUS PROVISIONS

SECTION 1. TERMINATION OF EMPLOYMENT

- (a) If a Participant's Employment is terminated by the Company without Cause, by reason of the Participant's disability or death, or by the Participant because of retirement on or after the Participant's Normal Retirement Date (as defined in the Manpower Inc. Retirement Plan) or early retirement with the consent of the Committee, the Participant shall be entitled to receive a prorated annual bonus Award and LTIP Award based on the Company's performance to the date of termination.
- (b) If a Participant's Employment is terminated for any reason not specified in paragraph (a) above, all Awards for the current Plan Year or current Performance Cycles shall be forfeited.

SECTION 2. NO DISCRETION TO INCREASE AWARDS OTHERWISE EARNED

The Compensation Committee shall have no discretion to increase the amount of any Award under the Annual Bonus Plan or the Long-term Incentive Plan otherwise earned based on the attainment of a performance goal or goals.

SECTION 3. CHANGE OF CONTROL

Upon a Change of Control, the Plan will terminate and a Participant will be entitled to receive a prorated annual bonus Award and LTIP Award based on the Company's performance to the date of the Change of Control.

SECTION 4. NO GUARANTEE OF EMPLOYMENT

Participation in the Plan shall not give any Participant any right to be retained in the Employment of the Company. This Plan shall not affect any right of the Company to terminate, with or without cause, any Participant's Employment at any time.

SECTION 5. WITHHOLDING TAXES

The Company shall have the right to withhold from any compensation payable to a Participant, or to cause the Participant (or the executor or administrator of his or her estate or his or her distributee) to make payment of, any federal, state, local, or foreign taxes required to be withheld with respect to the distribution of any Awards.

2000 Corporate Senior Management Incentive Plan

SECTION 6. AMENDMENT AND DISCONTINUANCE OF THE PLAN

The Compensation Committee may amend, alter, suspend or discontinue the Plan, as it shall from time to time consider desirable. No such action shall adversely affect the rights of any Participant accrued under the Plan prior to such action without the consent of the Participant.

SECTION 7. EFFECTIVE DATE

The effective date of the Plan is January 1, 2000.

SECTION 8. TERM OF THE PLAN

The Plan shall be in effect until such time as the Compensation Committee decides to terminate the Plan.

PEOPLE. SOLUTIONS VALUE.

Manpower Inc. 1999 Annual Report

Financial Highlights

[BAR GRAPHS]

- (a) Represents total sales of Company-owned branches and franchises.
 (b) For 1999, Operating Margin does not include the \$28.0 of nonrecurring items, related to employee severances, retirement costs and other associated realignment costs. For 1998, Operating Margin does not include the \$92.1 million write-down of capitalized software.

TABLE OF CONTENTS

	page
Letter to Shareholders	2
People.	6
Solutions.	12
Value.	16
Management Discussion and Analysis of Financial Condition and Results of Operations	20
Report of Independent Public Accountants	28
Consolidated Financial Statements	29
Notes to Consolidated Financial Statements	34
Corporate Information	47
Principal Operating Units	48

COMPANY PROFILE

People are what we're about. Solutions set us apart. And that combination is how we deliver value-to our customers, our employees and our shareholders.

Manpower is a world leader in staffing and workforce management solutions, serving more than 400,000 customers around the globe and distinguished by a series of significant strengths. We are the leading global staffing brand, a name that stands for quality, service and innovation to employers and employees worldwide. We have geographic diversification, meeting customer needs through a network spanning almost 3,400 offices in 52 countries. We have a vast and growing employee base, currently comprised of 2.1 million skilled people. We offer a diversified service mix, including office, industrial, professional and call center resources and expertise. And we provide a broad range of proprietary assessment, selection and training programs that give us the industry's highest-quality service delivery system.

The year 1999 was one of significant and meaningful progress at Manpower. Throughout the year, our mission was simple: to execute our plan with urgency and improve profitability. Here's our scorecard.

Systemwide sales increased to \$11.5 billion, with all of the nearly \$1 billion increase coming from organic growth. This growth has strengthened our position as the most recognized global brand in the industry, and was achieved with a watchful eye on profitability. Operating margin reached a record \$258.7 million, up 16 percent from 1998.

In sum, we set and achieved several aggressive goals. As we enter 2000, we are advancing in all geographies with a clear purpose and intense energy, supported by the strength, depth and continuity of our office network that allows us to set the bar high and have the confidence to achieve. Our vision of being the pre-eminent global provider of higher-value workforce management services and solutions is unlocking additional value for our shareholders and further securing our place as the thought leader in the staffing industry.

[PHOTO]

Jeffrey A. Joerres
President & Chief Executive Officer

Achieving our financial goals begins with our brand, the leading "name" in the industry. In a world that is moving at web speed and creating new companies through mergers, acquisitions and quick start ups, it is my firm belief that great brands will win. Winning, of course, is based on opportunity and execution. And both of those exist for us.

The tightness of the labor market in virtually all of the 52 countries in which we operate is imposing a considerable challenge on the business world. The combination of a strong global economy, mounting competition and advancing technology have created both a critical shortage of skilled workers and the need for businesses to operate efficiently, productively and as flexibly as possible. These global developments are driving a growing demand for the staffing services that Manpower provides.

2

5

Our vision of being the pre-eminent global provider of higher-value workforce management services and solutions is unlocking additional value for our shareholders and further securing our place as the thought leader in the staffing industry.

But structural changes are taking place in our industry as well. Our customers, and businesses in general, are asking for a staffing firm to supply more than just people for seasonal or short-term assignments. They need staffing partners to identify and implement effective workforce solutions directed at their strategic objectives. This is the value Manpower can deliver today to more than 400,000 customers worldwide and it is the market position we intend to own going forward.

It is this need for flexible staffing solutions that will drive our revenue growth - a key element in our future success. This growth, however, must be in the right geographies, the right industries and with companies where the opportunities are greatest to deliver higher-value services and solutions.

This focus was exemplified in 1999 by the expansion of our office network. We opened more than 200 offices in high-potential markets, and our investments are paying off handsomely. Germany, Italy and Spain are just a few examples of our aggressive office openings. In Germany, we grew revenues organically at an impressive 28 percent rate - well above the growth rate for the German market overall - and brought even greater gains to the bottom line. And nowhere in our network is there a better example of margin improvement than in France. Here, we achieved substantial improvements in gross margin while maintaining our market position.

Technology is also a major focus for us. The Internet opens up vast opportunities to advance our offerings and further add to the Manpower brand. We have already put in place several e-commerce applications - from the Global Learning Center, which delivers e-training and development to our employees, to UltraSource", a leading-edge web-based order management system for our customers. These two applications are only a few examples of what we already have, and only the beginning of the e-commerce solutions we will offer our

customers, as we are committed to "e-thinking" every aspect of our business.

3

6

Improving our efficiency is a key element to enhancing shareholder value. There is tremendous leverage opportunity in Manpower, with even a modest increase in productivity translating into gains in value for our customers and shareholders. And we are looking for much more than modest productivity improvements. We are looking at every element of our business, from the service desk to the corporate headquarters, to improve our processes and streamline service delivery. Efficiency, however, does not mean simply cutting costs or constraining investment. In the year 2000, we expect to increase our capital expenditures to invest in the right opportunities for Manpower's long-term growth.

We are also advancing more aggressively in the professional and specialty staffing business. Our target: to make professional and specialty services account for a third of our revenue over the next five years. To that end, we re-branded Manpower(R) Technical, our former U.S. specialty business, as Manpower(R) Professional and reorganized this group to capitalize on our unique offerings and exceed the expectations of our customers. Today, Manpower Professional is our fastest growing business unit in the U.S., achieving 12 percent sales growth in 1999.

We have also looked to strengthen our position in the specialty staffing area in Europe with the strategic acquisition of Elan Group Ltd. in the United Kingdom. Beyond positioning the combined company as the United Kingdom's IT staffing leader, the acquisition creates a firm foothold for expansion throughout continental Europe under the Elan brand.

Acquisitions are an element of our plan, but we are not interested in buying revenues, earnings and the integration issues that size-driven acquisitions can entail. Our goal is straightforward: to identify and pursue opportunities that have the potential to energize and enrich our current business. Our organic growth model will remain our focus, but we are open to strategic acquisitions that will add value for our customers and our shareholders.

In a world that is moving at web speed and creating new companies through mergers, acquisitions and quick start ups, it is my firm belief that great brands will win. Winning, of course, is based on opportunity and execution. And both of those exist for us.

4

7

Great things happen when - and only when - an organization's interests are aligned with those of its customers and its shareholders, and at Manpower our objectives are aligned. Today, across our company, a common understanding is shared of what Manpower is trying to do and how each individual can contribute to our success.

Great things happen when - and only when - an organization's interests are aligned with those of its customers and its shareholders, and at Manpower our objectives are aligned. Today, across our company, a common understanding is shared of what Manpower is trying to do and how each individual can contribute to our success. We are working together to build revenue, to improve efficiency and productivity, and to take quality to ever-higher levels.

The fact that we are so well positioned is due in no small measure to the contributions of all the dedicated Manpower people worldwide who made 1999 a successful year for our company by demonstrating what happens when we plan our work and execute our plan together. We had a good year in 1999. We will all be working hard to ensure that 2000 is even better. I also want to acknowledge John R. Walter who, after serving on our Board for a year, took on the additional responsibility of serving as non-executive Chairman in May. John's business knowledge, gained as Chairman, President and CEO of R.R. Donnelley & Sons Company and, more recently, as President of AT&T is already helping Manpower move forward.

* * * * *

Special recognition is in order for Mitchell S. Fromstein who, after 23 years as Chairman, President and CEO, retired in May 1999. Mitchell's commitment to improving Manpower every day is a model for the entire company and industry.

I would also like to express my personal gratitude to Mitchell for supporting and assisting me into my role as CEO.

Respectfully,

Jeffrey A. Joerres
President & Chief Executive Officer
March 1, 2000

5

8

People are what we're about

9

Discovering strengths. Developing skills. Building careers. In today's competitive marketplace, companies worldwide are turning to Manpower for insight, innovation, and creativity to meet their recruiting, retention and workforce management requirements. We have our industry's most advanced skill evaluation and development tools to match employee experience, talents and interests to business needs.

But more importantly, we are committed to building long-term relationships with our employees through continuous training and skill development, which helps them expand their capabilities, discover new strengths and build rewarding careers.

In 1999, we took our leadership to new levels in building strong employee relationships and expanding the pool of skilled workers we can provide to customers.

We streamlined our proprietary Predictable Performance System, which provides in-depth assessment of employees' experience, skills, attitudes and interests, as well as an analysis of customer work environments and job requirements. The result: we've made sourcing and assigning qualified people even more efficient. We also employed advanced technology to strengthen our ability to recruit, train and develop employees. For example, we established relationships with major Internet job banks, allowing us to capitalize on this resource to better serve our customers' needs and the candidates' ambitions. At the same time, we continued to deploy our prototype virtual recruiting capabilities, enabling us to contact, interview, screen and assign new employees with unparalleled efficiency. We continued to fortify our Global Learning Center (GLC), our Internet-based "virtual campus" which offers about 1,000 educational courses online, to help employees stay on the cutting edge of their careers through e-learning. At last count, the GLC had more than 10,000 English-language users in the U.S., the U.K., Sweden, Norway, France, Australia, New Zealand, Singapore, Hong Kong, Japan, Korea, Malaysia, Thailand and Taiwan. And we will be introducing additional language versions in 2000. We also helped customers worldwide meet the mounting demand for skilled workers through our retraining and career re-engineering capabilities. Mergers, acquisitions, and other business events mean that companies increasingly must retrain or outplace talented, committed people. At Manpower, we're helping employees turn these challenges into opportunities by expanding their skills and finding paths to promising new careers in an ever-changing economy.

7

10

"Through our partnership with Manpower, we are helping our employees, not only to find new jobs, but also to develop their careers in new ways. This is the best possible solution to ensure that, in a situation where we have to reduce staff, our employees will make a successful transition to new employment. Our relationship with Manpower has made this process much easier."
-Ann-Charlotte Dahlstrom/Vice President, Human Resources, Network Operators & Service Providers

Career re-engineering. Ericsson, like many companies around the world, has faced one of the most difficult challenges employers ever confront: the need to significantly reduce staff due to global competition and changes in business strategies. The question the company faced in Sweden: how to help several hundred people find productive, satisfying new employment? For a solution, Ericsson turned to Manpower. Working in close partnership with Ericsson, we developed a program called FromtidsForum that went far beyond traditional "outplacement" services, to provide these employees with a window to the changing job market and the help they needed to transition into rewarding new careers. The foundation of the program lies in our industry-leading employee skill assessment and testing capabilities -- a set of proven tools that are helping every affected employee assess their knowledge base, work experience, interests and resources and begin to plan a personal career path forward. But we didn't stop there. We are helping people hone and reinforce their skills, through a combination of seminars and specialized training, delivered in conjunction with Ericsson. We are delivering active job-search assistance by leveraging our contacts and coordinating with government job agencies. And we have provided temporary placements through Manpower to interested employees, which helps them gain added exposure to the job market, and expand their skills and contact networks. The result? The people affected are well on their way to new careers. And Ericsson has strengthened its reputation as an employer that cares and is willing to invest in the future of its employees.

Mergers, acquisitions and other business events mean that companies increasingly must retrain or outplace talented, committed people. At Manpower, we are helping employees turn these challenges into opportunities by expanding their skills and finding paths to promising new careers in an ever changing economy.

