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SELECTED FINANCIAL DATA

UNAUDITED

for the fiscal years ended

IN MILLIONS, EXCEPT SHARE AND PER SHARE AMOUNTS

	January 2, 2000			January 3, 1999			December 28, 1997		
	CHF	*USD*	*EUR*	*CHF*	*USD*	*EUR*	*CHF*	*USD*	*EUR*
Statements of Operations Data (1):		(52 weeks)			(53 weeks)			(52 weeks)	
Net service revenues	18,471	11,637	11,452	15,308	9,644	9,491	11,432	7,202	7,088
Operating income	829	522	514	647	408	401	481	303	298
Income before amortization of goodwill	525	331	326	406	256	252	301	190	187
Per Share Data (1):									
Diluted income per share before amortization of goodwill	29.08	18.33	18.06	24.03	15.15	14.92	17.94	11.26	11.14
Cash dividends per share	7.00	4.41	4.34	5.50	3.47	3.41	5.00	3.15	3.10
Pro forma diluted weighted average common shares		18,055,376			16,893,802			16,779,939	

	January 2, 2000		
	CHF	*USD*	*EUR*
Balance Sheet Data (1):			
Cash and cash equivalents	1,555	980	964
Accounts receivable, net	3,496	2,202	2,168
Property, equipment and leasehold improvements,net	411	259	255
Goodwill,net	1,756	1,106	1,089
Other assets	720	454	446
Total assets	7,938	5,001	4,922
Accounts payable and accrued expenses	3,037	1,913	1,883
Short-term debt and current maturities of long-term debt	435	274	270
Long-term debt	1,885	1,188	1,169
Other liabilities	181	114	112
Total liabilities	5,538	3,489	3,434
Shareholders'equity	2,400	1,512	1,488
Other Data (1):			
Accounts receivable/payable, net (2)	459	289	285
Net debt (3)	765	482	475

1) *Adecco is a Swiss corporation and as such presents its financial statements in Swiss francs (CHF). For convenience, the fiscal years 1999,1998 and 1997 Statements of Operations Data,and Per Share Data and Balance Sheet Data and Other Data as of January 2,2000 were translated from Swiss francs into US dollars (USD) at the year end rate of CHF 1.59 to USD 1 and from Swiss francs into Euros (EUR) at the year end rate of CHF 1.61 to EUR 1.*
2) *Accounts receivable less accounts payable and accrued expenses.*
3) *Short-term and long-term debt less cash and cash equivalents.*

CONSOLIDATED BALANCE SHEETS

IN MILLIONS, EXCEPT SHARE AND PER SHARE AMOUNTS

		January 2, 2000		January 3, 1999
ASSETS				
Current assets				
Cash and cash equivalents	CHF	1,555	CHF	540
Trade accounts receivable, net		3,496		2,611
Deferred income taxes		219		172
Other current assets		287		170
Total current assets		5,557		3,493
Property, equipment and leasehold improvements, net		411		248
Goodwill,net		1,756		1,730
Other assets		214		136
	CHF	7,938	CHF	5,607
LIABILITIES				
Current liabilities				
Short-term debt and current maturities of long-term debt	CHF	435	CHF	303
Accounts payable and accrued expenses		3,037		2,399
Total current liabilities		3,472		2,702
Long-term debt		1,885		688
Other liabilities		179		144
Total liabilities		5,536		3,534
Minority interests		2		5
Commitments and contingencies (see Note 10)				
SHAREHOLDERS' EQUITY				
Participation certificates,CHF 2 par value –				
Authorized and issued: 24,500 and 94,185 shares				
Outstanding: 10,073 and 59,705 shares				
Common stock,CHF 10 par value –				
Authorized:19,783,019 and 17,764,182 shares				
Issued:17,830,928 and 17,084,347 shares				
Outstanding:17,812,031 and 17,024,909 shares		178		171
Additional paid-in capital		2,449		1,904
Retained earnings (deficit)		(274)		20
Accumulated other comprehensive income		55		3
		2,408		2,098
Less: Treasury stock,at cost				
Common stock		(8)		(26)
Participation certificates		-		(4)
		2,400		2,068
	CHF	7,938	CHF	5,607

The accompanying notes are an integral part of these financial statements.

CONSOLIDATED STATEMENTS OF OPERATIONS

for the fiscal years ended

IN MILLIONS, EXCEPT SHARE AND PER SHARE AMOUNTS

		January 2, 2000 (52 weeks)		January 3, 1999 (53 weeks)		December 28, 1997 (52 weeks)
Net service revenues	CHF	18,471	CHF	15,308	CHF	11,432
Direct costs of services		(15,169)		(12,664)		(9,304)
		3,302		2,644		2,128
Selling,general and administrative expenses		(2,473)		(1,997)		(1,647)
Amortization of goodwill		(699)		(601)		(507)
		130		46		(26)
Interest income		22		23		23
Interest expense		(118)		(91)		(52)
Other income (expense)		(4)		3		10
Income (loss) from continuing operations before income taxes and minority interests		30		(19)		(45)
Provision for income taxes		(204)		(174)		(160)
Income applicable to minority interests		-		(2)		(1)
Net loss	CHF	(174)	CHF	(195)	CHF	(206)
Basic and diluted net loss per share:	CHF	(10.11)	CHF	(11.61)	CHF	(12.52)
Basic and diluted weighted average common shares		17,212,858		16,790,025		16,459,431

The accompanying notes are an integral part of these financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

for the fiscal years ended

IN MILLIONS, EXCEPT SHARE AND PER SHARE AMOUNTS

		January 2, 2000		January 3, 1999		December 28, 1997
CASH FLOWS FROM OPERATING ACTIVITIES						
Net loss	CHF	(174)	CHF	(195)	CHF	(206)
Adjustments to reconcile net loss to						
net cash and cash equivalents from operating activities:						
Amortization		699		601		507
Depreciation		102		82		64
Restructuring provision (benefit)		3		(3)		6
Deferred income taxes		15		(24)		28
Income applicable to minority interests		-		2		1
Other non-cash operating charges		26		43		14
Utilization of restructuring reserve		(32)		(27)		(38)
Changes in operating assets and liabilities,net						
of acquisitions:						
Trade accounts receivable		(451)		(288)		(469)
Accounts payable and accrued expenses		217		245		357
Other current assets		(127)		202		(44)
Non-current assets and liabilities		10		33		(32)
CASH FLOWS FROM OPERATING ACTIVITIES		288		671		188
CASH FLOWS FROM INVESTING ACTIVITIES						
Additions to fixed assets		(156)		(136)		(98)
Proceeds from sales of fixed assets		1		14		22
Cash purchase price for acquisitions:						
Delphi,net of cash acquired of CHF 99		(296)		-		-
Career Staff, net of cash acquired of CHF 75		(37)		-		-
Cash purchase price TAD acquisition		-		-		(570)
Acquisition of minority interests in subsidiaries		-		-		(62)
Other acquisitions and investing activities		(142)		(72)		(78)
CASH FLOWS FROM INVESTING ACTIVITIES		(630)		(194)		(786)
CASH FLOWS FROM FINANCING ACTIVITIES						
Net increase (decrease) in short-term debt		7		(517)		379
Increase in long-term debt		1,134		40		574
Repayment of long-term debt		(30)		(38)		(215)
Dividends paid to shareholders		(120)		(91)		(82)
Change in treasury stock		-		4		(50)
Issuance of common stock,net		516		302		-
Common stock options exercised		42		17		11
Other financing activities		(30)		(18)		(19)
CASH FLOWS FROM FINANCING ACTIVITIES		1,519		(301)		598
EFFECT OF EXCHANGE RATE CHANGES ON CASH		(162)		(75)		(175)
Net increase (decrease) in cash and cash equivalents		1,015		101		(175)
Cash and cash equivalents:						
Beginning of year		540		439		614
End of year	CHF	1,555	CHF	540	CHF	439
Cash paid for interest	CHF	44	CHF	51	CHF	35
Cash paid for taxes	CHF	183	CHF	56	CHF	145

