ManpowerGroup Inc.
Form 10-Q
July 31, 2015

FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

x Quarterly Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the quarterly period ended:
June 30, 2015
or
¨ Transition Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the transition period from: ______to______

Commission file number: 1-10686

MANPOWERGROUP INC.
(Exact name of registrant as specified in its charter)

Wisconsin	39-1672779
(State or other jurisdiction of incorporation)	(IRS Employer Identification No.)
100 Manpower Place	
Milwaukee, Wisconsin	53212
(Address of principal executive offices)	(Zip Code)

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

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes xNo ¨

Indicate by check mark whether the Registrant has submitted electronically and posted on its corporate website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (Section 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the Registrant was required to submit and post such files). Yes xNo ¨

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

Large accelerated filer x	Accelerated filer ¨
Non-accelerated filer ¨	Smaller reporting company ¨
(Do not check if a smaller reporting company)	

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ¨ No x

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

Class	Shares Outstanding at July 29, 2015
Common Stock, $.01 par value	76,796,716

ManpowerGroup Inc.

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PART I - FINANCIAL INFORMATION

Item 1 – Financial Statements (unaudited)

ManpowerGroup Inc.

Consolidated Balance Sheets (Unaudited)
(in millions)

ASSETS

	June 30, 2015	December 31, 2014
CURRENT ASSETS:		
Cash and cash equivalents	$465.9	$699.2
Accounts receivable, less allowance for doubtful accounts of $105.6 and $111.4, respectively	4,214.2	4,134.5
Prepaid expenses and other assets	261.5	147.8
Future income tax benefits	51.2	52.2
Total current assets	4,992.8	5,033.7
OTHER ASSETS:		
Goodwill	1,083.6	1,075.2
Intangible assets, less accumulated amortization of $250.2 and $276.2, respectively	275.0	286.8
Other assets	581.7	637.7
Total other assets	1,940.3	1,999.7
PROPERTY AND EQUIPMENT:		
Land, buildings, leasehold improvements and equipment	605.9	633.5
Less: accumulated depreciation and amortization	466.3	484.4
Net property and equipment	139.6	149.1
Total assets	$7,072.7	$7,182.5

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

ManpowerGroup Inc.

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

LIABILITIES AND SHAREHOLDERS' EQUITY

	June 30, 2015	December 31, 2014
CURRENT LIABILITIES:		
Accounts payable	$1,623.4	$1,542.7
Employee compensation payable	175.9	204.5
Accrued liabilities	494.2	493.3
Accrued payroll taxes and insurance	583.1	622.4
Value added taxes payable	447.6	466.3
Short-term borrowings and current maturities of long-term debt	39.5	45.2
Total current liabilities	3,363.7	3,374.4
OTHER LIABILITIES:		
Long-term debt	390.7	423.9
Other long-term liabilities	460.3	441.2
Total other liabilities	851.0	865.1
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 113,748,811 and 112,876,552 shares, respectively	1.1	1.1
Capital in excess of par value	3,128.3	3,084.2
Retained earnings	1,777.1	1,667.8
Accumulated other comprehensive income	(217.7)	(155.2)
Treasury stock at cost, 36,839,662 and 34,762,316 shares, respectively	(1,830.8)	(1,654.9)
Total shareholders' equity	2,858.0	2,943.0
Total liabilities and shareholders' equity	$7,072.7	$7,182.5

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

ManpowerGroup Inc.

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

	3 Months Ended June 30,		6 Months Ended June 30,	
	2015	2014	2015	2014
Revenues from services	$4,861.3	$5,321.7	$9,403.5	$10,225.7
Cost of services	4,030.7	4,424.4	7,810.9	8,511.9
Gross profit	830.6	897.3	1,592.6	1,713.8
Selling and administrative expenses	651.9	709.9	1,291.1	1,399.5
Operating profit	178.7	187.4	301.5	314.3
Interest and other expenses	7.2	7.9	17.8	17.1
Earnings before income taxes	171.5	179.5	283.7	297.2
Provision for income taxes	65.8	69.7	112.3	117.3
Net earnings	$105.7	$109.8	$171.4	$179.9
Net earnings per share – basic	$1.35	$1.37	$2.18	$2.25
Net earnings per share – diluted	$1.33	$1.35	$2.16	$2.21
Weighted average shares – basic	78.3	79.9	78.5	79.9
Weighted average shares – diluted	79.3	81.4	79.5	81.4

ManpowerGroup Inc.