8

11

[PHOTO]

12

[PHOTO]

13

UNISYS/France

"Unisys has relied upon Manpower to provide IT workers, technicians and office administration staff in many countries around the world. We continue to expand our relationship with Manpower because they are able to deliver creative solutions that ensure we have the people we need to get the job done, despite the critical labor and skill shortages that currently exist worldwide." -- Terry Laudal / Vice President, Resource Planning and Recruiting

Creating a skilled labor pool. In today's electronic world, business is being redefined every day, and often the impact is felt most keenly by technology companies themselves. This was the case with Unisys, one of the world's leading computer information and technology firms. As demand for the company's services in France mounted, Unisys needed to recruit rising numbers of entry-level high-tech employees -- more people, in fact, than it could access on its own. To address this challenge, Unisys called on Manpower. Our solution: we concentrated on attracting recent college graduates with degrees in the sciences, such as physics, chemistry, biology, and math. These graduates have the same basic skills and profiles as graduates with IT degrees, but in France they often have

difficulty finding jobs in their fields. Working with Unisys, we developed a comprehensive solution to recruit, screen, evaluate and select high-potential science graduates at the beginning of their careers, coordinate training tailored to the company's requirements, and manage their integration into Unisys assignments. One key: in addition to working with the candidates themselves, we also help Unisys managers to successfully transition the new employees into line assignments. The result of this innovative program: Unisys gains the talented IT employees it needs, and new science graduates who faced an uncertain future obtain the skills and experience they need to build promising careers in a changing world.

Employers want access to qualified workers -- employees with the education, experience, interests, and portfolio of skills needed to get the job done right. Employees want opportunities to advance their careers. At Manpower, we bring business and employee interests together, with innovative thinking, advanced recruiting, skill-identification, and performance tracking systems, and the best continuing training and development programs in the business.

11

14

Solutions set us apart.

12

15

Informed thinking. Innovative services. Proven results. The business world is changing, and so is the world of work. Where companies once thought of temporary staffing in terms of finding fill-in workers, today they view it as a mission-critical means of managing their workforces on a flexible, just-in-time basis. Businesses are looking for intelligent, innovative approaches to urgent issues, and they count on Manpower to provide them. Our range of services matters, of course. But what sets us apart is the way we think. Rather than selling a set of "off-the-shelf" services, we deliver the ideas and perspectives that employers need to develop effective workforce management solutions. Demand is growing worldwide for workforce solutions to meet the need for high-end professional staff, and Manpower is focused on meeting that demand. In 1999, we made a major commitment to dedicate more resources to the full range of IT, telecommunications, engineering, scientific, financial and other professional staffing services we provide worldwide. Beyond access to flexible staffing on a project basis, Manpower's professional and specialty staffing brands provide customers with state-of-the-art recruiting and retention capabilities, and a full range of continuous training services to ensure our talented pool of professional contractors are capable of handling the most challenging assignment. We give employees access to online training, technical certification and on-the-job experience with the world's leading companies. The result: professional and specialty staffing services are one of our fastest-growing business segments. Call centers represent another important Manpower focus, as the demand for these services grows exponentially worldwide. With the rapid rise of e-commerce, call centers and customer care centers play a vital role in the customer relationship-management equation. Many of the world's leading companies rely on Manpower for the large-scale recruiting, selection and training needed to deliver customer service excellence. Today, more than 50,000 Manpower employees staff call centers and customer care centers around the globe. We also took strategic outsourcing to new levels, from on-site human resource management to total outsourcing of customer functions and operations. Some of these challenging initiatives involved taking our major-project planning, staffing and management capabilities in important new directions, such as supporting brand introductions and new-product rollouts in South America.

13

16

ELIZABETH ARDEN/U.S.

"This is a value-added relationship for us. Manpower isn't just supplying us with a variable workforce, but has been able to absorb ownership of the entire assembly portion of our process. I think this differentiates them from others in their business. They are the perfect partner for us." -- Roy C. Drilon / Vice President, Operations

The power of partnership. Every year, Elizabeth Arden's operations in Roanoke, Virginia assemble more than 15 million promotional gift sets. While assembly was an important aspect of the cosmetic maker's operations, it also was a highly seasonal activity that tended to disrupt the manufacturing process because of the peaks and valleys in the assembly workload. To make the assembly process more efficient, the company considered outsourcing these operations to an out-of-state packaging firm, an action that would have added significant shipping charges, moved hundreds of jobs out of Roanoke, and made it harder to handle rushed or special orders. That's where Manpower's comprehensive and creative workforce-management solutions came in. In a step beyond our role in supplying temporary assembly staff for the company, we worked collaboratively with Elizabeth Arden to help redefine its processes through strategic assembly outsourcing. It took thought, planning, and a willingness to work as a long-term partner. And it paid off in results. We now manage Elizabeth Arden's entire assembly operation, providing everything from the assembly workforce, supervisory and management team, to the facility in which they work. The efficiency we provide translates into significant annual savings and a superior customer service level for Elizabeth Arden. Just as important, by keeping the assembly operation in Roanoke, the company can closely monitor process quality. And it prevented the loss of local jobs that would have occurred if this work had been sent out of state.

For employers worldwide, managing workforces at single sites or across countries and continents is an increasingly complex challenge, and one that is central to success. In addressing these issues, Manpower is delivering the resources, perspectives, and innovative solutions employers need to meet the challenges and capitalize on the opportunities of today's marketplace.

14

17

[PHOTO]

18

VALUE IS OUR STANDARD

19

Advanced technology. Forward thinking. Aligned interests. As globalization redefines the scope of business and the Internet reshapes business practices from the ground up, companies are rethinking the value of everything they do. The challenges presented by the worldwide shortage of skilled labor have made human resources a top business priority. At Manpower, we're helping employers navigate these changes by partnering with them in new, innovative ways to deliver the flexible workforce solutions that are essential to creating real value. In 1999, we helped customers worldwide re-evaluate their workforce management strategies and find new ways to serve their customers and gain a competitive edge. By integrating our services with the customer's business requirements, we delivered the solutions they needed to manage business transitions and staffing fluctuations in ways that made massive organizational change a seamless process for their customers. We also provided large-scale global solutions to some of the world's most prominent companies, ranging from on-site management to outsourcing that ensured a predictable, quality workforce was getting the job done right. The importance of technology in delivering these value-added solutions begins in our own operations, with the ability to share ideas and best practices, support global and regional customers, improve productivity, increase efficiency and drive continuing growth. In 1999, we upgraded our information technology capabilities by implementing powerful new

systems to meet changing operating demands. These efforts were enhanced by the introduction of technology-driven solutions that help employers better manage their workforces, whether they depend on Manpower alone or deal with multiple suppliers. UltraSource, our leading-edge web-based order management system, is a prime example. With UltraSource, customers get a complete vendor management solution incorporating not just technology but also effective Manpower-led workflow processes. Staff requisition, order status review, order deployment to multiple suppliers, resume review and interview scheduling are all handled online. Customers can track every stage of the process electronically, with automated e-mail notification to proactively keep all parties informed. Just as important, UltraSource captures relevant metrics to allow Manpower and its customers to monitor process performance and drive continuous improvement.

17

20

[PHOTO]

21

MILLENNIUM DOME/U.K.

"The breadth and depth of Manpower's service has enabled us to develop and deliver a truly world-class HR programme. Not only do we have the best-quality people, but the best support systems and the knowledge that Manpower will help our people continue their careers at the end of the Year 2000." -- Raj Pragasam/Director, Human Resources, New Millennium Experience Company

Innovation for the New Millennium. At this pivotal point in history, a revolution is underway in the worldwide workplace, and Manpower is offering a glimpse into the future of work with our sponsorship of the Work Zone at the Millennium Dome in Greenwich, England. The Work Zone is one of 14 discovery zones housed in the 2.5 million square-foot complex and it is expected to host 12 million visitors this year, to explore the possibilities that the future holds. But we're doing more than just thinking about the future of work. We're putting our ideas into action as the company selected to handle human resources management for the New Millennium Experience Company (NMEC), the company that created the Millennium Dome itself.

Our job went far beyond recruiting and placing the 2,000-plus hosts and assistant visitor service managers the Dome requires. Despite its scale, the Millennium Dome is a start-up enterprise, and we called on our full range of capabilities -- from strategic project planning to training, administration and on-site management -- to give NMEC a world-class HR program. Systems support also was essential. Although the Dome's staff is employed directly by NMEC, we help the company manage payroll and staffing levels simultaneously through a customized IT solution that not only captures attendance and wage data, but also helps monitor staffing levels across the Dome, to ensure they are attuned to visitor demand. And our global resources, local staffing connections, and skill development tools are critical as well. Not only do we give NMEC the best people and the best support systems; we also give them the knowledge that we can help their employees continue their careers after the year 2000.

For Manpower, success means delivering real value to our customers, our employees, and our shareholders. We create value for our customers by helping them achieve their business objectives. For employees, we make work more meaningful and more rewarding. For investors, we improve productivity and efficiency, and generate profitable growth. And, in everything we do, the speed, flexibility, and new ideas driven by advanced technology are the keys to value creation.

19

22

Management's Discussion and Analysis
of Financial Condition and Results of Operations

Nature of Operations Manpower Inc. (the "Company") is a leading non-governmental employment services organization, providing staffing and workforce management services and solutions to a wide variety of customers. Through a global network of almost 3,400 systemwide offices in 52 countries, the Company provides temporary staffing services, contract services and training and testing of temporary and permanent workers.

Systemwide information referred to throughout this discussion includes both Company-owned branches and franchises. The Company generates revenues from sales of services by its own branch operations and from fees earned on sales of services by its franchise operations. (See Note 1 to the Consolidated Financial Statements for further information.)

[PIE CHART]

Results of Operations--Years Ended December 31, 1999, 1998 and 1997 Consolidated Results--1999 compared to 1998 The Company achieved a record Systemwide Sales level of \$11.5 billion during 1999, increasing 9.4% over the 1998 level of \$10.5 billion and more than doubling the sales level of just five years ago.

Revenues from services increased 10.8%. Revenues were unfavorably impacted during the year by changes in currency exchange rates, as the U.S. Dollar strengthened relative to the currencies in most of the Company's non-U.S. markets. At constant exchange rates, the increase in revenues would have been 13.2%. Volume, as measured by billable hours of branch operations, increased 10.2%.

Operating profit increased 76.9% during 1999. Excluding the impact of the \$28.0 million of nonrecurring items recorded in 1999, related to employee severances, retirement costs and other associated realignment costs, and the \$92.1 million write-down of capitalized software in 1998, operating profit increased 16.3%. As a percentage of revenues, operating profit increased to 2.6% in 1999 from 2.5% in 1998.

Gross profit increased 13.4% during 1999, reflecting both the increase in revenues and an improvement in the gross profit margin. The gross profit margin improved to 17.5% in 1999 from 17.1% in 1998 due primarily to the enhanced pricing of our business in France.

Selling and administrative expenses increased 15.1% during 1999. Excluding the impact of the nonrecurring items recorded in 1999, selling and administrative expenses increased 12.9%. As a percent of revenue, these expenses were 14.8% in 1999 and 14.5% in 1998. This increase is due primarily to an increase in France's business tax (taxe professionnelle) and to the continued investment in new or expanding markets. On a worldwide basis, the Company opened more than 200 new offices during 1999, with the majority being opened in mainland Europe.

Interest and other expense increased \$8.2 million during 1999 primarily due to the higher borrowing levels required to finance the Company's share repurchase program and the ongoing investments in our global office network.

The Company provided for income taxes at a rate of 27.1% in 1999 compared to 33.5% in 1998. The decrease in the rate primarily reflects the nonrecurring items, including a one-time tax benefit of \$15.7 million related to the Company's dissolution of a non-operating subsidiary, incurred in the second quarter of 1999. Without these nonrecurring items, the tax rate would have been 35.5%, which is different than the U.S. Federal statutory rate due to foreign repatriations, foreign tax rate differences and net operating loss carryforwards which had been fully reserved for in prior years.

Net earnings per share, on a fully diluted basis, was \$1.91 in 1999 compared to \$.93 in 1998. Excluding the nonrecurring items recorded in 1999 and the write-down of capitalized software in 1998, diluted earnings per share was \$1.92 in 1999 compared to \$1.64 in 1998. The 1999 earnings were negatively impacted \$.05 per share due to the lower currency exchange rates during the year. The weighted average shares outstanding decreased 3.0% due to the Company's treasury stock purchases. On an undiluted basis, net earnings per share was \$1.94 in 1999 (\$1.95 excluding the nonrecurring items) and \$.94 in 1998 (\$1.66 excluding the write-down of capitalized software).

Consolidated Results--1998 compared to 1997 Systemwide sales increased 18.2% during 1998. Revenues from services increased 21.4%. Revenues were unfavorably impacted by changes in currency exchange rates during 1998 as the U.S. Dollar strengthened relative to the currencies in most of the

Company's non-U.S. markets. At constant exchange rates, the increase in revenues would have been 23.0%. Volume, as measured by billable hours of branch operations, increased 16.5%.

Operating profit declined 48.9% during 1998 due primarily to the write-down of capitalized software. Excluding this write-down, operating profit declined 12.9% from the 1997 level. The operating profit margin was 2.5% of revenues in 1998 compared to 3.5% of revenues in 1997. This decline in operating margins is primarily attributable to a 1% decline in the gross profit margin, precipitated by a change in the French payroll tax legislation. In certain of the Company's European markets, government employment incentive programs are in place to encourage employment by providing a credit against payroll taxes otherwise payable. In France, legislation was enacted in late 1997 that reduced the amount of such payroll tax credits beginning in January 1998. This reduction resulted in higher payroll taxes and thus a higher cost of service.

Selling and administrative expenses were 14.5% of revenues in 1998 and 1997. The Company was able to maintain overhead costs at a constant percentage of revenue in 1998 despite a significant investment in new markets and infrastructure enhancements.

In December 1998, the Company recorded a \$92.1 million (\$57.1 million after-tax) non-cash charge to write off the carrying value of software costs and certain hardware and network infrastructure costs related to the development of a complex and proprietary information system for its North American branch office administration, invoicing and payroll processing.

Interest and other expense includes net interest expense of \$10.8 million and \$3.1 million in 1998 and 1997, respectively. Net interest expense was primarily impacted by changes in worldwide borrowing levels needed to finance the Company's share repurchase program and the investments in our global office network.

The Company provided for income taxes at a rate of 33.5% in 1998 compared to 34.2% in 1997. The decrease in the rate relates primarily to the increased utilization of net operating loss carryforwards. In 1998 and 1997, the Company's effective income tax rate is lower than the U.S. Federal statutory rate due to the utilization of capital and net operating loss carryforwards that had been fully reserved for in prior years.