The accompanying notes are an integral part of these financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

for the fiscal years ended

IN MILLIONS, EXCEPT SHARE AND PER SHARE AMOUNTS

	Common Stock		Additional Paid-In Capital	Treasury Stock		Retained Earnings (Deficit)	Accumulated Other Comprehensive Income (Loss)	Total Shareholders' Equity
	Shares	Amount		Shares	Amount			
December 29, 1996	16,558,367	CHF 165	CHF 1,603	(39,975)	CHF (11)	CHF 598	CHF 47	CHF 2,402
Comprehensive loss:								
Net loss						(206)		(206)
Currency translation adjustment							(48)	(48)
Change in net unrealized loss on securities							(7)	(7)
								(261)
Common stock options exercised	47,352	-	8	25,383	7	(4)		11
Common stock purchased				(104,700)	(50)			(50)
Cash dividends, CHF 5.00 per share						(82)		(82)
December 28, 1997	16,605,719	165	1,611	(119,292)	(54)	306	(8)	2,020
Comprehensive loss:								
Net loss						(195)		(195)
Currency translation adjustment							11	11
								(184)
Issuance of common stock	500,000	5	297					302
Common stock options exercised	72,813	1	15	5,245	1			17
Common stock purchased				(29,326)	(14)			(14)
Participation certificates purchased				(34,480)	(4)			(4)
Common stock sold			(19)	83,935	41			22
Cash dividends, CHF 5.50 per share						(91)		(91)
January 3, 1999	17,178,532	171	1,904	(93,918)	(30)	20	3	2,068
Comprehensive loss:								
Net loss						(174)		(174)
Currency translation adjustment							52	52
								(122)
Issuance of common stock	600,000	6	510					516
Common stock options exercised	132,644	1	41	545	-			42
Participation certificates purchased				(16,677)	(2)			(2)
Common stock issued for participation certificates	13,937	-		(7,346)	(5)			(5)
Common stock sold			(7)	44,460	22			15
Participation certificates exchanged for common stock	(69,685)	-	1	36,730	6			7
Treasury participation certificates exchanged for treasury common stock				2,882	1			1
Cash dividends, CHF 7.00 per share						(120)		(120)
January 2, 2000	17,855,428	CHF 178	CHF 2,449	(33,324)	CHF (8)	CHF (274)	CHF 55	CHF 2,400

The accompanying notes are an integral part of these financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as of January 2,2000

IN MILLIONS, EXCEPT SHARE AND PER SHARE AMOUNTS

Note 1-The Business and Summary of Significant Accounting Policies

BUSINESS Adecco's principal business is providing personnel services to companies and industry worldwide. Adecco's personnel services include providing temporary personnel,placing permanent employees,training and testing temporary and permanent employees, outsourcing and providing outplacement counseling services. Adecco provides these services by contract to businesses located throughout North America,Europe, Asia and Latin America.

PRINCIPLES OF CONSOLIDATION The consolidated financial statements include the accounts of Adecco SA,a Swiss corporation,and its majority-owned subsidiaries (collectively,"Adecco"). The equity and net income attributable to minority shareholders'interests are shown separately in the consolidated financial statements. All material intercompany accounts and transactions have been eliminated.

The consolidated financial statements are presented in accordance with accounting principles generally accepted in the United States of America and the provisions of Swiss law.

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 and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported components of results of operations during the reporting period. Actual results could differ from those estimates.

BASIS OF PRESENTATION Adecco's fiscal year ends on the Sunday nearest to December 31. For 1999,the fiscal year contained 52 weeks and ended on January 2,2000. For 1998,the fiscal year contained 53 weeks and ended on January 3,1999 and for 1997,the fiscal year contained 52 weeks and ended on December 28,1997.

RECOGNITION OF REVENUE Adecco's personnel services revenues are recognized when the services are rendered or upon acceptance of employment.

FOREIGN CURRENCY TRANSLATION Adecco's operations are conducted in over 50 countries and Adecco's local operations are reported in the applicable foreign currencies then translated into Swiss francs at the applicable foreign currency exchange rates for inclusion in Adecco's consolidated financial statements. Financial statements of foreign subsidiaries are translated into Swiss francs using year-end rates of exchange for assets and liabilities and using weighted average rates for the year for revenues and expenses. The translation adjustments are included as a separate component of shareholders'equity. Exchange gains and losses on hedges of non-Swiss franc net investments and on intercompany balances of a long-term investment nature are also included in equity.

CASH AND CASH EQUIVALENTS All highly liquid instruments with an original maturity of three months or less are considered to be cash equivalents.

ACCOUNTS RECEIVABLE Accounts receivable are recorded at their net realizable value after deducting an allowance for doubtful accounts. Such deductions reflect either specific cases or estimates based on historical evidence of collectibility.

PROPERTY, EQUIPMENT AND LEASEHOLD IMPROVEMENTS Property and equipment are carried at cost and depreciated on a straight-line basis over their estimated useful lives (three to five years for furniture, computers,software and equipment and generally forty years for buildings). Leasehold improvements are stated at cost and amortized over the shorter of the lease term or the useful life of the improvement.

GOODWILL The excess of the purchase price over the fair value of net assets acquired is shown as goodwill on the accompanying consolidated balance sheets. Adecco amortizes goodwill on a straight-line basis over five years. Adecco evaluates the recoverability of goodwill based on estimated future undiscounted cash flows. Charges for impairment of goodwill are recorded to the extent unamortized book value of such assets exceeds the related future undiscounted cash flows. Goodwill may change as certain estimates and contingencies are finalized,although any adjustments are not expected to have a significant effect on the ultimate amount of goodwill. Accumulated amortization of goodwill amounted to CHF 2,072 and CHF 1,331 at January 2,2000 and January 3,1999.

as of January 2,2000

IN MILLIONS, EXCEPT SHARE AND PER SHARE AMOUNTS

LONG-LIVED ASSETS Adecco reviews on a periodic basis,the carrying amount of long-lived assets and certain identifiable intangibles for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. For all fiscal years presented,Adecco determined that no impairment loss had occurred.