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

	3 Months Ended June 30,		6 Months Ended June 30,	
	2015	2014	2015	2014
Net earnings	$105.7	$109.8	$171.4	$179.9
Other comprehensive income (loss):				
Foreign currency translation adjustments	51.9	(9.1)	(104.2)	(12.4)
Translation adjustments on net investment hedge, net of income taxes of $(5.1), $1.0, $11.8 and $0.6, respectively	(9.2)	1.7	20.9	0.9
Translation adjustments of long-term intercompany loans	17.0	14.4	21.1	16.7
Unrealized (loss) gain on investments, net of income taxes of $(0.7), $1.0, $(0.3) and $1.3, respectively	(3.3)	(0.2)	(1.6)	1.5
Defined benefit pension plans and retiree health care plan, net of income taxes of $0.3, $0.4, $0.5 and $0.4, respectively	0.7	1.3	1.3	1.3
Total other comprehensive income (loss)	57.1	8.1	(62.5)	8.0
Comprehensive income	$162.8	$117.9	$108.9	$187.9

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

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ManpowerGroup Inc.

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

	6 Months Ended June 30,	
	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net earnings	$171.4	$179.9
Adjustments to reconcile net earnings to net cash provided by (used in) operating activities:		
Depreciation and amortization	37.6	43.2
Deferred income taxes	45.5	5.0
Provision for doubtful accounts	9.0	10.3
Share-based compensation	14.8	23.9
Excess tax benefit on exercise of share-based awards	(0.8)	(2.9)
Changes in operating assets and liabilities, excluding the impact of acquisitions:		
Accounts receivable	(280.1)	(223.6)
Other assets	(94.0)	(99.1)
Other liabilities	135.4	47.3
Cash provided by (used in) operating activities	38.8	(16.0)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital expenditures	(20.1)	(20.6)
Acquisitions of businesses, net of cash acquired	(30.4)	(23.7)
Proceeds from the sale of property and equipment	3.5	0.3
Cash used in investing activities	(47.0)	(44.0)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net change in short-term borrowings	(1.8)	15.9
Proceeds from long-term debt	0.1	—
Repayments of long-term debt	(1.5)	(1.2)
Proceeds from share-based awards	29.1	18.9
Other share-based award transactions	(6.3)	(6.1)
Repurchases of common stock	(168.7)	(16.7)
Dividends paid	(62.1)	(39.0)
Cash used in financing activities	(211.2)	(28.2)
Effect of exchange rate changes on cash	(13.9)	(10.9)
Change in cash and cash equivalents	(233.3)	(99.1)
Cash and cash equivalents, beginning of year	699.2	737.6
Cash and cash equivalents, end of period	$465.9	$638.5
SUPPLEMENTAL CASH FLOW INFORMATION:		
Interest paid	$25.3	$28.8
Income taxes (refunded) paid, net	$(6.0)	$27.0

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

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Notes to Consolidated Financial Statements (Unaudited)
For the Three and Six Months Ended June 30, 2015 and 2014
(in millions, except share and per share data)

(1) Basis of Presentation and Accounting Policies

Basis of Presentation

Certain information and footnote disclosures normally included in the financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to the rules and regulations of the Securities and Exchange Commission, although we believe that the disclosures are adequate to make the information presented not misleading. These Consolidated Financial Statements should be read in conjunction with the Consolidated Financial Statements included in our 2014 Annual Report to Shareholders.