Net earnings per share, on a diluted basis, was \$.93 in 1998 (\$1.64 per share excluding the write-down of capitalized software) and \$1.97 in 1997. The 1998 earnings were negatively impacted \$.07 per share due to lower currency exchange rates during the year. The weighted average shares outstanding decreased 2.6% in 1998 compared to 1997 due to the Company's treasury stock purchases and a smaller effect of dilutive stock options caused by the lower average share price during 1998. (See Note 2 to the Consolidated Financial Statements for further information.) On an undiluted basis, net earnings per share was \$.94 in 1998 (\$1.66 excluding the write-down of capitalized software) and \$2.01 in 1997.

Segment Results The Company is organized and managed on a geographical basis. Each country has its own distinct operations, is managed locally by its own management team and maintains its own financial reports. Each country reports directly, or indirectly through a regional manager, to a member of senior management. Given this reporting structure, all of the Company's operations have been segregated into the following segments--the United States, France, the United Kingdom, Other Europe and Other Countries. (See Note 13 to the Consolidated Financial Statements for further information.)

[PIE CHART]

United States--The Company's United States operation again achieved record systemwide sales and revenue levels during 1999, with sales of \$3.8 billion and revenues of \$2.3 billion, increases of 5% over 1998.

Revenues of the light industrial sector accelerated during 1999, reaching a 15% year-over-year growth rate in the fourth quarter, as the U.S. manufacturing economy strengthened. The growth of Manpower Professional was strong throughout 1999 posting year-over-year revenue gains of 12%.

Operating profits were up 3% for the year, but accelerated to 8% growth in the second half of the year. The U.S. operations were able to improve their operating margin percent in the second half of 1999, to 3.9% compared to 3.8% in 1998, as a result of improved overhead efficiencies.

[BAR GRAPH]

France--Revenues in France grew 9% in local currency to FFR23.3 billion (\$3.8 billion) for 1999, reflecting a doubling of business since 1996.

Revenue growth accelerated in the second half of 1999, reaching year-over-year gains of 16% in the fourth quarter. These gains were fueled by an improving French economy and strong industrial production.

More importantly, we were able to achieve these revenue gains and maintain our market position while realizing a significant improvement in operating profit margins. Operating profits increased 39% in local currency to FFR629.3 million during 1999, on an operating profit margin improvement to 2.7% in 1999 from 2.1% in 1998. This improvement was the result of enhanced pricing initiatives designed to recover our payroll tax cost increases. These cost increases were the direct result of a reduction in payroll tax subsidies offered by the French government under their employment incentive programs, which became effective January 1, 1998.

[BAR GRAPH]

United Kingdom--Revenues in the U.K. grew 10% in local currency, reaching \$1.2 billion in 1999. Operating profit margins declined during the year, reflecting continued intense price competition on the large account business. The U.K. operation expects to continue shifting its revenue mix to achieve a greater balance between retail and large account business. Gross profit margins improved each quarter throughout 1999 and year-over-year gains were realized in the fourth quarter.

In January 2000, the Company acquired Elan Group Limited, a European specialty IT staffing company with significant operations in the U.K. (See Note 11 to the Consolidated Financial Statements for further information.) We believe that this acquisition strengthens the Company's position as a leading staffing provider in the U.K. market and that it will provide a platform for rapid expansion of the IT business in Europe.

[BAR GRAPH]

Other Europe--Revenues in the Other Europe segment grew an impressive 38% in constant currency during 1999, exceeding the \$1.5 billion mark. 1999 represents the third consecutive year of constant currency revenue growth in excess of 30%. This revenue growth is almost entirely organic and has been fueled by the Company's significant investment in new office openings in Europe's rapidly expanding markets, including Germany, Italy, Spain and Sweden.

During 1999, the Company opened more than 100 offices in the Other European markets and has opened more than 450 offices since 1996. Operating profits also increased 29% during 1999 to \$63.2 million, as our investments in these new offices began producing positive results.

22

25

[BAR GRAPH]

Other Countries--Revenues in the Other Countries segment exceeded the \$1.0 billion mark, increasing 35% during 1999, or 24% in constant currency. This revenue increase was driven primarily by Australia, Canada, Japan and Mexico.

The Company's largest operation within this segment is Japan, where revenues were up 6% in local currency during 1999 despite the recession. Revenue growth improved modestly throughout the year, accelerating to 9% in the fourth quarter of 1999.

The operating profit margin declined during the year primarily as a result of gross margin declines related to the recessionary environment in Japan.

[BAR GRAPH]

Liquidity and Capital Resources Cash sources Cash used by operating activities was \$.5 million during 1999. Cash provided by operating activities was \$265.2 million and \$25.3 million in 1998 and 1997, respectively. Included in 1999 and 1998 is \$25.0 million and \$175.0 million of cash received from the sale of accounts receivable in the U.S. (See "Capital resources" for a discussion of this program). Cash from operating activities was also significantly impacted by changes in working capital. Excluding the sale of accounts receivable in 1999 and 1998, cash used to support net working capital needs was \$275.2 million, \$107.7 million and \$198.0 million in 1999, 1998 and 1997, respectively. The

revenue growth in France and Italy is the primary reason for the increasing working capital needs, as it is normal in these markets to have Days Sales Outstanding in excess of 70 days. Cash provided by operating activities before working capital changes was \$249.7 million, \$197.8 million and \$223.3 million in 1999, 1998 and 1997, respectively.

Accounts receivable increased to \$1,897.6 million at December 31, 1999 from \$1,674.7 million at December 31, 1998. This change is due to the increased sales levels in all of the Company's major markets, offset by the sale of accounts receivable and the impact of currency exchange rates. Without the sale of accounts receivable and at constant exchange rates, receivables would have increased an additional \$25.0 million and \$162.1 million, respectively.

Net cash provided by borrowings was \$246.6 million in 1999 and \$137.8 million in 1997. The additional borrowings were primarily used for working capital growth and investments in new markets, capital expenditures, acquisitions and repurchases of the Company's common stock. Cash from operating activities in 1998 was used to repay borrowings of \$9.8 million, for investments in new markets, capital expenditures and acquisitions, and to repurchase shares of the Company's common stock.

Cash uses Capital expenditures decreased to \$74.7 million in 1999 from \$140.8 million in 1998 and \$98.6 million in 1997. These expenditures are primarily comprised of purchases of computer equipment, office furniture and other costs related to office openings and refurbishments, as well as capitalized software costs of \$3.0 million, \$40.1 million and \$37.6 million in 1999, 1998 and 1997, respectively.

From time to time, the Company acquires certain franchises and other unrelated companies throughout the world. The total cash consideration paid for acquisitions, net of cash acquired, was \$18.8 million in 1999, \$31.7 million in 1998 and \$16.5 million in 1997.

Subsequent to December 31, 1999, the Company acquired Elan Group Limited ("Elan") and several other companies

23

26

Management's Discussion and Analysis (continued)
of Financial Condition and Results of Operations

throughout the world. The total cost of these acquisitions was \$121.7 million, the majority of which was recorded as intangible assets. In addition, the Elan acquisition includes approximately \$44.0 million of deferred consideration expected to be paid during 2000 and 2001.

The Board of Directors has authorized the repurchase of 15 million shares under the Company's share repurchase program. Share repurchases may be made from time to time and may be implemented through a variety of methods, including open market purchases, block transactions, privately negotiated transactions, accelerated share repurchase programs, forward repurchase agreements or similar facilities. At December 31, 1999, 8.3 million shares at a cost of \$229.8 million have been repurchased under the program, \$100.8 million of which were repurchased during 1999.

The Company paid dividends of \$15.3 million, \$15.2 million and \$13.8 million in 1999, 1998 and 1997, respectively.

Cash and cash equivalents increased \$61.2 million in 1999 and \$38.2 million in 1998 compared to a decrease of \$38.3 million in 1997.

Capitalization Total capitalization at December 31, 1999 was \$1,139.6 million, comprised of \$489.0 million of debt and \$650.6 million of equity. Debt as a percentage of total capitalization increased to 43% in 1999 from 28% in 1998, due primarily to the repurchases of the Company's common stock during the year.

[BAR GRAPH]

Capital resources In July 1999, the Company issued 200.0 million of 7-year unsecured notes with an effective interest rate of 5.7%. Net proceeds of \$200.9 million from the issuance of these notes were used to repay amounts outstanding under the Company's unsecured revolving credit agreement and commercial paper program.

The Company has a \$415.0 million unsecured revolving credit agreement that includes a \$90.0 million commitment to be used exclusively for standby letters of credit. Borrowings of \$133.7 million and letters of credit of \$57.9 million were outstanding under the facility at December 31, 1999. The facility matures

on November 25, 2002 and may be increased to a maximum of \$500.0 million or extended for an additional year with the lenders' consent. The agreement requires, among other things, that the Company comply with an interest coverage ratio of not less than 3.0 to 1, a debt-to-capitalization ratio of less than .60 to 1 and a maximum subsidiary debt level of \$50.0 million. As of December 31, 1999, the Company had an interest coverage ratio of 17.4 to 1, a debt-to-capitalization ratio (as defined under the agreement) of .46 to 1 and a subsidiary debt level of \$49.0 million.

In November 1999, the Company entered into a \$300.0 million revolving credit agreement. The facility matures on November 22, 2000, and may be extended for an additional year with the lenders' consent. This agreement has similar restrictive covenants to the Company's \$415.0 million revolving credit agreement. As of December 31, 1999, the Company had no borrowings under this agreement.

Borrowings of \$14.8 million were outstanding under the Company's \$75.0 million U.S. commercial paper program. Commercial paper borrowings, which are backed by the \$415.0 million unsecured revolving credit agreement, have been classified as long-term debt due to the availability to refinance them on a long-term basis under the revolving credit facility.

During the first quarter of 2000, the Company issued 150.0 million of 5-year unsecured notes with an effective interest rate of 6.3%. Net proceeds from the issuance of these notes were used to repay amounts outstanding under the Company's unsecured revolving credit agreement and commercial paper program.

In addition to the above, the Company and some of its foreign subsidiaries maintain separate lines of credit with local financial institutions to meet working capital needs. As of December 31, 1999, such lines totaled \$160.4 million, of which \$32.5 million was unused.

A wholly owned subsidiary of the Company has an agreement to sell, on an ongoing basis, up to \$200.0 million of an undivided interest in its accounts receivable. The amount of receivables sold under this agreement totaled \$200.0 million and \$175.0 million at December 31, 1999 and 1998, respectively. Unless extended by amendment, the agreement expires in December 2000. (See Note 4 to the Consolidated Financial Statements for further information.)

24

27

The Company's principal ongoing cash needs are to finance working capital, capital expenditures, acquisitions and the share repurchase program. Working capital is primarily in the form of trade receivables, which increase as revenues increase. The amount of financing necessary to support revenue growth depends on receivable turnover, which differs in each market in which the Company operates.

The Company believes that its internally generated funds and its existing credit facilities are sufficient to cover its near-term projected cash needs. With continued revenue increases or additional acquisitions or share repurchases, additional borrowings under the existing facilities would be necessary to finance the Company's cash needs.

Significant Matters Affecting Results of Operations

Market risks The Company is exposed to the impact of interest rate changes and foreign currency fluctuations.

Interest Rates--The Company's exposure to market risk for changes in interest rates relates primarily to the Company's long-term debt obligations. The Company has historically managed interest rates through the use of a combination of fixed and variable rate borrowings. During 1999 and the first quarter of 2000, the Company has replaced a total of 350.0 million of variable rate financing with long-term, fixed rate notes. The Company believes that the addition of these notes protects the Company against the recent and anticipated interest rate increases.

In addition, interest rate swaps may be used to adjust interest rate exposures when appropriate. Currently, the Company has an interest rate swap agreement, expiring in 2001, to fix the interest rate at 6.0% on \$50.0 million of the Company's revolving credit borrowings under the revolving credit agreement. The fair value of this agreement, the impact on cash flows and the interest expense recorded during 1999 were not material.

A 41 basis point (.41%) move in interest rates on the Company's variable rate borrowings (10% of the weighted average worldwide interest rate) would have an immaterial impact on the Company's earnings before income taxes and cash flows in each of the next five years. In addition, a 41 basis point move in interest rates would have an immaterial impact on the fair value, interest expense and cash flows related to the Company's interest rate swap agreement.

Exchange Rates--The Company's exposure to exchange rates relates primarily to its foreign subsidiaries and its Euro-denominated borrowings. Related to its foreign subsidiaries, exchange rates impact the U.S. Dollar value of their reported earnings, the Company's investments in the subsidiaries and the intercompany transactions with the subsidiaries.

Over 75% of the Company's revenues are generated outside of the United States. As a result, fluctuations in the value of foreign currencies against the dollar may have a significant impact on the reported results of the Company. Revenues and expenses denominated in foreign currencies are translated into United States dollars at the weighted average exchange rate for the year. Consequently, as the value of the dollar strengthens relative to other currencies in the Company's major markets, as it did on average in 1999, the resulting translated revenues, expenses and operating profits are lower. Using constant exchange rates, 1999 revenues and operating profits would have been approximately 3% higher than reported.

Fluctuations in currency exchange rates also impact the U.S. Dollar amount of shareholders' equity of the Company. The assets and liabilities of the Company's non-U.S. subsidiaries are translated into United States dollars at the exchange rates in effect at year-end. The resulting translation adjustments are recorded in shareholders' equity as Accumulated other comprehensive income (loss). The dollar was stronger relative to many of the foreign currencies at December 31, 1999 compared to December 31, 1998. Consequently, the Accumulated other comprehensive income (loss) component of shareholders' equity decreased \$70.9 million during the year. Using the year-end exchange rates, the total amount permanently invested in non-U.S. subsidiaries at December 31, 1999 is approximately \$1.6 billion.

During 1999 and the first quarter of 2000, the Company has issued 350.0 million of Euro-denominated notes. These notes provide a hedge of the Company's net investment in its European subsidiaries with Euro functional currencies. Since the Company's net investment in these subsidiaries exceeds the amount of the notes, all translation gains or losses related to these notes is included as a component of Accumulated other comprehensive income (loss). The Accumulated other comprehensive income (loss) component of shareholders' equity increased \$1.5 million during the year due to the currency impact on these notes.