INCOME TAXES Deferred tax assets and liabilities are recognized for the expected tax consequences of temporary differences arising between the tax bases of assets and liabilities and their reported amounts.

FAIR VALUE OF FINANCIAL INSTRUMENTS Adecco uses the following methods and assumptions to estimate the fair value of each class of financial instruments for which it is practical to estimate that value:

Cash and cash equivalents The carrying amount approximates fair value because of the short maturity of those instruments.

Short-term debt The carrying amount approximates fair value because of the short maturity of those instruments.

Long-term debt The fair value of Adecco's long-term debt is estimated based on the quoted market prices for the same or similar issues or on the current rates offered for debt of similar remaining maturities. The carrying amount of the aggregate debt was CHF 1,904 and the fair value was CHF 2,037 as of January 2,2000.

Foreign currency and interest rate contracts The fair value of foreign currency contracts is estimated based upon information obtained from financial institutions. The carrying amount of the foreign currency contracts was CHF 544 and the fair value was CHF 551 as of January 2,2000. Any interest rate differential on interest rate contracts is recognized as an adjustment to interest expense over the term of the agreement. The carrying amounts of the interest rate contracts was CHF 1 and the fair value was CHF 1 as of January 2,2000.

DERIVATIVE FINANCIAL INSTRUMENTS Adecco uses short term forward exchange contracts to hedge the foreign currency exposure that is created as a result of financing within the group, primarily intercompany loans. On a monthly basis,outstanding hedge contracts are valued at the current spot rates. The gains and losses as a result of the hedge contracts are recorded in the consolidated statements of operations as interest expense as well as any foreign exchange gain or loss on the underlying intercompany loan activity.

NET LOSS PER SHARE Adecco computes basic and diluted net loss per share using the weighted average number of common stock, participation certificates and incremental common stock. Incremental common stock consists of the incremental common stock from assumed conversion of convertible notes (using the if-converted method) and stock issuable upon the exercise of stock options (using the treasury stock method). Incremental common stock in fiscal 1999,1998 and 1997 was excluded from the computation as the effect was anti-dilutive. Participation certificates are included at a rate of five shares of participation certificates common stock to one share of common stock.

RECLASSIFICATIONS Certain reclassifications have been made to the fiscal years 1997 and 1998 financial statements to conform to the fiscal year 1999 financial statement presentation.

NEW ACCOUNTING STANDARDS In 1998,the Financial Accounting Standards Board issued SFAS No. 133,"Accounting for Derivative Instruments and Hedging Activities." This standard requires all derivatives to be recognized in the statement of financial position as either assets or liabilities measured at fair value and is effective for Adecco at the beginning of 2001. Based on its current financial position Adecco believes the impact on adoption will not be material.

OTHER DISCLOSURES REQUIRED BY SWISS LAW

Balance sheet data		1999		1998
Prepayments and accrued income	CHF	64	CHF	47
Total non-current assets		2,381		2,114
Total accruals and deferred income		2,542		1,830
Total pension liabilities,non-current		24		16

The fire insurance value of property, equipment and leasehold improvements amounts to CHF 520 and CHF 689 at January 2,2000 and January 3,1999.

Statements of operations data		1999		1998
Personnel expenses	CHF	1,520	CHF	1,301

IN MILLIONS, EXCEPT SHARE AND PER SHARE AMOUNTS

Note 2- Acquisitions

Olsten Corporation

In August of 1999,Adecco announced an agreement to acquire Olsten Corporation ("Olsten") for a combination of cash and Adecco common stock and the assumption of USD 750 in net debt. Olsten is a supplier of staffing and information technology services and health services conducting owned,franchised and licensed operations in North America,Europe and Latin America. Under the terms of the proposed merger, Olsten agreed to split off to Olsten shareholders Olsten Health Services as a separate publicly traded entity. In the transaction,holders of common stock of Olsten will receive shares of the new health services company, which will continue to conduct the health care business of Olsten,American Depositary Receipts ("ADR") which each represent 1/8th of a share of Adecco common stock and/or cash. Stockholders may elect to receive 0.12472 Adecco ADRs or USD 8.75 per share cash,subject to proration. The acquisition will be financed from the issue of Adecco common shares,a convertible note offering, bank borrowings and the assumption of certain outstanding bank debt. The acquisition will be accounted for using the purchase method of accounting and is anticipated to be consummated in March 2000.

Career Staff Co., Ltd.

In May 1999,Adecco acquired Career Staff Co.,Ltd ("Career Staff"),a personal services business in Japan,for approximately CHF 128. The acquisition was financed using existing credit facilities and internal resources and was accounted for as a purchase. The excess of the purchase price over the fair value of the net assets acquired was CHF 127 and was recorded as goodwill. The results of operations of Career Staff have been included in the financial statements beginning May 1999. The following unaudited pro forma information shows consolidated operating results as if the acquisition of Career Staff had occurred at the beginning of fiscal 1999 and at the beginning of fiscal 1998.

		1999		1998
Net service revenues	CHF	18,685	CHF	15,909
Net loss		(177)		(195)
Basic and diluted net loss per share		(10.28)		(11.61)

Delphi Group plc

In April 1999,Adecco acquired Delphi Group plc ("Delphi") for approximately CHF 395. Delphi is an information technology service and staffing business with operations in the United Kingdom,the United States and Europe. The acquisition was financed from bank borrowings and was accounted for as a purchase. The excess of the purchase price over the fair value of the net assets acquired was CHF 400 and was recorded as goodwill. The results of the operations of Delphi have been included in the financial statements beginning in April 1999. The following unaudited pro forma information shows consolidated operating results as if the acquisition of Delphi had occurred at the beginning of fiscal 1999 and at the beginning of fiscal 1998.

		1999		1998
Net service revenues	CHF	18,681	CHF	16,047
Net loss		(176)		(221)
Basic and diluted net loss per share		(10.25)		(13.16)

TAD Resources International

In October 1997,Adecco acquired TAD Resources International ("TAD"),a supplier of technical,information technology, clerical and light industrial staffing services in the United States,Canada and the United Kingdom. The transaction was accounted for as a purchase. The purchase price was CHF 570 in cash and was financed with short-term bank borrowings. The excess of the purchase price over the fair value of net assets acquired was approximately CHF 500 and was recorded as goodwill. The results of operations of TAD have been included in the financial statements beginning in November 1997. The following unaudited consolidated pro forma information assumes the acquisition had occurred at the beginning of fiscal 1997 and at the beginning of fiscal 1996.