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

Subsequent Events

In June 2015, we entered into an agreement to acquire 7S Group GmbH (“7S”). Based primarily in Germany, 7S is a specialized provider of human resource services focusing on a number of core sectors including skilled trades, engineering and information technology (IT). Under the terms of the agreement, the purchase price is approximately $144.9 (€136.5) with an earn-out opportunity based upon 2015 results from operations. The closing of the agreement is subject to German regulatory approval. The acquisition is expected to be completed later this year.

We entered into an agreement, effective in July 2015, to sell a portion of our French payroll tax credits earned in 2014 for net proceeds of approximately $130.0 (€120.1). We will derecognize this receivable upon the sale date as the terms of the agreement are such that the transaction qualifies for sale treatment according to the accounting guidance on the transfer and servicing of assets.

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

(2) Recently Issued Accounting Standards

In April 2014, the Financial Accounting Standards Board (“FASB”) issued new accounting guidance on reporting discontinued operations and disclosures of disposals of components of an entity. The new guidance changes the requirements for reporting discontinued operations. A discontinued operation may include a component of an entity or a group of components of an entity. A disposal of a component of an entity or a group of components of an entity is required to be reported in discontinued operations if the disposal represents a strategic shift that has (or will have) a major effect on an entity's operations and financial results and when the component or group of components meets the criteria to be classified as held for sale, is disposed by sale, or is disposed of other than by sale. We adopted this guidance effective January 1, 2015. There was no impact of this adoption on our Consolidated Financial Statements.

In May 2014, the FASB issued new accounting guidance on revenue from contracts with customers. The core principle of this guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The guidance is effective for us in the first quarter of 2018 and can be adopted either retrospectively to each prior reporting period presented or as a cumulative-effect adjustment as of the date of adoption. We are currently assessing the impact of the adoption of this guidance on our Consolidated Financial Statements.

In September 2014, the FASB issued new accounting guidance on disclosure of uncertainties about an entity’s ability to continue as a going concern. The new guidance requires an entity’s management to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the entity’s ability to continue as a going concern within one year after the date that the financial statements are issued, and if so, disclose that fact. Management is also required to evaluate and disclose whether its plans alleviate that doubt. The guidance is effective for us in 2017 and will be applicable to both annual and interim reporting periods. We do not expect the adoption of this guidance to have an impact on our Consolidated Financial Statements.

In January 2015, the FASB issued new accounting guidance on presentation of extraordinary items. The new guidance eliminates the separate presentation of extraordinary items, net of tax and the related earnings per share, but does not affect the requirement to disclose material items that are unusual in nature or infrequently occurring. The guidance is effective for us in 2016. We do not expect the adoption of this guidance to have a material impact on our Consolidated Financial Statements.

In February 2015, the FASB issued new accounting guidance on consolidation. The new guidance changes the way an entity evaluates whether (1) it should consolidate limited partnerships and similar entities, (2) fees paid to a decision maker or service provider are variable interests in a variable interest entity (“VIE”), and (3) variable interests in a VIE held by related parties of an entity require the entity to consolidate the VIE. The guidance is effective for us in 2016. We do not expect the adoption of this guidance to have a material impact on our Consolidated Financial Statements.

In April 2015, the FASB issued new accounting guidance on debt issuance costs. The new guidance requires debt issuance costs related to a recognized debt liability to be presented in the balance sheet as a direct deduction from the associated liability, consistent with debt discounts. The guidance is effective for us in 2016. We do not expect the adoption of this guidance to have a material impact on our Consolidated Financial Statements.

In May 2015, the FASB issued new accounting guidance on customer’s accounting for fees paid in a cloud computing arrangement. If a cloud computing arrangement includes a software license, the customer should account for the software license element of the arrangement consistent with the acquisition of other software licenses. If a cloud computing arrangement does not include a software license, the customer should account for the arrangement as a service contract. The guidance is effective for us in 2016. We do not expect the adoption of this guidance to have a material impact on our Consolidated Financial Statements.