25

28

Management's Discussion and Analysis (continued)
of Financial Condition and Results of Operations

Although currency fluctuations impact the Company's reported results and shareholders' equity, such fluctuations generally do not affect the Company's cash flow or result in actual economic gains or losses. Each of the Company's subsidiaries derives revenues and incurs expenses within a single country and consequently, does not generally incur currency risks in connection with the conduct of its normal business operations. The Company generally has few cross border transfers of funds, except for transfers to the United States to fund the expense of the Company's international headquarters and working capital loans made from the United States to the Company's foreign subsidiaries. To reduce the currency risk related to the loans, the Company may borrow funds under the Revolving Credit Agreement in the foreign currency to lend to the subsidiary, or alternatively, may enter into a forward contract to hedge the loan. Foreign exchange gains and losses recognized on any transactions are included in the Consolidated Statements of Operations and historically have been immaterial. The Company generally does not engage in hedging activities, except as discussed above. The Company did not hold any derivative instruments, except the interest rate swap discussed above, at December 31, 1999.

The Company holds a 49% interest in its Swiss franchise, which holds an investment portfolio of approximately \$66.3 million as of December 31, 1999. This portfolio is invested in a wide diversity of European and U.S. debt and equity securities as well as various professionally managed funds. To the extent that there are gains or losses related to this portfolio, the Company's ownership share is included in its consolidated operating results.

Impact of economic conditions Because one of the principal attractions of using temporary staffing solutions is to maintain a flexible supply of labor to meet changing economic conditions, the industry has been and remains sensitive to economic cycles. To help counter the effects of these economic cycles, the Company continues to provide a diversified service mix, including office, industrial, professional and call center resources and expertise, and a variety of workforce management solutions, including recruiting, training and managing temporary and permanent staff. While the Company believes that the wide spread of its operations and the diversity of its service mix and solutions cushions it

against the impact of an adverse economic cycle in any single country or industry, adverse economic conditions in any of its three largest markets would likely have a material impact on the Company's consolidated operating results.

Year 2000 The Company has not encountered any significant problems with its IT or non-IT systems due to the Year 2000 Issue. Likewise, no significant franchisees, vendors or customers have encountered Year 2000 Issues that are expected to impact the Company.

To address its potential Year 2000 Issues, the Company used both external and internal resources for the assessment, remediation and testing of its IT and non-IT systems. The Company expensed a total of \$11.6 million for external resources. Hardware purchases directly related to the Year 2000 project were minimal.

The Euro On January 1, 1999, 11 of the 15 member countries of the European Union (the "participating countries") established fixed conversion rates between their existing sovereign currencies (the "legacy currencies") and the Euro and have agreed to adopt the Euro as their common legal currency. The legacy currencies will remain legal tender in the participating countries as denominations of the Euro between January 1, 1999 and January 1, 2002 (the "transition period"). During the transition period, public and private parties may pay for goods and services using either the Euro or the participating country's legacy currency.

The Company is currently assessing the impact of the Euro in its business operations in all participating countries. Since the Company's labor costs and prices are generally determined on a local basis, the near-term impact of the Euro is expected to be primarily related to making internal information systems modifications to meet customer invoicing and external reporting requirements. Such modifications relate to converting currency values and to operating in a dual currency environment during the transition period. Modifications of internal information systems will occur throughout the transition period and will be coordinated with other system-related upgrades and enhancements. The Company will expense all such system modification costs as incurred and does not expect such costs to be material to the Company's financial results.

Legal regulations and union relationships The temporary employment services industry is closely regulated in all of the major markets in which the Company operates except the United

States and Canada. In addition to licensing or registration requirements, many countries impose substantive restrictions on temporary employment services, either on the temporary staffing company or the ultimate client company. They may restrict the length of temporary assignments, the type of work permitted for temporary workers or the occasions on which temporary workers may be used. Changes in applicable laws or regulations have occurred in the past and are expected in the future to affect the extent to which temporary employment services firms may operate. These changes could impose additional costs or taxes, additional record keeping or reporting requirements; restrict the tasks to which temporaries may be assigned; limit the duration of or otherwise impose restrictions on the nature of the temporary relationship (with the Company or the client) or otherwise adversely affect the industry.

In many markets, the existence or absence of collective bargaining agreements with labor organizations has a significant impact on the Company's operations and the ability of customers to utilize the Company's services. In some markets, labor agreements are structured on a national or industry-wide (rather than a company) basis. Changes in these collective labor agreements have occurred in the past and are expected in the future and may have a material impact on the operations of temporary staffing firms, including the Company.

Forward-looking statements Certain information included or incorporated by reference in this filing and identified by use of the words "expects," "believes," "plans" or the like constitutes forward-looking statements, as such term is defined in Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. In addition, any information included or incorporated by reference in future filings by the Company with the Securities and Exchange Commission, as well as information contained in written material, releases and oral statements issued by or on behalf of the Company may include forward-looking statements. All statements which address operating performance, events or developments that the Company expects or anticipates will occur or future financial performance are forward-looking statements.

These forward-looking statements speak only as of the date on which they are made. They rely on a number of assumptions concerning future events and are

subject to a number of risks and uncertainties, many of which are outside of the Company's control, that could cause actual results to differ materially from such statements. These risks and uncertainties include, but are not limited to:

- material changes in the demand from larger customers, including customers with which the Company has national or global arrangements
- availability of temporary workers or workers with the skills required by customers
- increases in the wages paid to temporary workers - competitive market pressures, including pricing pressures
- ability to successfully invest in and implement information systems
- unanticipated technological changes, including obsolescence or impairment of information systems
- changes in customer attitudes toward the use of staffing services
- government, tax or regulatory policies adverse to the employment services industry
- general economic conditions in international markets
- interest rate and exchange rate fluctuations

The Company disclaims any obligation to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Accounting changes The Financial Accounting Standards Board ("FASB") issued Statement of Financial Accounting Standards ("SFAS") No. 133, "Accounting for Derivative Instruments and Hedging Activities," in June 1998. This statement establishes accounting and reporting standards requiring that every derivative instrument be recorded on the balance sheet as either an asset or liability measured at its fair value. The statement requires that changes in the derivative's fair value be recognized currently in earnings unless specific hedge accounting criteria are met, in which case the gains or losses would offset the related results of the hedged item. In June 1999, the FASB issued SFAS No. 137, "Accounting for Derivative Instruments and Hedging Activities--Deferral of the Effective Date of FASB Statement No. 133," which defers the required adoption date of SFAS No. 133 until 2001 for the Company, however, early adoption is allowed. The Company has not yet determined the timing or method of adoption or quantified the impact of adopting this statement. While the statement could increase volatility in earnings and other comprehensive income, it is not expected to have a material impact on the Consolidated Financial Statements.

Report of Independent Public Accountants

To the Board of Directors and Shareholders
of Manpower Inc.:

We have audited the accompanying consolidated balance sheets of Manpower Inc. (a Wisconsin corporation) and subsidiaries as of December 31, 1999 and 1998, and the related consolidated statements of operations, cash flows and shareholders' equity for each of the three years in the period ended December 31, 1999. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Manpower Inc. and subsidiaries as of December 31, 1999 and 1998, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 1999, in conformity with generally accepted accounting principles.

/s/ ARTHUR ANDERSEN LLP

ARTHUR ANDERSEN LLP

Milwaukee, Wisconsin
February 3, 2000

28

31

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

	Year Ended December 31		
	1999	1998	1997
Revenues from services	\$9,770.1	\$8,814.3	\$7,258.5
Cost of services	8,065.2	7,311.3	5,948.3
Gross profit	1,704.9	1,503.0	1,310.2
Selling and administrative expenses	1,474.3	1,280.5	1,054.8
Write-down of capitalized software	--	92.1	--
Operating profit	230.6	130.4	255.4
Interest and other expense	24.8	16.6	6.2
Earnings before income taxes	205.8	113.8	249.2
Provision for income taxes	55.8	38.1	85.3
Net earnings	\$ 150.0	\$ 75.7	\$ 163.9
Net earnings per share	\$ 1.94	\$.94	\$ 2.01
Net earnings per share--diluted	\$ 1.91	\$.93	\$ 1.97

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

Supplemental Systemwide Information (Unaudited)
(dollars in millions)

	Year Ended December 31		
	1999	1998	1997
Systemwide sales	\$11,511.4	\$10,523.4	\$ 8,899.9
Systemwide offices at year-end	3,396	3,189	2,776

Systemwide information represents total of Company-owned branches and franchises.

Consolidated Balance Sheets
(in millions, except share data)

Assets	December 31	
	1999	1998
<hr style="border-top: 1px dashed black;"/>		
Current Assets:		
Cash and cash equivalents	\$ 241.7	\$ 180.5
Accounts receivable, less allowance for doubtful accounts of \$47.1 and \$39.5, respectively	1,897.6	1,674.7
Prepaid expenses and other assets	66.0	53.6
Future income tax benefits	52.0	52.8
<hr style="border-top: 1px dashed black;"/>		
Total current assets	2,257.3	1,961.6
Other Assets:		
Investments in licensees	37.0	33.1
Other assets	242.0	205.7
<hr style="border-top: 1px dashed black;"/>		
Total other assets	279.0	238.8
Property and Equipment:		
Land, buildings, leasehold improvements and equipment	416.1	411.4
Less: accumulated depreciation and amortization	233.7	220.1
<hr style="border-top: 1px dashed black;"/>		
Net property and equipment	182.4	191.3
<hr style="border-top: 1px dashed black;"/>		
Total assets	\$2,718.7	\$2,391.7
<hr style="border-top: 3px double black;"/>		

Liabilities and Shareholders' Equity	December 31	
	1999	1998
<hr style="border-top: 1px dashed black;"/>		
Current Liabilities:		
Accounts payable	\$ 388.0	\$ 347.9
Employee compensation payable	71.9	77.1
Accrued liabilities	180.2	172.0
Accrued payroll taxes and insurance	340.9	319.0
Value added taxes payable	305.6	291.7
Short-term borrowings and current maturities of long-term debt	131.5	103.4
<hr style="border-top: 1px dashed black;"/>		
Total current liabilities	1,418.1	1,311.1
Other Liabilities:		
Long-term debt	357.5	154.6
Other long-term liabilities	292.5	257.1
<hr style="border-top: 1px dashed black;"/>		
Total other liabilities	650.0	411.7
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 84,272,460 and 83,279,149 shares, respectively	.8	.8
Capital in excess of par value	1,621.4	1,602.7
Accumulated deficit	(653.0)	(787.7)
Accumulated other comprehensive income (loss)	(88.8)	(17.9)
Treasury stock at cost, 8,286,400 and 4,349,400 shares, respectively	(229.8)	(129.0)
-----	-----	-----
Total shareholders' equity	650.6	668.9
-----	-----	-----
Total liabilities and shareholders' equity	\$2,718.7	\$2,391.7
=====	=====	=====

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

Consolidated Statements of Cash Flows
(in millions)

	Year Ended December 31		
	1999	1998	1997
-----	-----	-----	-----
Cash Flows from Operating Activities:			
Net earnings	\$ 150.0	\$ 75.7	\$ 163.9
Adjustments to reconcile net earnings to net cash provided by operating activities:			
Depreciation and amortization	63.7	55.6	41.6
Deferred income taxes	15.3	(37.5)	2.0
Provision for doubtful accounts	20.7	12.0	15.9
Write-down of capitalized software	--	92.1	--
Change in operating assets and liabilities:			
Sale of accounts receivable	25.0	175.0	--
Accounts receivable, net of sale	(457.4)	(353.2)	(398.8)
Other assets	(51.7)	9.5	(20.2)
Other liabilities	233.9	236.0	220.9
-----	-----	-----	-----
Cash (used) provided by operating activities	(.5)	265.2	25.3
-----	-----	-----	-----
Cash Flows from Investing Activities:			
Capital expenditures	(74.7)	(140.8)	(98.6)
Acquisitions of businesses, net of cash acquired	(18.8)	(31.7)	(16.5)
Proceeds from the sale of property and equipment	14.9	1.0	2.8
-----	-----	-----	-----
Cash used by investing activities	(78.6)	(171.5)	(112.3)
-----	-----	-----	-----
Cash Flows from Financing Activities:			
Net change in payable to banks	45.5	23.1	50.2
Proceeds from long-term debt	460.4	22.7	90.2
Repayment of long-term debt	(259.3)	(55.6)	(2.5)
Proceeds from stock option and purchase plans	18.7	12.0	10.8
Repurchase of common stock	(100.8)	(43.9)	(81.9)
Dividends paid	(15.3)	(15.2)	(13.8)

Cash provided (used) by financing activities	149.2	(56.9)	53.0
Effect of exchange rate changes on cash	(8.9)	1.4	(4.3)
Net increase (decrease) in cash and cash equivalents	61.2	38.2	(38.3)
Cash and cash equivalents, beginning of year	180.5	142.3	180.6
Cash and cash equivalents, end of year	\$ 241.7	\$ 180.5	\$ 142.3

Supplemental Cash Flow Information:

Interest paid	\$ 12.4	\$ 18.9	\$ 11.3
Income taxes paid	66.9	69.0	92.8

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

Consolidated Statements of Shareholders' Equity
(in millions, except per share data)

	Common Stock	Capital in Excess of Par Value	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Total
Balance, December 31, 1996	\$.8	\$1,579.9	\$ (998.3)	\$ 21.5	\$ (3.2)	\$ 600.7
Comprehensive income:						
Net earnings			163.9			
Foreign currency translation				(62.2)		
Total comprehensive income						101.7
Issuances under option and purchase plans		10.8				10.8
Dividends (\$.17 per share)			(13.8)			(13.8)
Repurchases of common stock					(81.9)	(81.9)
Balance, December 31, 1997	.8	1,590.7	(848.2)	(40.7)	(85.1)	617.5
Comprehensive income:						
Net earnings			75.7			
Foreign currency translation				22.8		
Total comprehensive income						98.5
Issuances under option and purchase plans		12.0				12.0
Dividends (\$.19 per share)			(15.2)			(15.2)
Repurchases of common stock					(43.9)	(43.9)
Balance, December 31, 1998	.8	1,602.7	(787.7)	(17.9)	(129.0)	668.9
Comprehensive income:						
Net earnings			150.0			
Foreign currency translation				(70.9)		
Total comprehensive income						79.1
Issuances under option and purchase plans		18.7				18.7
Dividends (\$.20 per share)			(15.3)			(15.3)
Repurchases of common stock					(100.8)	(100.8)
Balance, December 31, 1999	\$.8	\$1,621.4	\$ (653.0)	\$ (88.8)	\$ (229.8)	\$ 650.6

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

Notes to Consolidated Financial Statements
(in millions, except share data)

(1) Summary of Significant Accounting Policies Nature of operations Manpower Inc. (the "Company") is an employment services organization with almost 3,400 systemwide offices in 52 countries. The Company's largest operations, based on revenues, are located in the United States, France and the United Kingdom. The Company provides a range of staffing and workplace management solutions, including temporary help, contract services and training and testing of temporary and permanent workers. The Company provides employment services to a wide variety of customers, none of which individually comprise a significant portion of revenues within a given geographic region or for the Company as a whole.