		1997		1996
Net service revenues	CHF	12,864	CHF	7,692
Net loss		(285)		(112)
Basic and diluted net loss per share		(17.32)		(8.69)

IN MILLIONS, EXCEPT SHARE AND PER SHARE AMOUNTS

Note 3-Trade Accounts Receivable

		January 2, 2000		January 3, 1999
Trade accounts receivable	CHF	3,620	CHF	2,732
Allowance for doubtful accounts		(124)		(121)
Trade accounts receivable, net	CHF	3,496	CHF	2,611

Adecco sells a percentage ownership interest in a continuous revolving pool of certain of its United States trade accounts receivable ("the pool"). The purchaser funds its investment in the pool through the issuance of commercial paper. Under the terms of the sale agreement, the purchaser's investment in the pool (i) cannot exceed USD 200 (CHF 317), (ii) bears interest based on the underlying commercial paper rate (6.0% at January 2,2000), and (iii) is subject to reduction based on the eligibility and concentration of the trade accounts receivable that comprise the pool. The sale agreement is renewable annually. At January 2,2000, the pool, amounting to USD 278 (CHF 441), has been reflected as a reduction in trade accounts receivable of which an undivided interest has been sold to the purchaser for cash of USD 200 (CHF 317). In addition, Adecco has a long-term receivable of USD 52 (CHF 83) at January 2, 2000 from the purchaser for the percentage interest sold for which Adecco has not yet received cash. Adecco's interest in the remainder of the pool is classified as trade accounts receivable. Adecco has exposure to risk of credit loss related to the total pool for the nonperformance of the purchaser, and to uncollectible accounts receivable, and has provided an allowance for doubtful accounts of USD 11 (CHF 18) at January 2,2000 related to these exposures.

Note 4-Property, Equipment and Leasehold Improvements

		January 2, 2000		January 3, 1999
Land and buildings	CHF	52	CHF	41
Furniture, fixtures and office equipment		203		174
Computer equipment and software		444		223
Leasehold improvements		159		127
		858		565
Accumulated depreciation		(447)		(317)
	CHF	411	CHF	248

Included in property, equipment and leasehold improvements are assets acquired under capital leases with original cost of CHF 21 and CHF 9 and accumulated amortization of CHF 15 and CHF 7 at January 2,2000 and January 3,1999.

Note 5-Accounts Payable and Accrued Expenses

		January 2, 2000		January 3, 1999
Accounts payable	CHF	123	CHF	66
Wages and benefits		1,576		1,224
VAT and sales taxes		513		466
Income and other taxes		418		336
Workers' compensation		79		101
Restructuring charges		17		22
Other		311		184
	CHF	3,037	CHF	2,399

IN MILLIONS, EXCEPT SHARE AND PER SHARE AMOUNTS

Note 6-Financing Arrangements

SHORT-TERM DEBT To support short-term working capital and borrowing requirements,Adecco had available bank lines of credit in certain countries in which it operates of CHF 757 and CHF 532 and borrowings outstanding of CHF 416 and CHF 291 as of January 2,2000 and January 3,1999. The lines of credit are in various currencies at variable interest rates that as of January 2,2000 ranged from 5.8% to 6.7%.Included in the lines of credit are bank overdrafts aggregating CHF 57 and CHF 61 at January 2,2000 and January 3,1999.

LONG-TERM DEBT		JANUARY 2, 2000		JANUARY 3, 1999
Convertible subordinated notes,EUR 360,1.5%,due 2004	CHF	576	CHF	-
Unsecured,CHF 500, multicurrency revolving credit facility, due February 2000		494		305
Unsecured,GBP 175, credit facility, due February 2000		348		-
Bonds, CHF 300,4.0%,due 2005		300		300
Senior loan note, USD 50,7.1%,due 2007		80		-
Subordinated notes,undated		62		68
Other		44		27
		1,904		700
Less current maturities		(19)		(12)
Long-term portion	CHF	1,885	CHF	688

In January 2000,Adecco entered into CHF 1.5 billion of unsecured multicurrency revolving credit facilities consisting of a 3 1/2 year CHF 1 billion revolving credit facility and a one year CHF 500 revolving credit facility which bear interest at LIBOR plus a maximum margin of 0.475%,with an annual commitment fee of 0.025% of the undrawn portion of the facility. The facility replaces the CHF 500 unsecured multicurrency facility, which bore interest at LIBOR plus 0.175% (6.7% at January 2,2000) with annual commitment fee on the undrawn portion of the facility of 0.085% and the GBP 175 (CHF 452) unsecured facility, which bore an interest rate of LIBOR plus 0.3% (6.0% at January 2,2000) and was used in connection with the Delphi acquisition.In connection with the Delphi acquisition,Adecco assumed an outstanding USD 50 (CHF 80) senior loan note due in 2007.

In November 1999,Meridian B.V.,a wholly-owned subsidiary of Adecco, issued EUR 360 (CHF 576) in total principal amount of its 1.5% guaranteed convertible notes due 2004. The convertible notes are guaranteed on a senior, unsecured basis by Adecco and are convertible, in the aggregate, into approximately 540,000 Adecco common shares commencing January 5,2000.

In 1992,a subsidiary issued USD 100 of undated subordinated notes ("the notes").The notes are not due to be redeemed,and will only be repaid in the event of a merger or a liquidation of the subsidiary.The notes bear interest at 1% above LIBOR,which is adjusted every six months,in perpetuity. Interest payments on these notes may be suspended if the subsidiary's losses exceed 25% of shareholders'equity and no dividends are distributed with respect to the previous year.The notes are considered repackaged in accordance with the Structured Finance Agreement ("the Agreement") entered into by a third party and the noteholders.The third party has agreed to acquire all the notes from the noteholders after a period of fifteen years and forego all rights to interest from the sixteenth year to perpetuity in return for a prepayment of that interest by the subsidiary amounting to approximately USD 29. Adecco has accounted for the notes by stating the principal balance net of the prepaid interest (USD 71) and accounts for payments on the notes as interest and principal.The effective interest rate of these payments was 6.1%, 5.7% and 5.8% in fiscal 1999,1998 and 1997. Adecco accounted for USD 4 of payments as principal in fiscal years 1999,1998 and 1997.

IN MILLIONS, EXCEPT SHARE AND PER SHARE AMOUNTS

Under the terms of the various short and long-term credit agreements,Adecco is subject to covenants requiring,among other things, compliance with certain financial tests and ratios.The interest rates indicated for short-term credit facilities and long-term debt represent weighted average interest rates in effect at January 2,2000. Payments of long-term debt are due as follows:

Fiscal Year		
2000	CHF	19
2001		714
2002		39
2003		180
2004		37
Thereafter		915
	CHF	1,904

Note 7-Shareholders' Equity

Adecco's stockholders'equity consists of common stock and participation certificates. Participation certificates entitle the holder to receive dividends,other distributions and liquidation proceeds to the extent such payments are made to the holders of common stock. Participation certificates are non-voting.Included in common stock are participation certificates,par value CHF 2, which consisted of 24,500,94,185 and 94,185 shares as of January 2,2000, January 3,1999 and December 28, 1997. Included in treasury stock are participation certificates which consisted of 14,427,34,480 and nil shares as of January 2,2000, January 3,1999 and December 28, 1997. At January 2,2000,Adecco had 547,191 shares of common stock reserved for issuance to employees and directors upon the exercise of stock options. Common stock held as treasury stock is generally reserved to support option exercises under stock option plans.