(3) Share-Based Compensation Plans

During the three months ended June 30, 2015 and 2014, we recognized share-based compensation expense of $8.1 and $13.1, respectively, and $14.8 and $23.9 for the six months ended June 30, 2015 and 2014, respectively. The expense relates to stock options, deferred stock, restricted stock and performance share units. Consideration received from share-based awards was $29.1 and $18.9 for the six months ended June 30, 2015 and 2014, respectively. We recognize share-based compensation expense in selling and administrative expenses on a straight-line basis over the service period of each award.

(4) Acquisitions

From time to time, we acquire and invest in companies throughout the world, including franchises. The total cash consideration for acquisitions, net of cash acquired, was $30.4 and $23.7 for the six months ended June 30, 2015 and 2014, respectively.

(5) Restructuring Costs

During the six months ended June 30, 2015, we made payments of $4.8 out of our restructuring reserve that was created in 2012 and 2013. We expect a majority of the remaining $8.1 reserve will be paid by the end of 2015.

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

	Americas[1]	Southern Europe[2]	Northern Europe	APME	Right Management	Corporate	Total
Balance, January 1, 2015	$1.1	$2.3	$5.8	$0.5	$2.3	$0.9	$12.9
Costs paid or utilized	(0.3)	(0.6)	(2.3)	(0.1)	(1.2)	(0.3)	(4.8)
Balance, June 30, 2015	$0.8	$1.7	$3.5	$0.4	$1.1	$0.6	$8.1

(1) Balances related to the United States were $1.0 and $0.4 as of January 1, 2015 and June 30, 2015, respectively.
(2) Balances related to France were $2.1 and $1.6 as of January 1, 2015 and June 30, 2015, respectively. Italy had no restructuring reserves recorded as of either January 1, 2015 or June 30, 2015.

(6) Income Taxes

We recorded income tax expense at an effective rate of 38.3% for the three months ended June 30, 2015, as compared to an effective rate of 38.8% for the three months ended June 30, 2014. The 2015 rate was favorably impacted by the effect of discrete tax items, partially offset by the unfavorable impact of the strengthening of the United States dollar resulting in a decrease to non-U.S. income. The 38.3% effective tax rate in the quarter was higher than the United States Federal statutory rate of 35%, and we currently expect an annual effective tax rate of approximately 38%, due primarily to the French business tax, expected repatriations, valuation allowances and other permanent items.

We recorded income tax expense at an effective rate of 39.6% for the six months ended June 30, 2015, as compared to an effective rate of 39.5% for the six months ended June 30, 2014. The 39.6% effective tax rate for the six months ended June 30, 2015 was higher than the United States Federal statutory rate of 35% due primarily to the French business tax, repatriations, valuation allowances and other permanent items.

As of June 30, 2015, we had gross unrecognized tax benefits related to various tax jurisdictions, including interest and penalties, of $32.2. We had related tax benefits of $1.4, and the net amount of $30.8 would favorably impact the effective tax rate if recognized. As of December 31, 2014, we had gross unrecognized tax benefits related to various tax jurisdictions, including interest and penalties, of $30.8. We had related tax benefits of $1.4 for a net amount of $29.4. We do not expect our unrecognized tax benefits to change significantly over the next 12 months.

We conduct business globally in 80 countries and territories. We are routinely audited by the tax authorities of the various tax jurisdictions in which we operate. Generally, the tax years that could be subject to examination are 2008 through 2014 for our major operations in France, Germany, Italy, Japan, the United Kingdom and the United States. As of June 30, 2015, we are subject to tax audits in Austria, Canada, Denmark, France, Germany, Norway, Russia and Spain. We believe that the resolution of these audits will not have a material impact on earnings.