Basis of consolidation The consolidated financial statements include the accounts of the Company and all subsidiaries. For subsidiaries in which the Company has an ownership interest of 50% or less, but more than 20%, the consolidated financial statements reflect the Company's ownership share of those earnings using the equity method of accounting. These investments are included as Investments in licensees in the Consolidated Balance Sheets. Included in shareholders' equity at December 31, 1999 are \$32.0 of unremitted earnings from investments accounted for using the equity method. All significant intercompany accounts and transactions have been eliminated in consolidation.

Revenues The Company generates revenues from sales of services by its own branch operations and from fees earned on sales of services by its franchise operations. Franchise fees, which are included in Revenues from services, were \$37.7, \$37.8 and \$37.5 for the years ended December 31, 1999, 1998 and 1997, respectively.

New accounting pronouncements The Financial Accounting Standards Board ("FASB") issued Statement of Financial Accounting Standards ("SFAS") No. 133, "Accounting for Derivative Instruments and Hedging Activities" in June 1998. This statement establishes accounting and reporting standards requiring that every derivative instrument be recorded on the balance sheet as either an asset or liability measured at its fair value. The statement requires that changes in the derivative's fair value be recognized currently in earnings unless specific hedge accounting criteria are met, in which case the gains or losses would offset the related results of the hedged item. In June 1999, the FASB issued SFAS No. 137, "Accounting for Derivative Instruments and Hedging Activities--Deferral of the Effective Date of FASB Statement No. 133" which defers the required adoption date of SFAS No. 133 until 2001 for the Company, however, early adoption is allowed. The Company has not yet determined the timing or method of adoption or quantified the impact of adopting this statement. While the statement could increase volatility in earnings and Accumulated other comprehensive income (loss), it is not expected to have a material impact on the Consolidated Financial Statements.

Accounts receivable securitization The Company accounts for the securitization of accounts receivable in accordance with SFAS No. 125, "Accounting for Transfers and Servicing of Financial Assets and Extinguishment of Liabilities." At the time the receivables are sold, the balances are removed from the Consolidated Balance Sheets. Costs associated with the sale of receivables, primarily related to the discount and loss on sale, are included in other expense in the Consolidated Statements of Operations.

Foreign currency translation The financial statements of the Company's non-U.S. subsidiaries have been translated in accordance with SFAS No. 52. Under SFAS No. 52, asset and liability accounts are translated at the current exchange rate and income statement items are translated at the weighted average exchange rate for the year. The resulting translation adjustments are recorded as Accumulated other comprehensive income (loss), which is a component of Shareholders' Equity.

In accordance with SFAS No. 109, no deferred taxes have been recorded related to the cumulative translation adjustments.

Translation adjustments for those operations in highly inflationary economies and certain other transaction adjustments are included in earnings. Historically these adjustments have been immaterial to the Consolidated Financial Statements.

Capitalized software The Company capitalizes purchased software as well as internally developed software. Internal software development costs are capitalized from the time

the internal use software is considered probable of completion until the software is ready for use. Business analysis, system evaluation, selection and software maintenance costs are expensed as incurred. Capitalized software costs are amortized using the straight-line method over the estimated useful life of the software. The Company regularly reviews the carrying value of all capitalized software and recognizes a loss when the carrying value is considered unrealizable. (See Note 5 to the Consolidated Financial Statements for further information.)

Intangible assets Intangible assets consist primarily of trademarks and the excess of cost over the fair value of net assets acquired. Trademarks are amortized on a straight-line basis over their useful lives. The excess of cost over the fair value of net assets acquired is amortized on a straight-line basis over its useful life, estimated based on the facts and circumstances surrounding each individual acquisition, not to exceed 20 years. The intangible asset and related accumulated amortization are removed from the Consolidated Balance Sheets when the intangible asset becomes fully amortized. The Company regularly reviews the carrying value of all intangible assets and recognizes a loss when the unamortized balance is considered unrealizable. Total intangible assets of \$89.4 and \$84.3, net of accumulated amortization of \$16.3 and \$12.8 at December 31, 1999 and 1998, respectively, are included in Other assets in the Consolidated Balance Sheets. Amortization expense was \$6.9, \$5.4 and \$4.4 in 1999, 1998 and 1997, respectively.

Property and equipment A summary of property and equipment at December 31 is as follows:

	1999	1998
Land	\$ 1.4	\$ 1.4
Buildings	20.4	19.8
Other office furniture and equipment	266.3	261.1
Leasehold improvements	128.0	129.1
	\$416.1	\$411.4

Property and equipment are stated at cost and depreciated using the straight-line method over the following estimated useful lives: buildings--up to 40 years; leasehold improvements--lesser of life of asset or lease term; furniture and equipment--three to ten years. Expenditures for renewals and betterments are capitalized whereas expenditures for repairs and maintenance are charged to income as incurred. Upon sale or disposition of properties, the difference between unamortized cost and the proceeds is charged or credited to income.

Shareholders' equity The Board of Directors has authorized the repurchase of up to 15 million shares of stock under the Company's share repurchase program. Share repurchases may be made from time to time and may be implemented through a variety of methods, including open market purchases, block transactions, privately negotiated transactions, accelerated share repurchase programs,

forward repurchase agreements or similar facilities. Total shares repurchased under the program at December 31, 1999 and 1998, were 8.3 million and 4.3 million shares, respectively, at a cost of \$229.8 and \$129.0, respectively.

Advertising costs The Company generally expenses production costs of media advertising as they are incurred. Advertising expenses, including the sponsorship of the Millennium Dome and the 1998 World Cup, were \$39.6, \$41.7 and \$21.6 in 1999, 1998 and 1997, respectively.

Statement of cash flows The Company considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Use of estimates The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Reclassifications Certain amounts in the 1998 and 1997 financial statements have been reclassified to be consistent with the current year presentation.

35

38

Notes to Consolidated Financial Statements (continued)
(in millions, except share data)

(2) Earnings per Share The calculation of net earnings per share for the years ended December 31, 1999, 1998 and 1997, is as follows:

	1999	1998	1997
Net earnings per share:			
Net earnings available to common shareholders	\$150.0	\$ 75.7	\$163.9
Weighted average common shares outstanding (in millions)	77.3	80.1	81.6
	\$ 1.94	\$.94	\$ 2.01

The calculation of net earnings per share--diluted for the years ended December 31, 1999, 1998 and 1997, is as follows:

	1999	1998	1997
Net earnings per share--diluted:			
Net earnings available to common shareholders	\$150.0	\$ 75.7	\$163.9
Weighted average common shares outstanding (in millions)	77.3	80.1	81.6
Effect of dilutive securities--Stock options (in millions)	1.4	1.1	1.8
	78.7	81.2	83.4

 \$ 1.91 \$.93 \$ 1.97
 =====

The calculation of net earnings per share--diluted for the years ended December 31, 1999, 1998 and 1997 does not include certain stock option grants because the exercise price for these options is greater than the average market price of the common shares during that year. The number, exercise prices and weighted average remaining life of these antidilutive options is as follows:

	1999	1998	1997
Shares (000)	1,146	625	10
Exercise prices	\$27-\$49	\$32-\$49	\$49
Weighted average remaining life	7.9 years	8.1 years	9.6 years

=====

(3) Income Taxes The provision for income taxes consists of:

	1999	1998	1997

Current:			
United States:			
Federal	\$ (4.0)	\$ 9.9	\$ 14.4
State	5.6	3.3	2.1
Foreign	38.9	62.4	66.8

Total current	40.5	75.6	83.3

Deferred:			
United States:			
Federal	(4.2)	(21.3)	14.0
State	(.6)	(3.7)	.8
Foreign	20.1	(12.5)	(12.8)

Total deferred	15.3	(37.5)	2.0

Total provision	\$ 55.8	\$ 38.1	\$ 85.3
=====			

A reconciliation between taxes computed at the United States Federal statutory tax rate of 35% and the consolidated effective tax rate is as follows:

	1999	1998	1997

Income tax based on statutory rate	\$ 72.0	\$ 39.8	\$ 87.2

Increase (decrease)
resulting from:

Foreign tax rate differences	3.9	3.2	2.3
State income taxes	2.6	(.4)	2.9
Benefit on dissolution(a)	(15.7)	--	--
Tax effect of foreign repatriations	(11.3)	2.8	(1.1)
Change in valuation reserve	5.0	(7.6)	(3.6)
Other, net	(.7)	.3	(2.4)

Total provision	\$ 55.8	\$ 38.1	\$ 85.3
=====			

(a) The Benefit on dissolution of \$15.7 represents the one-time tax benefit realized during 1999 related to the dissolution of a non-operating subsidiary.

36

39

Deferred income taxes are recorded on temporary differences at the tax rate expected to be in effect when the temporary differences reverse. Temporary differences which gave rise to the deferred tax assets at December 31 are as follows:

	1999	1998

Current future income tax benefits:		
Accrued payroll taxes and insurance	\$ 18.6	\$ 18.7
Employee compensation payable	12.9	11.9
Other	21.8	24.7
Valuation allowance	(1.3)	(2.5)

	52.0	52.8

Noncurrent future income tax benefits:		
Accrued payroll taxes and insurance	29.6	24.7
Pension and postretirement benefits	20.7	16.6
Net operating losses and other	14.7	42.6
Valuation allowance	(24.6)	(18.4)

	40.4	65.5

Total future tax benefits	\$ 92.4	\$118.3
=====		

Noncurrent future income tax benefits have been classified as Other assets in the Consolidated Balance Sheets.

The Company has foreign net operating loss carryforwards totaling \$59.5 that expire as follows: 2000-\$2, 2001-\$2, 2002-\$1, 2003-\$5, 2004-\$1.0, 2005 and thereafter- \$51.8 and \$5.7 with no expiration. The Company has U.S. State net operating loss carryforwards totaling \$190.7 that expire as follows: 2003-\$10.4, 2004-\$80.6, 2005 and thereafter- \$99.7. The Company has recorded a deferred tax asset of \$37.2 at December 31, 1999, for the benefit of these net operating losses. Realization of this asset is dependent on generating sufficient taxable income prior to the expiration of the loss carryforwards. A valuation allowance of \$23.5 has been recorded at December 31, 1999, as management believes that realization of certain loss carryforwards is unlikely.

Pretax income of foreign operations was \$169.1, \$145.2 and \$166.9 in 1999, 1998 and 1997, respectively. United States income taxes have not been provided on undistributed earnings of foreign subsidiaries that are considered to be permanently invested. If such earnings were remitted, foreign tax credits would substantially offset any resulting United States income tax. At December 31, 1999, the estimated amount of unremitted earnings of the foreign subsidiaries totaled \$557.5.

(4) Accounts Receivable Securitization The Company and certain of its U.S. subsidiaries entered into an agreement (the "Receivables Facility") in December 1998 with a financial institution whereby it sells on a continuous basis an undivided interest in all eligible trade accounts receivable. Pursuant to the Receivables Facility, the Company formed Ironwood Capital Corporation ("ICC"), a wholly-owned, special purpose, bankruptcy-remote subsidiary. ICC was formed for the sole purpose of buying and selling receivables generated by the Company and certain subsidiaries of the Company. Under the Receivables Facility, the Company and certain subsidiaries, irrevocably and without recourse, transfer all of their accounts receivables to ICC. ICC, in turn, has sold and, subject to certain conditions, may from time to time sell an undivided interest in these receivables and is permitted to receive advances of up to \$200.0 for the sale of such undivided interest. The agreement expires in December 2000.

This two-step transaction is accounted for as a sale of receivables under the provisions of SFAS No. 125, "Accounting for Transfers and Servicing of Financial Assets and Extinguishment of Liabilities." There was \$200.0 and \$175.0 advanced under the Receivables Facility at December 31, 1999 and 1998, respectively, and accordingly, that amount of accounts receivable has been removed from the Consolidated Balance Sheets. Costs associated with the sale of receivables, primarily related to the discount and loss on sale, were \$9.8 and \$.7 in 1999 and 1998, respectively, and are included in other expenses in the Consolidated Statements of Operations.

(5) Write-down of Capitalized Software In accordance with its ongoing review of capitalized software, in December 1998 the Company recorded a \$92.1 (\$57.1 after tax, or \$.70 per share on a diluted basis) non-cash charge to write off the carrying value of software costs and certain hardware and network infrastructure costs related to the development of a complex and proprietary information system for its North American branch office administration, invoicing and payroll processing. This comprehensive information system had been under development for several years and portions of the system were in field testing and deployment.

After a period of field testing, management and the Board of Directors decided in December 1998 that it was necessary to significantly alter the technological architecture of the system in order to reduce ongoing support, maintenance and communications

37

40

Notes to Consolidated Financial Statements (continued)
(in millions, except share data)

costs. This decision required the application software under development to be abandoned and a new application to be purchased or developed for the new architecture. In addition to the developed software, certain hardware, network infrastructure and software licenses were also abandoned as a result of the change in system architecture. The non-cash charge included the costs of abandoning all of these assets.