Adecco may only pay dividends out of unappropriated retained earnings disclosed in the annual financial statements of Adecco SA ("Holding Company"),prepared in accordance with Swiss law and as approved at the annual general meeting of shareholders. These parent company financial statements,which reflected unappropriated retained earnings of CHF 903 as of December 31,1999,account for investments in all subsidiaries at cost.

In November 1999,Adecco issued 600,000 shares of common stock for a share price of CHF 879 per share. Proceeds received were CHF 516 net of offering costs of CHF 11. The proceeds were invested in cash equivalents and will be used to finance the purchase of Olsten.In addition,during 1999,132,644 shares were issued for stock options.

At the annual meeting of shareholders on April 20,1999, the Adecco shareholders voted to, among other things,authorize up to 600,000 additional common Adecco shares to be issued no later than April 20,2000 for cash as may be advisable to strengthen Adecco's financial condition,and authorize up to 1,400,000 additional Adecco common shares to finance possible mergers and acquisitions and to convert all Adecco shares from bearer shares to registered shares. At a special meeting of shareholders on September 10,1999,the Adecco shareholders voted to authorize up to 700,000 additional Adecco common shares to be used in connection with the acquisition of Olsten,and to limit the total number of shares to be issued under the April and September distributions to 1,400,000 shares.

On July 15,1998,Adecco issued 500,000 shares of common stock for a share price of CHF 620 per share. Proceeds received from the issuance were CHF 302 net of offering costs of CHF 8.

IN MILLIONS, EXCEPT SHARE AND PER SHARE AMOUNTS

Note 8-Stock Option Plans

At January 2,2000,Adecco had options outstanding relating to its common stock under several existing plans.Under these plans,certain of which are administered by a legally independent Swiss foundation,options vest and become exercisable in installments,generally on a ratable basis over two to five years beginning on the day of the grant or one year after the date of grant,and have a contractual life of three to ten years.

Adecco applies APB Opinion No. 25,"Accounting for Stock Issued to Employees",and related interpretations in accounting for its plans. Accordingly, no compensation cost has been recognized for its stock option plans.Had compensation cost for Adecco's stock-based compensation plans been determined based on the fair value at the grant dates for awards under those plans consistent with SFAS No. 123, "Accounting for Stock-Based Compensation",Adecco's net loss and loss per share would have increased to the pro forma amounts indicated below:

		1999		1998		1997
Net loss:						
As reported	CHF	(174)	CHF	(195)	CHF	(206)
Pro forma		(188)		(205)		(208)
Basic and diluted loss per share:						
As reported	CHF	(10.11)	CHF	(11.61)	CHF	(12.52)
Pro forma		(10.92)		(12.21)		(12.63)

Options Outstanding: Exercise Price per Share	Number	Weighted Average Remaining Life	Weighted Average Exercise Price per Share	Options Exercisable: Number	Weighted Average Exercise Price per Share
CHF 39 - 213	77,067	2.25	CHF 160	55,529	CHF 160
214 - 484	127,145	5.88	457	59,899	462
533 - 760	199,956	6.70	538	35,475	540
1,022	292,905	6.91	1,022	20,781	1,022
CHF 39-1,022	697,073	6.14	CHF 688	171,684	CHF 448

IN MILLIONS, EXCEPT SHARE AND PER SHARE AMOUNTS

The fair value of each option grant is estimated on the date of grant using the Black-Scholes option-pricing model and the following weighted average assumptions:

	1999	1998	1997
Expected lives	3.7	5.0	5.0
Risk-free interest rate	3.40	5.25	5.94
Expected volatility	27%	57%	31%
Expected dividend	CHF 8.4	CHF 7.0	CHF 5.0

A summary of the status of Adecco's stock option plans as of the fiscal years ended 1999,1998 and 1997,and changes during those years is presented below.

	Number of Shares	Exercise Price per Share	Weighted Average Exercise Price per Share
Balance, December 29,1996	343,065	CHF 1 - 1,120	CHF 134
Granted	204,470	76 - 484	432
Exercised	(72,735)	1 - 212	159
Canceled	(48,962)	166 - 213	180
Balance, December 28,1997	425,838	5 - 1,120	300
Granted	236,010	472 - 674	532
Exercised	(78,058)	5 - 430	200
Canceled	(31,173)	10 - 1,120	389
Balance, January 3,1999	552,617	10 - 674	446
Granted	297,141	533 - 1,022	1,018
Exercised	(133,189)	10 - 750	322
Canceled	(19,496)	166 - 533	376
Balance, January 2,2000	697,073	39 - 1,022	688
Exercisable, January 2,2000	171,684	39 - 1,022	448

The weighted average fair value per option granted in 1999,1998 and 1997 was CHF 237,CHF 248 and CHF 174 per share.

IN MILLIONS, EXCEPT SHARE AND PER SHARE AMOUNTS

Note 9-Income Taxes

Adecco is incorporated in Switzerland,operates in countries that have differing tax laws and rates and generates income from continuing operations primarily outside of Switzerland.Consequently, the weighted average expected effective rate will vary from year to year according to the source of earnings by country.The provision for income taxes on continuing operations consists of the following for the fiscal years:

		1999		1998		1997
Current provision	CHF	189	CHF	198	CHF	132
Deferred provision (benefit)		15		(24)		28
Total	CHF	204	CHF	174	CHF	160

Temporary differences that give rise to deferred income tax assets and liabilities are summarized as follows:

		JANUARY 2, 2000		JANUARY 3, 1999
Net operating loss carryforward	CHF	47	CHF	60
Provision for risk and accrued restructuring charges		22		24
Accrued business tax		17		21
Accrued workers'compensation		17		12
Deferred compensation and accrued employee benefits		43		31
Other accrued expenses		41		64
Financial amortization in excess of tax amortization		83		31
Other		35		27
Gross deferred tax asset		305		270
Valuation allowance		(32)		(52)
Net deferred tax asset		273		218
Deferred tax liability		9		9
Deferred tax asset net of deferred tax liability	CHF	264	CHF	209

Adecco's assessment of the realizability of deferred tax assets is made on a country-by-country basis.A valuation allowance is used to reduce deferred tax assets to a level which,more likely than not,will be realized.Other long-term assets include CHF 45 and CHF 37 of net deferred tax assets as of January 2,2000 and January 3,1999.

At January 2,2000,Adecco had approximately CHF 131 in net operating loss carryforwards expiring beginning 2001 attributable to several European countries. Future utilization of these loss carryforwards may be limited by local country tax laws that restrict utilization of the loss to the subsidiary that incurred the loss and by reorganization of local country operations.A portion of the net operating loss carryforward available is not included in the net operating loss carryforward and related deferred tax assets disclosed above because management believes the probability of utilization is remote.The change in valuation allowance in 1999 results from tax benefits recognized related to the utilization of certain net operating losses and has been reflected as an adjustment to goodwill.

