



Adecco takes inorganic route to enter blue collar temping space in India

Ajinkya-a leading blue collar temping firm acquired in a first of its kind organized acquisition

Move to consolidate Adecco's market leadership in India

Bangalore, February 6, 2008: Adecco India, the Indian arm of the world's largest HR Services company and e20.4-billion human resource services major Adecco SA, today announced the acquisition of Ajinkya, India's leading blue-collar temping company. The first of its kind organized acquisition in this space allows Adecco a significant foothold in the burgeoning market for blue collar temping in India and further consolidates its local market leadership. Incidentally, Adecco globally is the market leader in the blue collar temping market with majority of its revenues derived from it. Pune-based Ajinkya is a niche staffing company focused on blue collar temping with over 150 reputed clients and more than 4500 outsourced manpower on its' payrolls.

Post merger, Ajinkya will become part of Adecco India and will operate as Adecco's Industrial Staffing Division headed by C R Kale (Founding Director of Ajinkya) as its director. Adecco intends to grow tenfold from the current level to 40,000 blue-collar temps over the next 2-3 years making it the market leader in this segment. Adecco through its global network will also pursue actively the opportunity provided by the acquisition to provide industrial workforce to automotive, constructions and oil & gas companies across Europe & the Middle East.

Making the announcement, Sudhakar Balakrishnan, CEO, Adecco India, said "Blue collar temping is the next big thing in the Indian HR arena considering the all round industrial growth and the increasing openness of players in this sector to practices like temping. Though highly promising, the segment lacks a single large player operating nationally to be able to deliver the volumes required by India's economic growth besides

the ability to deliver nationally. The acquisition is thus both timely and relevant as it weds Ajinkya's expertise in the blue collar space with Adecco's nationwide footprint, brand equity and operational expertise backed with robust technology."

According to C R Kale, Founding Director, Ajinkya, "The acquisition has come about at the right time for Ajinkya which needed to leapfrog to the next level having built a record and market share in this hitherto unorganized, niche space. However, the big opportunity is expanding blue collar temping not only in the Indian market, but also globally, leveraging the demand for the highly trained Indian talent particularly in the Middle East and European markets. It is here that we saw a strategic fit with a global major like Adecco which has 7,000 offices in over 60 countries & territories around the world. "

According to Michel Tchong, Senior Vice-president, Adecco Global, "From a global perspective, there are three major reasons for Adecco to be pleased with this acquisition. First, it allows our Indian subsidiary to broaden its portfolio and expand into a new segment that is a global strength of the Group, where we do two-thirds of our revenues. The second is that, it fits into Adecco's intention of increasing global mobility in industrial staffing by adding India's highly trained talent into the pool. Thirdly, the acquisition also validates Adecco's commitment to India and its view of the Indian market as amongst its top 2 emerging markets globally." Going forward, the group will further invest in India organically and by acquisitions, if opportunities arise," he further added.

Added Sudhakar Balakrishnan, "Demographically speaking, America and Europe have an aging workforce which gives companies in India what I call the "Demographic Dividend" – the younger, educated, a more qualified workforce. This demographic profile combined with India's large educated workforce provides the country with a golden opportunity in Industrial staffing. This opportunity which will only be available for a certain period, needs to be leveraged fully. Infact, this is one of the reasons why each of us in the management of Adecco is excited by this acquisition and what it strengthens for our operations here."

About Ajinkya

Ajinkya is an ISO certified niche blue collar staffing company having over 150 reputed clients and more than 4500 outsourced manpower on its payroll. The company is strong in the western region of India and counts as its clients companies like Reliance, Cummins India, Siemens, Thermax, Tetra Pak, RPG Group, Anand Group, Praj Industries, and INOX among others. The company has been on a consistent growth path under the leadership of C R Kale.

About Adecco India

Bangalore-based Adecco India is a leading end-to-end HR solutions company with a focus on Executive Search, Recruitment, Learning and Temporary Staffing services to client organizations. With 38 offices across India, more than 1000 clients and 700 FTEs on its rolls, Adecco is the fastest growing HR company in India.

About Adecco SA

Adecco Group is the world market leader in Human Resource services with sales of EUR 20.4 billion in 2006. The Adecco network connects over 7,00,000 associates with clients each day through its network of 37,000 employees (FTE's) and 7,000 offices in over 70 countries and territories around the world. Headquartered in Switzerland, and managed by a multinational team with expertise in markets spanning the globe, Adecco delivers an unparalleled range of flexible staffing solutions and career services to clients and associates.

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