The net capitalized software balance of \$6.3 and \$6.7 as of December 31, 1999 and 1998, respectively, is included in Other assets in the Consolidated Balance Sheets.

(6) Debt Information concerning short-term borrowings at December 31 is as

follows:

	1999	1998
Payable to banks	\$127.9	\$ 99.3
Average interest rates	3.9%	3.5%

The Company and some of its foreign subsidiaries maintain lines of credit with foreign financial institutions to meet short-term working capital needs. Such lines totaled \$160.4 at December 31, 1999, of which \$32.5 was unused. The Company has no significant compensating balance requirements or commitment fees related to these lines.

A summary of long-term debt at December 31 is as follows:

	1999	1998
Euro-denominated notes, at a rate of 5.7%	\$201.2	\$ --
Commercial paper, maturing within 90 days, at average interest rates of 6.3% and 5.5%, respectively	14.8	72.0
Revolving credit agreements:		
U.S. dollar-denominated borrowings, at a rate of 6.4% and 5.8%, respectively	95.0	40.0
Yen-denominated borrowings, at a rate of .5% and .6%, respectively	38.7	35.3
Other	11.4	11.4
	361.1	158.7
Less--Current maturities	3.6	4.1
Long-term debt	\$357.5	\$154.6

Euro Notes In July 1999, the Company issued Euro 200.0 in unsecured notes due in July 2006. Net proceeds of \$200.9 from the issuance of these notes were used to repay amounts outstanding under the Company's unsecured revolving credit agreement and commercial paper program.

These notes provide a hedge of the Company's net investment in its European subsidiaries with Euro functional currencies. Since the Company's net investment in these subsidiaries exceeds the amount of the notes, all translation gains or losses related to these notes is included as a component of Accumulated other comprehensive income (loss).

Revolving Credit Agreements The Company has a \$415.0 unsecured revolving credit agreement that allows for borrowings in various currencies and includes a \$90.0 commitment to be used exclusively for standby letters of credit. Outstanding letters of credit totaled \$57.9 and \$48.2 as of December 31, 1999 and 1998, respectively. Approximately \$176.5 of additional borrowings were available to the Company under this agreement at December 31, 1999.

The interest rate and facility fee on the entire line and the issuance fee on the letter of credit commitment related to this agreement vary based on the Company's debt rating and borrowing level. Currently, the interest rate is LIBOR plus .2%, and the fees are .1% and .4%, respectively. The facility matures on November 25, 2002, and may be increased to a maximum of \$500.0 or extended for an additional year with the lenders' consent. The agreement requires, among other things, that the Company comply with minimum

interest coverage and debt-to-capitalization ratios and a maximum subsidiary debt level.

In November 1999, the Company entered into a \$300.0 revolving credit agreement. The interest rate and facility fee on the entire line and the participation fee vary based on the Company's debt rating and borrowing level. Currently, the fees are .1% and .1%, respectively. The facility matures on November 22, 2000, and may be extended for an additional year with the lenders' consent. This agreement has similar restrictive covenants to the Company's \$415.0 revolving credit agreement. As of December 31, 1999, the Company had no borrowings under this agreement.

The Company has an interest rate swap agreement, expiring in 2001, to fix the interest rate at 6.0% on \$50.0 of the Company's borrowings under the revolving credit agreements.

38

41

The fair value of this agreement and the impact on the interest expense recorded during 1999 and 1998 were not material.

Other Due to the availability of long-term financing, commercial paper borrowings have been classified as long-term debt. The carrying value of long-term debt approximates fair value, except for the Euro-denominated notes, which have a fair value of \$191.6.

The maturities of long-term debt payable within each of the four years subsequent to December 31, 2000 are as follows: 2001-\$2.2, 2002-\$149.6, 2003-\$2, 2004-\$1 and thereafter-\$205.4.

(7) Stock Compensation Plans The Company accounts for all of its fixed stock option plans and the 1990 Employee Stock Purchase Plan in accordance with APB Opinion No. 25 and related Interpretations. Accordingly, no compensation cost related to these plans was charged against earnings in 1999, 1998 and 1997. Had the Company determined compensation cost consistent with the method of SFAS No. 123, the Company's net earnings and net earnings per share would have been reduced to the pro forma amounts indicated as follows:

	1999	1998	1997

Net earnings:			
as reported	\$150.0	\$75.7	\$163.9
pro forma	146.4	74.4	162.5
Net earnings per share:			
as reported	\$ 1.94	\$.94	\$ 2.01
pro forma	1.90	.93	1.99
Net earnings per share-diluted:			
as reported	\$ 1.91	\$.93	\$ 1.97
pro forma	1.86	.92	1.95

The fair value of each option grant is estimated on the date of grant using the Black-Scholes option-pricing model with the following weighted-average assumptions used for grants in 1999, 1998 and 1997, respectively: risk-free interest rates of 5.6%, 4.5% and 5.8%; expected volatility of 17.2%, 24.4% and 14.4%; dividend yield of .5% in all years; and expected lives of 7.6 years, 5.7 years and 5.0 years. The weighted-average fair value of options granted was \$6.16, \$4.36 and \$5.48 in 1999, 1998 and 1997, respectively.

Fixed stock option plans The Company has reserved 7,625,000 shares of common stock for issuance under the Executive Stock Option and Restricted Stock Plans. Under the plans, all full-time employees of the Company are eligible to receive stock options, purchase rights and restricted stock. The options, rights and

stock are granted to eligible employees at the discretion of a committee appointed by the Board of Directors.

All options have generally been granted at a price equal to the fair market value of the Company's common stock at the date of grant. The purchase price per share pursuant to a purchase right is determined by the Board of Directors. The committee also determines the period during which options and rights are exercisable. Generally, options are granted with a vesting period of up to five years and expire ten years from the date of grant. Rights may generally be exercised for up to sixty days from the date of grant. Under the plans, the committee may also authorize the granting of stock appreciation rights and cash equivalent rights in conjunction with the stock options and purchase rights, respectively. As of December 31, 1999, no purchase rights, stock appreciation rights or cash equivalent rights had been granted.

The Company has reserved 800,000 shares of common stock for issuance under the 1991 Directors Stock Option Plan. Under the plan, each non-employee director of the Company may receive an option to purchase shares of the Company's common stock in lieu of cash compensation. The number of shares covered by the option is determined pursuant to a formula set forth in the plan. The per share purchase price for each option awarded is equal to the fair market value of the Company's common stock at the date of grant. Options are exercisable for the vested portion during the director's tenure and a limited period thereafter.

The Company also has the Savings Related Share Option Scheme for United Kingdom employees with at least one year of service. These employees are offered the opportunity to obtain an option for a specified number of shares of common stock at not less than 85% of the market value of the stock on the day prior to the offer to participate in the plan. Options vest after either 3, 5 or 7 years, but may lapse earlier. Funds used to purchase the shares are accumulated through specified payroll deductions over a 60-month period.

39

42

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)
(in millions, except share data)

Information related to options outstanding under the plans, and the related weighted-average exercise prices, is as follows:

	1999		1998		1997	
	Shares (000)	Price	Shares (000)	Price	Shares (000)	Price
Options outstanding, beginning of period	3,840	\$ 21	3,362	\$ 21	3,421	\$ 19
Granted	1,119	26	930	24	384	35
Exercised	(496)	17	(237)	15	(374)	17
Expired or cancelled	(92)	25	(215)	35	(69)	24
Options outstanding, end of period	4,371	\$ 23	3,840	\$ 21	3,362	\$ 21
Options exercisable, end of period	2,055	\$ 20	2,354	\$ 17	2,378	\$ 16

Options outstanding as of December 31, 1999 are as follows:

Options outstanding Options exercisable

Exercise prices	Shares (000)	Weighted- average remaining contractual life	Weighted- average exercise price	Shares (000)	Weighted- average exercise price
\$10-\$15	456	1.7	\$12	272	\$13
16- 20	1,176	3.4	16	1,099	16
21- 30	1,815	8.5	24	424	24
31- 35	685	8.5	34	102	32
36- 49	239	7.0	38	158	37
	4,371	6.3	\$23	2,055	\$20

Other stock plans The Company has reserved 2,250,000 shares of common stock for issuance under the 1990 Employee Stock Purchase Plan. Under the plan, designated Manpower employees meeting certain service requirements may purchase shares of the Company's common stock through payroll deductions. These shares may be purchased at the lesser of 85% of their fair market value at the beginning or end of each year. During 1999, 1998 and 1997, 138,500, 155,500 and 239,200 shares, respectively, were purchased under the plan.

(8) Retirement Plans Defined benefit plans The Company sponsors several qualified and nonqualified pension plans covering substantially all permanent employees. The reconciliation of the changes in the plans' benefit obligations and the fair value of plan assets and the statement of the funded status of the plans are as follows:

	U.S. Plans		Non-U.S. Plans	
	1999	1998	1999	1998
Change in benefit obligation:				
Benefit obligation, beginning of year	\$ 31.1	\$26.8	\$49.9	\$35.9
Service cost	1.6	1.2	4.0	3.0
Interest cost	2.4	1.9	2.7	2.4
Special termination benefits	8.0	--	--	--
Actuarial (gain) loss	(3.2)	2.3	3.3	8.0
Plan participant contributions	--	--	1.0	.9
Benefits paid	(1.7)	(1.1)	(1.8)	(1.8)
Currency exchange rate changes	--	--	(.9)	1.5
Benefit obligation, end of year	38.2	31.1	58.2	49.9
Change in plan assets:				
Fair value of plan assets, beginning of year	25.7	26.2	44.2	36.4

Actual return on plan assets	5.8	.2	7.3	4.6
Plan participant contributions	--	--	1.0	.9
Company contributions	1.1	.4	3.0	2.8
Benefits paid	(1.7)	(1.1)	(1.8)	(1.8)
Currency exchange rate changes	--	--	(.3)	1.3

Fair value of plan assets, end of year	30.9	25.7	53.4	44.2

Funded status:				
Funded status of plan	(7.3)	(5.4)	(4.8)	(5.7)
Unrecognized net (gain) loss	(10.6)	(3.6)	5.4	6.7
Unrecognized prior service cost	--	--	.3	.3
Unrecognized transitional asset	(.6)	(.6)	--	--

Net amount recognized	\$ (18.5)	\$ (9.6)	\$.9	\$ 1.3

Amounts recognized:				
Prepaid benefit cost	\$ --	\$ --	\$ 3.8	\$ 3.9
Accrued benefit liability	(18.5)	(9.6)	(2.9)	(2.6)

Net amount recognized	\$ (18.5)	\$ (9.6)	\$.9	\$ 1.3

40

43

The components of the net periodic benefit cost for all plans are as follows:

	1999	1998	1997

Service cost	\$ 5.6	\$ 4.2	\$ 3.5
Interest cost	5.1	4.3	4.0
Expected return on assets	(5.0)	(4.8)	(8.8)
Amortization of:			
unrecognized loss	.1	--	4.4
unrecognized transition asset	(.2)	(.2)	(.2)
Special termination benefits	8.0	--	--

Total benefit cost	\$ 13.6	\$ 3.5	\$ 2.9

The weighted-average assumptions used in the measurement of the benefit obligation are as follows:

	U.S. Plans		Non-U.S. Plans	
	1999	1998	1999	1998
Discount rate	7.5%	6.8%	5.5%	5.5%
Expected return on assets	8.5%	8.5%	6.8%	6.8%
Rate of compensation increase	6.0%	6.0%	4.2%	4.2%

Projected salary levels utilized in the determination of the projected benefit obligation for the pension plans are based upon historical experience. The unrecognized transitional asset is being amortized over the estimated remaining service lives of the employees. Plan assets are primarily comprised of common stocks and U.S. government and agency securities.

In April 1999, the Company amended a U.S. plan to allow for special termination benefits related to senior executives. This amendment resulted in a one-time expense of \$8.0 in 1999.

Effective February 29, 2000, the Company will freeze all benefits in each of the U.S. retirement plans. In connection with this change, a voluntary early retirement package and certain other benefits were offered to eligible employees. The net gain or loss associated with this plan freeze and voluntary early retirement offering have not yet been determined but are not expected to have a material impact on the Consolidated Financial Statements.

Retiree health care plan The Company provides medical and dental benefits to eligible retired employees in the United States. The reconciliation of the changes in the plan's benefit obligation and the statement of the funded status of the plan are as follows.

Due to the nature of the plan, there are no plan assets.

	1999	1998
Change in benefit obligation:		
Benefit obligation, beginning of year	\$28.8	\$23.7
Service cost	2.4	1.9
Interest cost	1.9	1.7
Actuarial (gain) loss	(6.2)	1.7
Benefits paid	(.3)	(.2)
Benefit obligation, end of year	26.6	28.8
Unrecognized net gain (loss)	6.1	(.2)
Accrued liability recognized	\$32.7	\$28.6

The components of net periodic benefit cost for this plan are as follows:

	1999	1998	1997
Service cost	\$2.4	\$1.9	\$1.5
Interest cost	1.9	1.7	1.5

Total benefit cost	\$4.3	\$3.6	\$3.0
--------------------	-------	-------	-------

The discount rate used in the measurement of the benefit obligation was 7.5% in 1999 and 6.8% in 1998.

The health care cost trend rate was assumed to be 7.0% for 1999 and decreases gradually to 6.0% for the years 2001 and beyond. Assumed health care cost trend rates have a significant effect on the amounts reported. A one-percentage point change in the assumed health care cost trend rate would have the following effects:

	1% increase	1% decrease
Effect on total of service and interest cost components	\$1.1	\$ (.9)
Effect on postretirement benefit obligation	5.7	(4.6)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)
(in millions, except share data)

Effective February 29, 2000, the Company will no longer provide medical and dental benefits to newly retired employees who, as of January 1, 2000, are under the age of 45 or have less than five years of service. The net gain associated with this plan curtailment has not yet been determined but it is not expected to have a material impact on the Consolidated Financial Statements.