IN MILLIONS, EXCEPT SHARE AND PER SHARE AMOUNTS

The difference between the provision for income taxes and the expected tax provision at the weighted average tax rate is reconciled as follows for the fiscal years:

		1999		1998		1997
Expected tax provision (benefit)	CHF	11	CHF	(8)	CHF	(17)
Goodwill amortization		199		195		186
Adjustment to deferred tax assets due to rate changes		11		-		(13)
Other		(17)		(13)		4
Total provision for income taxes	CHF	204	CHF	174	CHF	160

The expected tax provision was calculated by aggregating the products of pre-tax income (loss) in each country multiplied by that country's statutory income tax rate. A provision has been made for withholding tax and other taxes on cross-border, intercompany transactions including management fees, royalties,interest,and dividends.

Note 10-Commitments and Contingencies

COMMITMENTS Adecco leases facilities under operating leases,certain of which require payment of property taxes,insurance and maintenance costs.Operating leases for facilities are usually renewable at Adecco's option and usually include escalation clauses linked to inflation.

Future minimum annual rentals are as follows:

Fiscal Year		
2000	CHF	141
2001		111
2002		80
2003		58
2004		41
Thereafter		99
	CHF	530

Total rent expense under operating leases amounted to CHF 131,CHF 91 and CHF 74 during 1999,1998 and 1997.

CONTINGENCIES Adecco is involved in various legal actions and claims.In the opinion of management,after taking appropriate legal advice, the future settlements of such actions and claims will not have a material adverse effect on Adecco's financial position or results of operations.

Note 11-Restructuring Costs

In connection with acquisitions in 1999,primarily Delphi and Career Staff, Adecco committed to restructuring plans which resulted in a pre-tax charge of CHF 3 in 1999 related to employee reductions and branch closure costs. In addition, restructuring costs of CHF 24 of the acquirees were accrued in connection with the purchase accounting for the acquisitions. The total restructuring costs of CHF 27 included CHF 8 for employee reductions,CHF 9 for remaining lease commitments on abandoned facilities and CHF 10 for branch closure costs. At January 2,2000, the remaining restructuring reserve related to 1999 acquisitions was CHF 17,including CHF 6 for employee reductions,CHF 5 for remaining lease commitments on abandoned facilities and CHF 6 for branch closure costs,and was included in accounts payable and accrued expenses.

IN MILLIONS, EXCEPT SHARE AND PER SHARE AMOUNTS

In connection with the TAD acquisition in 1997, Adecco committed to a restructuring plan, which resulted in a pre-tax charge of CHF 6 related to employee reductions and branch closure costs. In addition, restructuring costs of CHF 44 of the acquiree were accrued in connection with the purchase accounting for the acquisition. The total restructuring costs of CHF 50 included CHF 23 for employee reductions, CHF 18 for remaining lease commitments on abandoned facilities and CHF 9 for branch closure and other costs. At January 2, 2000, there was no remaining restructuring reserve for the TAD acquisition.

		Original Restructuring Reserves		Additions to Restructuring Reserves		Cash Payments		Restructuring Reserves as of January 2, 2000
Employee reductions	CHF	23	CHF	8	CHF	(25)	CHF	6
Remaining lease commitments on abandoned facilities		18		9		(22)		5
Branch closure and other costs		9		10		(13)		6
Total restructuring reserves	CHF	50	CHF	27	CHF	(60)	CHF	17

Note 12-Financial Instruments

Financial instruments that potentially expose Adecco to concentrations of credit risk consist principally of cash investments, trade accounts receivable and foreign exchange contracts. Adecco places its cash investments in major financial institutions throughout the world that management believes to be of high credit quality. Credit risk, with respect to trade accounts receivable, is dispersed due to the international nature of the business, the large number of customers and the diversity of industries serviced. Adecco performs credit evaluations of its customers and, where available and cost effective, utilizes credit insurance. Adecco sells a percentage ownership interest in a continuous revolving pool of certain of its United States trade accounts receivable; see Note 3.

Adecco uses foreign exchange contracts for purposes other than trading to exchange various currencies into Swiss francs and other currencies, and enters into foreign exchange contracts for the purpose of hedging underlying transactional currency exposure, but not to engage in any foreign currency speculation. Foreign exchange contracts include: forward contracts representing agreements to buy or sell a specified amount of foreign currency at a specified price in the future; foreign currency options representing contracts that grant the purchaser, for a premium payment, the right to either buy or sell in the future a specified amount of currency at a specified price; and foreign currency swap contracts representing agreements to exchange specified amounts of foreign currency at a future date (collectively "foreign exchange contracts"). Credit risk, with respect to foreign exchange contracts, is minimal as the contracts are with very large financial institutions. Market risk, with respect to foreign exchange contracts, is offset by the corresponding exposure related to the underlying assets and liabilities. Foreign exchange gains and losses and the amortization of premiums and discounts related to foreign exchange contracts used to hedge existing assets and liabilities are recognized in the consolidated statements of operations in the same period that the exchange gains and losses of the hedged assets and liabilities are recorded.

At January 2, 2000, Adecco had short-term foreign exchange contracts outstanding with an aggregate notional amount of CHF 544. CHF 551 would be required to close the positions at January 2, 2000. These contracts primarily hedge intercompany lending activity with the respective gains and losses being included in interest expense.

At January 2, 2000, foreign exchange contracts and interest rate swap agreements that expire in the year 2007 exist for the purpose of managing foreign currency and interest rate exposures related to the undated subordinated notes described in Note 6. The foreign exchange contracts are used to exchange the USD interest payments under the undated subordinated notes into French francs (FRF) at an average exchange rate of USD = 6.07 FRF. Similarly, the interest rate swaps convert the floating interest rate under the undated subordinated notes to a fixed rate that at January 2, 2000 was 6.1%. Changes in interest receivable and payable under interest rate swaps are recorded as adjustments to interest expense on the related debt.

IN MILLIONS, EXCEPT SHARE AND PER SHARE AMOUNTS

Note 13-Segment Reporting

Adecco has adopted SFAS No. 131,"Disclosures about Segments of an Enterprise and Related Information." SFAS No. 131 establishes standards for reporting information about operating segments in annual financial statements.The operating segments of Adecco are defined by geography. Adecco's reportable operating segments are France, North America,Northern Europe and All Other. Adecco evaluates performance based on country contribution,which is defined as the amount of segment profit or loss before intercompany charges,interest income and expense charges,goodwill amortization and income taxes.The accounting policies of the operating segments are the same as those described in the summary of significant accounting policies.Adecco delivers general staffing services and specialty services within its segments.Specialty services include accounting and finance, information technology, engineering and technical,and outplacement and career transition.

		France		North America (1)		Northern Europe (2)		All Other (3)		Total
1999										
Sales	CHF	7,000	CHF	4,885	CHF	3,757	CHF	2,829	CHF	18,471
Depreciation and amortization		28		176		99		498		801
Country contribution		302		289		189		49		829
Fixed asset additions		33		64		56		43		196
Segment assets		2,109		1,181		1,367		3,281		7,938
Long lived assets (4)		88		140		88		264		580
1998										
Sales	CHF	6,298	CHF	4,494	CHF	2,989	CHF	1,527	CHF	15,308
Depreciation and amortization		24		151		38		470		683
Country contribution		270		205		130		42		647
Fixed asset additions		23		31		52		30		136
Segment assets		1,902		1,037		681		1,987		5,607
Long lived assets (4)		85		118		100		44		347
1997										
Sales	CHF	4,722	CHF	2,969	CHF	2,392	CHF	1,349	CHF	11,432
Depreciation and amortization		24		66		23		458		571
Country contribution		186		127		100		68		481
Fixed asset additions		23		60		37		13		133
Segment assets		1,849		1,243		645		1,994		5,731
Long lived assets (4)		94		83		92		64		333

SALES BY SERVICE

		1999		1998		1997
General Staffing	CHF	15,580	CHF	13,514	CHF	10,122
Specialty services		2,891		1,794		1,310
	CHF	18,471	CHF	15,308	CHF	11,432

(1) Consists primarily of operations in the United States
(2) Consists primarily of operations in the United Kingdom,Netherlands,Germany and Switzerland
(3) Consists of operations in Southern Europe, Asia,Latin America,Other and Corporate
(4) Long-lived assets include all non-current assets except deferred taxes of CHF 45,CHF 37 and CHF 28,and goodwill of CHF 1,756,CHF 1,730 and CHF 2,302 for 1999, 1998 and 1997

REPORT OF THE GROUP AUDITORS TO THE GENERAL MEETING OF ADECCO SA, CHESEREX

Report of the Group Auditors
to the General Meeting of
Shareholders of Adecco SA,Chéserex

As auditors of the group, we have audited the Consolidated Financial Statements,(Consolidated Balance Sheets as of January 2, 2000 and January 3,1999,Consolidated Statements of Operations,Cash Flows,Changes in Shareholders'Equity and Notes pages 31 to 42) of Adecco SA for the three years ended January 2,2000.

These Consolidated Financial Statements are the responsibility of the Board of Directors.Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audits.We confirm that we meet the legal requirements concerning professional qualification and independence.

Our audits were conducted in accordance with auditing standards promulgated by the profession in Switzerland and in accordance with auditing standards generally accepted in the United States of America,which require that the audit be planned and performed to obtain reasonable assurance about whether the Consolidated Financial Statements are free from material misstatement.We have examined,on a test basis, evidence supporting the amounts and disclosures in the Consolidated Financial Statements.We have also assessed the accounting principles used,significant estimates made and the overall Consolidated Financial Statement presentation.We believe that our audits provide a reasonable basis for our opinion.

In our opinion,the Consolidated Financial Statements give a true and fair view of the financial position,the results of operations and the cash flows in accordance with accounting principles generally accepted in the United States of America,with Articles 66 and 67 of the listing rules of the Swiss Stock Exchange and comply with Swiss law.

We recommend that the Consolidated Financial Statements submitted to you be approved.

ARTHUR ANDERSEN SA

Mike Sills Olivier Calloud

Lausanne, January 27,2000

BALANCE SHEETS (HOLDING COMPANY)

as of December 31

IN MILLIONS, EXCEPT SHARE AND PER SHARE AMOUNTS

		1999		1998
ASSETS				
Current assets				
Cash and cash equivalents	CHF	570	CHF	9
Amounts due from subsidiaries		49		75
Amounts due from third parties		3		1
Other current assets		-		7
Withholding taxes,accrued income and prepaid expenses		24		14
		646		106
Non-current assets				
Investments in subsidiaries		1,647		1,490
Loans to subsidiaries		2,426		1,678
Provisions on investments in and loans to subsidiaries		(636)		(595)
		3,437		2,573
Treasury shares		10		13
Other fixed assets		50		33
		3,497		2,619
TOTAL ASSETS	CHF	4,143	CHF	2,725
LIABILITIES				
Current liabilities				
Short-term debt	CHF	56	CHF	97
Amounts due to subsidiaries		11		44
Amounts due to third parties		2		-
Accrued liabilities		40		14
		109		155
Non-current liabilities				
Long-term debt		1,143		604
Long-term debt to subsidiaries		362		312
Provisions and others		165		38
		1,670		954
TOTAL LIABILITIES		1,779		1,109
SHAREHOLDERS' EQUITY				
Share and participation capital		178		171
General reserve		1,273		722
Reserve for treasury shares		10		13
Retained earnings		903		710
TOTAL SHAREHOLDERS' EQUITY		2,364		1,616
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	CHF	4,143	CHF	2,725

The accompanying notes are an integral part of these financial statements.

STATEMENTS OF OPERATIONS (HOLDING COMPANY)

for the years ended December 31

IN MILLIONS, EXCEPT SHARE AND PER SHARE AMOUNTS

		1999		1998
Operating income				
Royalties	CHF	191	CHF	159
Dividends		201		343
Gain on sale of investments		27		-
Interest income from subsidiaries		88		41
Interest income from third parties		1		1
		508		544
Operating expense				
Interest expense to subsidiaries		(9)		(10)
Interest expense to third parties		(52)		(21)
Provisions on loans to subsidiaries		(31)		-
Taxes		(26)		(10)
Other expenses (including depreciation of CHF 4 and CHF 0)		(22)		(11)
		(140)		(52)
NET INCOME FORTHE PERIOD		368		492
Retained earnings,beginning of period		710		323
Transfer to reserve for treasury shares		(55)		(13)
Dividend distribution		(120)		(92)
Retained earnings, end of year	CHF	903	CHF	710

The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS (HOLDING COMPANY)

as of December 31

IN MILLIONS, EXCEPT SHARE AND PER SHARE AMOUNTS

Note 1-Contingent Liabilities In Favor Of Third Parties

	DECEMBER 31			
		1999		1998
Guarantees	CHF	849	CHF	246
Letters of comfort		58		54
	CHF	907	CHF	300

Adecco SA has unconditionally and irrevocably guaranteed the convertible notes of EUR 360 (CHF 576) issued by Meridian BV (Meridian), a subsidiary of Adecco SA.Adecco SA has also provided Meridian with guarantees for any receivable Meridian may have on group companies arising from group financing. In addition,Adecco SA has issued 539,988 call options of its registered shares to Meridian at an initial strike price of CHF 1,072.38 payable in five annual installments.The resulting liability has been included in provisions and other at the original price per option.Adecco SA has also committed to provide Meridian with Euro loans for the exercise price each time Meridian exercises an option.Loans will bear interest at 5.124% and be repayable on November 25,2004.