Defined contribution plans The Company has defined contribution plans covering substantially all permanent U.S. employees. Under the plans, employees may elect to contribute a portion of their salary to the plans. The Company, at its discretion, may match a portion of the employees' contributions. In 1999, 1998 and 1997, the Company elected to match a portion of employees' contributions if a targeted earnings level was reached in the U.S. The total expense was \$.4, \$.4 and \$.3 for 1999, 1998 and 1997, respectively.

Effective January 1, 2000, the Company has amended its defined contribution plans to include a mandatory matching contribution. In addition, profit sharing contributions will be made if a targeted earnings level is reached in the U.S. The impact of these changes is not expected to have a material impact on the U.S. results or the Consolidated Financial Statements.

(9) Leases The Company leases property and equipment primarily under operating leases. Renewal options exist for substantially all leases.

Future minimum payments, by year and in the aggregate, under noncancelable operating leases with initial or remaining terms of one year or more consist of the following at December 31, 1999:

Year	
2000	\$ 53.3
2001	43.6
2002	33.9

2003	24.3
2004	14.8
Thereafter	57.9

Total minimum lease payments	\$227.8

Rental expense for all operating leases was \$108.5, \$91.8 and \$72.2 for the years ended December 31, 1999, 1998 and 1997, respectively.

(10) Interest and Other Expense Interest and other expense consists of the following:

	1999	1998	1997

Interest expense	\$17.3	\$19.2	\$11.1
Interest income	(8.0)	(8.4)	(8.1)
Foreign exchange losses	1.9	2.4	1.3
Loss on sale of accounts receivable	9.8	.7	--
Miscellaneous, net	3.8	2.7	1.9

Interest and other expense	\$24.8	\$16.6	\$ 6.2

(11) Acquisitions of Businesses From time to time, the Company acquires certain franchises and unrelated companies throughout the world. In addition, in 1998, the Company made a final payment related to the 1996 acquisition of A Teamwork Sverige AB, in Sweden. The total consideration for these acquisitions was \$18.8, \$32.5 and \$17.6 in 1999, 1998 and 1997, respectively, the majority of which was recorded as intangible assets.

Subsequent to December 31, 1999, the Company acquired Elan Group Limited ("Elan"), a European specialty IT staffing company with significant operations in the U.K. and several other companies throughout the world. The total payments for these acquisitions was \$121.7, the majority of which was recorded as intangible assets. In addition, the Elan acquisition includes approximately \$44.0 in deferred consideration expected to be paid during 2000 and 2001.

(12) Contingencies The Company is involved in a number of lawsuits arising in the ordinary course of business which will not, in the opinion of management, have a material effect on the Company's results of operations, financial position or cash flows.

NOTES TO CONSOLIDATED STATEMENTS (CONTINUED)
(IN MILLIONS, EXCEPT SHARE DATA)

(13) Business Segment Data by Geographical Area
The Company is organized and managed on a geographical basis. Each country has its own distinct operations, is managed locally by its own management team, and maintains its own financial reports. Under SFAS No. 131, "Disclosures about Segments of an Enterprise and Related Information," the Company has four reportable segments--the United States, France, the United Kingdom and Other Europe. All remaining countries have never met the quantitative thresholds for determining reportable segments.

Each segment derives at least 97% of its revenues from the placement of temporary help. The remaining revenues are derived from other employment

services, including contract services and training and testing of temporary and permanent workers. Segment revenues represent sales to external customers within a single country. Due to the nature of its business, the Company does not have export or intersegment sales. The Company provides employment services to a wide variety of customers, none of which individually comprise a significant portion of revenues within a reporting segment, geographic region or for the Company as a whole.

The accounting policies of the segments are the same as those described in the summary of significant accounting policies. The Company evaluates performance based on Operating Unit Profit, which is equal to segment revenues less direct costs and branch and national head office operating costs. This profit measure does not include nonrecurring losses, goodwill amortization, interest and other income and expense amounts or income taxes. Total assets for the segments are reported after the elimination of Investments in subsidiaries and Intercompany accounts.

	1999	1998	1997

Revenues from services:			
United States (a)	\$2,250.5	\$2,152.8	\$1,993.7
Foreign:			
France	3,775.1	3,639.5	2,716.7
United Kingdom	1,170.3	1,088.2	989.1
Other Europe	1,517.2	1,152.6	855.4
Other Countries	1,057.0	781.2	703.6

Total foreign	7,519.6	6,661.5	5,264.8

	\$9,770.1	\$8,814.3	\$7,258.5

Operating Unit Profit:			
United States	\$ 80.3	\$ 78.0	\$ 92.6
France	100.9	77.0	91.2
United Kingdom	40.2	42.3	39.8
Other Europe	63.2	49.2	38.8
Other Countries	16.6	20.9	30.8

	301.2	267.4	293.2
Nonrecurring expenses (b)	28.0	--	--
Write-down of capitalized software (c)	--	92.1	--
Corporate expenses	35.7	39.5	33.4
Amortization of intangible assets	6.9	5.4	4.4
Interest and other expense	24.8	16.6	6.2

Earnings before income taxes	\$ 205.8	\$ 113.8	\$ 249.2

(a) Total systemwide sales in the United States, which includes sales of Company-owned branches and franchises, were \$3,758.7, \$3,577.2 and \$3,340.2 for the years ended December 31, 1999, 1998 and 1997, respectively.

(b) Represents nonrecurring items (\$16.4 after tax) in the second quarter of

1999 related to employee severances, retirement costs and other associated realignment costs.

(c) The write-down of capitalized software relates to the abandonment of an information system that was being developed in the U.S. (See Note 5 to the Consolidated Financial Statements for further information.)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
(In millions, except share data)

	1999	1998	1997

Depreciation and amortization expense:			
United States	\$ 16.4	\$ 14.4	\$ 10.9
France	12.2	12.5	10.0
United Kingdom	8.2	8.1	6.8
Other Europe	12.1	9.0	5.9
Other Countries	6.3	4.3	2.8

	\$ 55.2	\$ 48.3	\$ 36.4

Earnings from investments in licensees:			
United States	\$.1	\$.2	\$.3
Other Europe	2.0	1.4	2.0
Other Countries	.9	.9	.6

	\$ 3.0	\$ 2.5	\$ 2.9

Total assets:			
United States	\$ 364.4	\$ 285.8	\$ 431.9
France	1,140.0	1,128.3	871.3
United Kingdom	269.9	230.2	201.9
Other Europe	566.3	427.6	307.3
Other Countries	293.9	253.3	190.2
Corporate (b)	84.2	66.5	44.4

	\$2,718.7	\$2,391.7	\$2,047.0

	1999	1998	1997
Investments in licensees:			
United States	\$.9	\$.5	\$.3
Other Europe	34.0	31.5	30.1
Other Countries	2.1	1.1	2.4
	\$ 37.0	\$ 33.1	\$ 32.8
Long-lived assets:			
United States (a)	\$ 44.2	\$ 48.0	\$ 82.3
Foreign:			
France	51.4	66.3	42.0
United Kingdom	26.2	30.2	28.1
Other Europe	42.3	34.3	19.1
Other Countries	25.3	19.3	14.7
Total foreign	145.2	150.1	103.9
Corporate (b)	2.1	3.9	2.8
	\$191.5	\$202.0	\$189.0
Additions to long-lived assets:			
United States	\$ 16.7	\$ 64.0	\$ 48.8
France	16.9	33.4	17.7
United Kingdom	4.9	10.0	11.3
Other Europe	25.2	24.1	14.7
Other Countries	12.2	9.4	8.5
Corporate (b)	1.0	.9	3.2
	\$ 76.9	\$141.8	\$104.2

(a) Long-lived assets reflect the write-down of capitalized software related to the abandonment of an information system that was being developed in the U.S. (See Note 5 to the Consolidated Financial Statements for further information.)
(b) Corporate assets include assets that are not used in the operations of any geographical segment.

QUARTERLY DATA (UNAUDITED)
(in millions, except per share data)

Year Ended December 31, 1999	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
Revenues from services	\$2,175.2	\$2,327.6	\$2,606.8	\$2,660.5	\$9,770.1
Gross profit	380.2	404.7	451.8	468.2	1,704.9
Net earnings	20.6	31.8	48.9	48.7	150.0
Net earnings per share	\$.26	\$.41	\$.64	\$.64	\$ 1.94
Net earnings per share-diluted	\$.26	\$.40	\$.63	\$.63	\$ 1.91
Dividends per share	\$ -	\$.10	\$ -	\$.10	\$.20
Market price-					
High	\$ 28	\$ 25 9/16	\$ 29 15/16	\$ 38 11/16	
Low	22 1/4	21	21 3/16	28 7/16	

Year Ended December 31, 1998					
Revenues from services	\$1,872.9	\$2,136.1	\$2,377.8	\$2,427.5	\$8,814.3
Gross profit	327.4	360.4	398.1	417.1	1,503.0
Net earnings (loss)	21.7	26.2	42.9	(15.1)	75.7
Net earnings (loss) per share	\$.27	\$.32	\$.54	\$ (.19)	\$.94
Net earnings (loss) per share-diluted	\$.26	\$.32	\$.53	\$ (.19)	\$.93
Dividends per share	\$ -	\$.09	\$ -	\$.10	\$.19
Market price-					
High	\$ 42 9/16	\$ 44 7/8	\$ 30 1/8	\$ 27 7/16	
Low	33 5/8	27 11/16	20	19 3/8	

The Company's common stock is listed for trading on the New York Stock Exchange, which is the principal exchange for trading in the Company's shares.

SELECTED FINANCIAL DATA
(in millions, except per share data)

Year Ended December 31	1999	1998	1997	1996	1995
Operations Data:					
Revenues from services	\$9,770.1	\$8,814.3	\$7,258.5	\$6,079.9	\$5,484.2

Gross profit	1,704.9	1,503.0	1,310.2	1,148.0	1,000.8
Write-down of capitalized software	-	(92.1)	-	-	-
Operating profit	230.6	130.4	255.4	227.0	211.7
Net earnings	150.0	75.7	163.9	162.3	128.0

Per Share Data:

Net earnings	\$ 1.94	\$.94	\$ 2.01	\$ 1.98	\$ 1.68
Net earnings-diluted	1.91	.93	1.97	1.94	1.59
Dividends	.20	.19	.17	.15	.13

Balance Sheet Data:

Total assets	\$2,718.7	\$2,391.7	\$2,047.0	\$1,752.3	\$1,517.8
Long-term debt	357.5	154.6	189.8	100.8	61.8

The Notes to Consolidated Financial Statements should be read in conjunction with the above summary, specifically Note 5 which discusses the write-down of capitalized software.

Corporate Information

International Headquarters

P.O. Box 2053
5301 North Ironwood Road
Milwaukee, WI 53201 USA
414-961-1000
www.manpower.com

TRANSFER AGENT AND REGISTRAR

ChaseMellon Shareholder
Services, L.L.C.
New York, NY
www.chasemellon.com

Stock Exchange Listing

NYSE Symbol: MAN

10-K REPORT

A copy of form 10-K filed with the Securities and Exchange Commission for the year ended December 31, 1999 is available without charge after March 31, 2000 by writing to:

Michael J. Van Handel
Manpower Inc.
P.O. Box 2053
5301 North Ironwood Road
Milwaukee, WI 53201 USA

ANNUAL MEETING OF SHAREHOLDERS

April 17, 2000
10:00 a.m.
Marcus Center for the Performing Arts
929 North Water Street
Milwaukee, WI 53202 USA

DIRECTORS

John R. Walter, Chairman
Retired President and COO of
AT&T Corp. and Chairman
of Ashlin Management Corp.

Jeffrey A. Joerres
President & Chief Executive Officer
Manpower Inc.

Dudley J. Godfrey, Jr.
Senior Partner
Godfrey & Kahn, S.C.

Marvin B. Goodman
Retired principal shareholder and
officer of Manpower Services
(Toronto) Limited, a Company franchise

J. Ira Harris
Chairman of J.I. Harris & Associates
and Vice Chairman of The Pritzker
Organization, L.L.C.

Newton N. Minow
Counsel and former partner of
Sidley & Austin

Gilbert Palay
Retired Senior Executive
Vice President, Manpower Inc.

Dennis Stevenson
Chairman of AerFl Group,
Halifax plc and Pearson plc

Terry A. Hueneke
Executive Vice President
Manpower Inc.

EXECUTIVE OFFICERS

Jeffrey A. Joerres
President & Chief Executive Officer

Terry A. Hueneke
Executive Vice President
The Americas, Japan, Australia
and the Far East

Michael J. Van Handel
Senior Vice President,
Chief Financial Officer and Secretary

SENIOR MANAGEMENT

Michael Grunelius
Managing Director
France & Region

Yoav Michaely
Senior Vice President
Other Europe, Middle East
and Africa

Dominique Turcq
Senior Vice President
Strategic Planning

Principal Operating Units

Argentina	Finland	Korea	Puerto Rico
Australia	France	Luxembourg	Russia
Austria	Germany	Malaysia	Singapore
Belgium	Greece	Mexico	South Africa
Bolivia	Guatemala	Monaco	Spain
Brazil	Hong Kong	Morocco	Sweden
Canada	Honduras	Netherlands	Switzerland
Chile	Hungary	New Zealand	Taiwan
Colombia	India	Norway	Thailand
Costa Rica	Ireland	Panama	United Kingdom
Czech Republic	Israel	Paraguay	United States
Denmark	Italy	Peru	Uruguay
Ecuador	Japan	Portugal	Venezuela

Design: Edelman Worldwide Photography: Kevin Anderson Printing: Active Graphics

[MANPOWER LOGO]

International Headquarters P.O. Box 2053, 5301 North Ironwood Road, Milwaukee, Wisconsin 53201 USA

Telephone 414-961-1000 www.manpower.com

AR-100 (3100) (c) 2000 Manpower Inc.

SUBSIDIARIES OF MANPOWER INC.