Note 2-Outstanding Bonds

	DECEMBER 31			
		1999		1998
4.0% due July 7,2005	CHF	300	CHF	300

Note 3-Treasury Shares

	AVERAGE COST (CHF)	NUMBER	PURCHASE SALE PRICE AVERAGE PER SHARE (CHF)	HIGHEST PRICE PER SHARE (CHF)	LOWEST PRICE PER SHARE (CHF)
Common stock:					
At December 31,1998	9	19,634			
Options exercised	(22)	(44,995)			
Shares purchased					
Affiliate companies	17	39,804	507	559	32
Third parties	4	7,351	623	623	623
Shares sold	(1)	(2,897)	507	497	403
At December 31, 1999	7	18,897			
Participation certificates:					
At December 31,1998	4	34,480			
Shares purchased	3	16,677	162	199	115
Conversion participation certificates in common shares	(4)	(36,730)			
At December 31,1999	3	14,427			
Total treasury shares	10				

The reserve for treasury shares held by the holding company is transferred to/from retained earnings. All treasury shares held by subsidiary companies have been transferred to Adecco SA as of December 31,1999.

IN MILLIONS, EXCEPT SHARE AND PER SHARE AMOUNTS

Note 4-Share Capital Increase

The general meetings of May 5,1995 and May 12, 1998 approved share capital increases of CHF 3 and CHF 5 which are conditional upon the exercise of stock options granted to certain employees and the directors. In 1998,72,813 shares were issued for stock options. This issuance represents an increase in equity of approximately CHF 16. On July 15,1998,Adecco issued 500,000 shares of its common stock at a price of CHF 620 per share. The proceeds from the issuance were CHF 302,net of offering costs of CHF 8.

On April 20,1999,Adecco held its annual meeting of shareholders in Lausanne, Switzerland. At the meeting,the Adecco shareholders voted to approve the following capital changes:

a. Convert all Adecco shares from bearer shares to registered shares.
b. Provide that no person acquiring shares may be registered as owner with right to vote of more than 5% of Adecco shares.
c. Provide for uncertificated shares.
d. Authorize up to 18,837 additional Adecco shares to be issued in exchange for the Adecco participation certificates share capital with no preemptive rights.
e. Authorize up to 600,000 additional Adecco shares to be issued no later than April 20,2000 for cash as may be advisable to strengthen Adecco's financial condition (modified on September 10,see below).
f. Authorize up to 1,400,000 additional Adecco shares to finance possible mergers and acquisitions (modified on September 10, see below).

On June 8,1999,the board of directors issued 13,937 new registered shares in exchange for 69,685 Adecco participation certificates.

On September 10,1999,Adecco held an extraordinary General Assembly in Lausanne, Switzerland. At the meeting,the Adecco shareholders voted to approve the following capital changes:

a. The existing authorization to issue up to 1,400,000 additional Adecco shares to finance possible acquisitions is split into 700,000 shares for the implementation of a business combination with Olsten Corporation ("Olsten") and into 1,400,000 shares less the number of shares issued in connection with the business combination with Olsten reserved for conversion rights under bond issues.
b. The existing authorization to issue up to 600,000 shares is reserved for the business combination with Olsten and the preemptive rights of the shareholders are withdrawn.

On December 8,1999,Adecco completed the issuance of 600,000 new registered shares of CHF 10 nominal value each. The proceeds from the issuance were CHF 516,net of offering costs of CHF 11. In addition, during 1999,132,644 shares were issued for stock options.

Adecco may issue up to 700,000 new registered shares of CHF 10 nominal value each out of authorized share capital approved by the shareholders on occasion of the extraordinary shareholders meeting held on September 10,1999. The shares will be subscribed by a wholly owned subsidiary of Adecco SA at nominal value. The preemptive rights of the shareholders have been withdrawn. The issue price will be paid in cash.

as of December 31

IN MILLIONS, EXCEPT SHARE AND PER SHARE AMOUNTS

Note 5-Shareholders' Equity

		Share Capital		Participation Certificates		General Reserves		Reserve for Treasury Shares		Retained Earnings		Total
Balance at December 31,1998	CHF	171	CHF	-	CHF	722	CHF	13	CHF	710	CHF	1,616
Share capital increase		6				510						516
Dividend distribution										(120)		(120)
Conditional share capital increase		1				41						42
Treasury shares used for options exercised								(58)				(58)
Provision for treasury shares				-				55		(55)		-
Net income for the period										368		368
Balance at December 31,1999	CHF	178*	CHF	-**	CHF	1,273	CHF	10	CHF	903	CHF	2,364

*17,830,928 common shares at CHF 10 par value

**24,500 participation certificates at CHF 2 par value

Note 6-Significant Shareholders

Adecco SA's shares are registered shares.Adecco is not aware of any significant shareholders,other than Akila SA and KJ Jacobs Holding AG, which held interests of 20.6% and 21.4%,at December 31,1999.

Note 7-Restriction Regarding the Distribution of Dividends

Under Swiss law, a minimum of 5% of the net income for the year must be transferred to a general reserve until this reserve equals 20% of the issued share capital. Other allocations to this reserve are also mandatory. The general reserve is an appropriation of retained earnings and is not available for distribution.

PROPOSAL BY THE BOARD OF DIRECTORS FOR DEALING WITH THE UNALLOCATED RETAINED EARNINGS

as of December 31

DIVIDEND		1999
CHF 8.40 per registered share	CHF	165,977,465*
CHF 1.68 per participation certificate		16,923
To be carried forward		737,270,539
	CHF	903,264,927

*This amount represents the maximum amount of dividends payable based on the total number of issued and authorized shares as of December 31,1999.Included in this total number of shares are 1,947,191 conditional shares,which were not in circulation as of December 31,1999.

REPORT OF THE STATUTORY AUDITORS TO THE GENERAL MEETING OF ADECCO SA, CHESEREX

Report of the Statutory Auditors
to the General Meeting of the
Shareholders of Adecco SA,Chéserex

As Statutory Auditors, we have audited the accounting records and the Financial Statements (Balance Sheet,Statement of Operations and Notes,pages 46 to 49) of Adecco SA for the years ended December 31,1999 and 1998.

These Financial Statements are the responsibility of the Board of Directors.Our responsibility is to express an opinion on these Financial Statements based on our audits.We confirm that we meet the legal requirements concerning professional qualification and independence.

Our audits were conducted in accordance with auditing standards promulgated by the profession in Switzerland,which require that an audit be planned and performed to obtain reasonable assurance about whether the Financial Statements are free from material misstatement. We have examined,on a test basis, evidence supporting the amounts and disclosures in the Financial Statements.We have also assessed the accounting principles used,significant estimates made and the overall financial statement presentation.We believe that our audits provide a reasonable basis for our opinion.

In our opinion,the accounting records and Financial Statements (and the proposed allocation of available earnings) comply with Swiss law and the company's Articles of Incorporation.

We recommend that the Financial Statements submitted to you be approved.

ARTHUR ANDERSEN SA

M Sills

Mike Sills

Olivier Calloud

Lausanne, January 27,2000

ADDRESSES

REGISTERED OFFICE

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