Corporate Name -----	Incorporated in State/Country of -----
Huntsville Service Contractors, Inc.	Alabama
Benefits S.A.	Argentina
Cotescud S.A.S.E.	Argentina
Integrated Process Solutions Pty Ltd.	Australia
Manpower Services (Australia) Pty Ltd.	Australia
Manpower GmbH	Austria
Manpower Holding GmbH	Austria
Manpower Unternehmens und Personalberatungs GmbH	Austria
Multiskill SA	Belgium
S.A. Manpower (Belgium) N.V.	Belgium
Manpower Brasil Ltda.	Brazil
Manpower Ltda Sociadada Civil (Inactive)	Brazil
Manpower Participacoes Ltda	Brazil
Skillscape Skills Management Services Ltd.	British Columbia
Servicios Uno A Ltda.	Colombia
Uno A Servicios Especiales Ltda.	Colombia
Manpower Costa Rica	Costa Rica
Manpower Republique Tcheque	Czech Republic
Ironwood Capital Corporation	Delaware
Manpower CIS Inc.	Delaware
Manpower Franchises LLC	Delaware

Manpower International Inc.	Delaware
Staffing Trends, Inc.	Delaware
U.S. Caden Corporation	Delaware

2

Manpower A/S (Denmark)	Denmark
Avalia	Finland
Manpower OY	Finland
Fortec SARL	France
Manpower France SARL	France
Supplay S.A.	France
Adservice GmbH	Germany
Bankpower GmbH Personaldienstleistungen	Germany
Manpower GmbH Personaldienstleistungen	Germany
Manpower Team S.A.	Greece
Manpower Guatemala S.A.	Guatemala
Manpower Honduras S.A.	Honduras
Manpower Services (Hong Kong) Limited	Hong Kong
Manpower Swift Recruitment Services Limited	Hong Kong
Manpower Munkaero Szervezesi KFT	Hungary
Transpersonnel, Inc.	Illinois
Manpower Services India Pvt. Ltd. (Inactive)	India
The Skills Group Contract Services Limited	Ireland
The Skills Group Financial Services Limited	Ireland
The Skills Group International Limited	Ireland

The Skills Group International Limited (UK)	Ireland
Adam Ltd. (Inactive)	Israel
Adi Ltd.	Israel
Career Ltd.	Israel
John Bryce Testing	Israel
Manpower (Israel) Holdings (1999) Limited	Israel
Manpower (Israel) Limited	Israel

3

Miluot	Israel
MNAM Ltd.	Israel
MPH Holdings Ltd.	Israel
Nativ 2 Ltd.	Israel
S.T.M. Technologies Ltd. (Inactive)	Israel
Unison Engineering Projects Ltd.	Israel
Manpower Consulting S.P.A.	Italy
Manpower Italia S.r.l.	Italy
Manpower S.P.A.	Italy
Manpower Seleform S.P.A.	Italy
Manpower Japan Co. Limited	Japan
Support Service Specialists of Topeka, Inc.	Kansas
Manpower Professional Services Inc.	Korea
Manpower Services Korea, Inc.	Korea
Manpower of Baton Rouge LLC	Louisiana
Aide Temporaire Luxembourg SARL	Luxembourg
Agensi Pekerjaan Manpower Recruitment Sdn Bhd	Malaysia

Manpower Staffing Services (Malaysia)Sdn Bhd	Malaysia
Arrendadora Manpower S.A. de C.V.	Mexico
Manpower Corporativo S.A. de C.V.	Mexico
Manpower Industrial S.A. de C.V.	Mexico
Manpower Mensajeria S.A. de C.V.	Mexico
Manpower S.A. de C.V.	Mexico
Tecnologia Y Manufactura S.A. de C.V.	Mexico
Manpower Monaco SAM	Monaco
Societe Marocaine De Travail Temporaire	Morocco
Manpower Consultancy B.V.	Netherlands

4

Manpower Industrie B.V.	Netherlands
Manpower Management B.V.	Netherlands
Manpower Nederland B.V.	Netherlands
Manpower Uitzendorganisatie B.V.	Netherlands
MP Project Support B.V.	Netherlands
Ultraflex B.V.	Netherlands
Ultrasearch B.V.	Netherlands
Eastern Personnel Limited	New Brunswick
Manpower Inc. of New York	New York
Manpower Services (New Zealand) Ltd.	New Zealand
Bankpower A/S	Norway
Manpower A/S	Norway
Manpower Kantineservice A/S	Norway
Techpower A/S	Norway

Techpower Telemark A/S	Norway
Tri County Business Services, Inc.	Ohio
Manpower Services Canada Limited	Ontario
Temporales Panama S.A.	Panama
Setratem S.A.	Peru
Trabajos Temporarios S.A.	Peru
Services De Personnel Du Quebec Ltee	Quebec
Manpower Incorporated of Providence	Rhode Island
Goodmen Personnel Services Pte. Ltd. (Inactive)	Singapore
Manpower Staffing Services (Singapore) Pte. Ltd.	Singapore
Manpower (SA) PTY LTD	South Africa
Link Externalizacion de Servicios S.L.	Spain
Manpower Team E.T.T., S.A.U.	Spain

5

Manpower AB	Sweden
Manpower Outsourcing AB	Sweden
Manpower Sverige AB	Sweden
Allegra Finanz AG	Switzerland
Caden Corporation S.A.	Switzerland
M.S.A.	Switzerland
Manpower AG	Switzerland
Manpower Holding AG	Switzerland
Manpower HR Management S.A.	Switzerland
Manpower Services (Taiwan) Co., Ltd.	Taiwan
HR Staffing LLC	Texas

Skillpower Services (Thailand) Co. Ltd	Thailand
Bafin (UK) Limited (Inactive)	United Kingdom
Bafin Holdings	United Kingdom
Bafin Services Limited	United Kingdom
Brook Street Bureau PLC	United Kingdom
Brook Street (UK) Limited	United Kingdom
BS Project Services Limited	United Kingdom
Challoners Limited (Inactive)	United Kingdom
DP Support Services Limited (Inactive)	United Kingdom
Extrastaff Limited (Inactive)	United Kingdom
Ferribush Limited (Inactive)	United Kingdom
Girlpower Limited. (Inactive)	United Kingdom
LPNS Ltd.	United Kingdom
Manpower (Hemel) Limited (Inactive)	United Kingdom
Manpower (Ireland) Limited (Inactive)	United Kingdom
Manpower Contract Services Limited. (Inactive)	United Kingdom

6

Manpower IT Services Limited (Inactive)	United Kingdom
Manpower Nominees Limited (Inactive)	United Kingdom
Manpower Public Limited Company	United Kingdom
Manpower Services Ltd. (Inactive)	United Kingdom
Manpower Strategic Services	United Kingdom
Overdrive Limited (Inactive)	United Kingdom
Psyconsult International Limited (Inactive)	United Kingdom
Roco Limited (Inactive)	United Kingdom

Salespower Limited (Inactive)	United Kingdom
Tamar Limited (Inactive)	United Kingdom
Temp Finance & Accounting Service Limited (Inactive)	United Kingdom
Total Staff Recruitment Limited (Inactive)	United Kingdom
Aris Sociedad Anonima	Uruguay
Manpower de Venezuela C.A.	Venezuela
Manpower Holdings Inc.	Wisconsin
Manpower Nominees Inc.	Wisconsin
Manpower of Indiana Limited Partnership	Wisconsin
Manpower of Texas Limited Partnership	Wisconsin
Manpower Professional Services Inc.	Wisconsin
Manpower Professional Staffing Services Inc.	Wisconsin
Manpower Texas Holdings LLC	Wisconsin
North Avenue Commerce Center LLC	Wisconsin
North Avenue Commerce Center Phase II LLC	Wisconsin
Signature Graphics of Milwaukee, Inc.	Wisconsin

POWER OF ATTORNEY FOR ANNUAL REPORT ON FORM 10-K

Each of the undersigned directors of Manpower Inc. (the "Company") hereby constitutes and appoints Jeffrey A. Joerres and Michael J. Van Handel, and each of them, the undersigned's true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for the undersigned and in the undersigned's name, place and stead, in any and all capacities, to sign for the undersigned and in the undersigned's name in the capacity as a director of the Company the Annual Report on Form 10-K for the Company's fiscal year ended December 31, 1999, and to file the same, with all exhibits thereto, other documents in connection therewith, and any amendments to any of the foregoing, with the Securities and Exchange Commission and any other regulatory authority, granting unto said attorney-in-fact and agent full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully and to all intents and purposes as the undersigned might or could do in person, hereby ratifying and confirming all that said attorney-in-fact and agent, or the undersigned's substitute, may lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, the undersigned have each executed this Power of Attorney for Annual Report on Form 10-K, on one or more counterparts, this 25th day of February, 2000.

/s/ John R. Walter

John R. Walter

/s/ Dudley J. Godfrey, Jr.

Dudley J. Godfrey, Jr.

/s/ Jeffrey A. Joerres

Jeffrey A. Joerres

/s/ J. Ira Harris

J. Ira Harris

/s/ Marvin B. Goodman

Marvin B. Goodman

/s/ Newton N. Minow

Newton N. Minow

/s/ Terry A. Hueneke

Terry A. Hueneke

/s/ Dennis Stevenson

Dennis Stevenson

/s/ Gilbert Palay

Gilbert Palay

<ARTICLE> 5

<LEGEND>

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE FINANCIAL STATEMENTS OF THE REGISTRANT AS OF AND FOR THE YEAR ENDED DECEMBER 31, 1999 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS. ALL AMOUNTS BELOW EXCEPT FOR EPS FIGURES, HAVE BEEN ROUNDED TO THE NEAREST HUNDRED.

</LEGEND>

<MULTIPLIER> 1,000

<PERIOD-TYPE>	12-MOS	
<FISCAL-YEAR-END>		DEC-31-1999
<PERIOD-END>		DEC-31-1999
<CASH>		241,700
<SECURITIES>		0
<RECEIVABLES>		1,897,600
<ALLOWANCES>		47,100
<INVENTORY>		0
<CURRENT-ASSETS>		2,257,300
<PP&E>		416,100
<DEPRECIATION>		233,700
<TOTAL-ASSETS>		2,718,700
<CURRENT-LIABILITIES>		1,418,100
<BONDS>		357,500
<PREFERRED-MANDATORY>		0
<PREFERRED>		0
<COMMON>		800
<OTHER-SE>		649,800
<TOTAL-LIABILITY-AND-EQUITY>		2,718,700
<SALES>		9,770,100
<TOTAL-REVENUES>		0
<CGS>		8,065,200
<TOTAL-COSTS>		0
<OTHER-EXPENSES>		0
<LOSS-PROVISION>		20,700
<INTEREST-EXPENSE>		17,300
<INCOME-PRETAX>		205,800
<INCOME-TAX>		55,800
<INCOME-CONTINUING>		150,000
<DISCONTINUED>		0
<EXTRAORDINARY>		0
<CHANGES>		0
<NET-INCOME>		150,000
<EPS-BASIC>		1.94
<EPS-DILUTED>		1.91

<ARTICLE> 5

<LEGEND>

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE FINANCIAL STATEMENTS OF THE REGISTRANT AS OF AND FOR THE THREE MONTHS ENDED MARCH 31, 1999 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

</LEGEND>

<MULTIPLIER> 1,000

<PERIOD-TYPE>	3-MOS	
<FISCAL-YEAR-END>		DEC-31-1999
<PERIOD-END>		MAR-31-1999
<CASH>		173,560
<SECURITIES>		0
<RECEIVABLES>		1,504,488
<ALLOWANCES>		39,264
<INVENTORY>		0
<CURRENT-ASSETS>		1,785,578
<PP&E>		408,790
<DEPRECIATION>		219,707
<TOTAL-ASSETS>		2,218,888
<CURRENT-LIABILITIES>		1,159,379
<BONDS>		150,127
<PREFERRED-MANDATORY>		0
<PREFERRED>		0
<COMMON>		835
<OTHER-SE>		651,606
<TOTAL-LIABILITY-AND-EQUITY>		2,218,800
<SALES>		2,175,236
<TOTAL-REVENUES>		0
<CGS>		1,795,002
<TOTAL-COSTS>		0
<OTHER-EXPENSES>		0
<LOSS-PROVISION>		3,035
<INTEREST-EXPENSE>		3,894
<INCOME-PRETAX>		31,952
<INCOME-TAX>		11,344
<INCOME-CONTINUING>		20,608
<DISCONTINUED>		0
<EXTRAORDINARY>		0
<CHANGES>		0
<NET-INCOME>		20,608
<EPS-BASIC>		0.26
<EPS-DILUTED>		0.26

<ARTICLE> 5

<LEGEND>

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE FINANCIAL STATEMENT OF THE REGISTRANT AS OF AND FOR THE YEAR ENDED DECEMBER 31, 1998 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS. ALL AMOUNTS BELOW, EXCEPT FOR EPS FIGURES, HAVE BEEN ROUNDED TO THE NEAREST HUNDRED.

</LEGEND>

<MULTIPLIER> 1,000

<PERIOD-TYPE>	12-MOS	
<FISCAL-YEAR-END>		DEC-31-1998
<PERIOD-END>		DEC-31-1998
<CASH>		180,500
<SECURITIES>		0
<RECEIVABLES>		1,674,700
<ALLOWANCES>		39,500
<INVENTORY>		0
<CURRENT-ASSETS>		1,961,600
<PP&E>		411,400
<DEPRECIATION>		220,100
<TOTAL-ASSETS>		2,391,700
<CURRENT-LIABILITIES>		1,311,100
<BONDS>		154,600
<PREFERRED-MANDATORY>		0
<PREFERRED>		0
<COMMON>		800
<OTHER-SE>		668,100
<TOTAL-LIABILITY-AND-EQUITY>		2,391,700
<SALES>		8,814,300
<TOTAL-REVENUES>		0
<CGS>		7,311,300
<TOTAL-COSTS>		0
<OTHER-EXPENSES>		0
<LOSS-PROVISION>		12,000
<INTEREST-EXPENSE>		19,200
<INCOME-PRETAX>		113,800
<INCOME-TAX>		38,100
<INCOME-CONTINUING>		75,700
<DISCONTINUED>		0
<EXTRAORDINARY>		0
<CHANGES>		0
<NET-INCOME>		75,700
<EPS-BASIC>		0.94
<EPS-DILUTED>		0.93