(7) Net Earnings Per Share

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

	3 Months Ended June 30,		6 months ended June 30,	
	2015	2014	2015	2014
Net earnings available to common shareholders	$105.7	$109.8	$171.4	$179.9
Weighted-average common shares outstanding (in millions)				
Weighted-average common shares outstanding - basic	78.3	79.9	78.5	79.9
Effect of dilutive securities - stock options	0.6	0.7	0.6	0.7
Effect of other share-based awards	0.4	0.8	0.4	0.8
Weighted-average common shares outstanding - diluted	79.3	81.4	79.5	81.4
Net earnings per share - basic:	$1.35	$1.37	$2.18	$2.25
Net earnings per share - diluted:	$1.33	$1.35	$2.16	$2.21

There were 0.3 million and 0.2 million share-based awards excluded from the calculation of net earnings per share – diluted for the three months ended June 30, 2015 and 2014, respectively, and the calculation of net earnings per share – diluted for the six months ended June 30, 2015 and 2014, respectively, as the exercise price for these awards was greater than the average market price of the common shares during the period.

(8) Goodwill and Other Intangible Assets

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

	June 30, 2015			December 31, 2014		
	Gross	Accumulated Amortization	Net	Gross	Accumulated Amortization	Net
Goodwill(1)	$1,083.6	$—	$1,083.6	$1,075.2	$—	$1,075.2
Intangible assets:						
Finite-lived:						
Technology	$—	$—	$—	$19.6	$19.6	$—
Franchise agreements	—	—	—	18.0	18.0	—
Customer relationships	364.3	241.1	123.2	359.9	225.6	134.3
Other	9.9	9.1	0.8	14.2	13.0	1.2
	374.2	250.2	124.0	411.7	276.2	135.5
Indefinite-lived:						
Tradenames(2)	54.0	—	54.0	54.0	—	54.0
Reacquired franchise rights	97.0	—	97.0	97.3	—	97.3
	151.0	—	151.0	151.3	—	151.3
Total intangible assets	$525.2	$250.2	$275.0	$563.0	$276.2	$286.8

(1) Balances were net of accumulated impairment loss of $513.4 as of both June 30, 2015 and December 31, 2014.
(2) Balances were net of accumulated impairment loss of $139.5 as of both June 30, 2015 and December 31, 2014.

Total consolidated amortization expense related to intangible assets for the remainder of 2015 is expected to be $15.4 and in each of the next five years is expected to be as follows: 2016 - $26.8, 2017 - $23.6, 2018 - $20.9, 2019 - $16.7 and 2020 - $13.4.

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

	Americas(1)	Southern Europe(2)	Northern Europe	APME	Right Management	Corporate(3)	Total
Balance, January 1, 2015	$466.3	$100.5	$311.3	$70.1	$62.1	$64.9	$1,075.2
Goodwill acquired	0.6	—	18.3	9.0	—	—	27.9
Currency and other impacts	(1.2)	(7.2)	(9.0)	(2.1)	—	—	(19.5)
Balance, June 30, 2015	$465.7	$93.3	$320.6	$77.0	$62.1	$64.9	$1,083.6

(1) Balances related to the United States were $450.4 as of both January 1, 2015 and June 30, 2015.
(2) Balances related to France were $76.9 and $70.8 as of January 1, 2015 and June 30, 2015, respectively. Balances related to Italy were $5.0 and $4.6 as of January 1, 2015 and June 30, 2015, respectively.
(3) The majority of the Corporate balance relates to goodwill attributable to our acquisition of Jefferson Wells ($55.5) which is now part of the United States reporting unit. For purposes of monitoring our total assets by segment, we do not allocate the Corporate balance to the respective reportable segments as this is commensurate with how we operate our business. We do, however, include these balances within the appropriate reporting units for our goodwill impairment testing. See table below for the breakout of goodwill balances by reporting unit.

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Goodwill balances by reporting unit were as follows:

	June 30, 2015	January 1, 2015
United States	$505.9	$505.9
Netherlands	97.3	85.9
United Kingdom	86.6	85.9
France	70.8	76.9
Right Management	62.1	62.1
Other reporting units	260.9	258.5
Total goodwill	$1,083.6	$1,075.2

We did not perform an interim impairment test of our goodwill and indefinite-lived intangible assets in the six months ended June 30, 2015 as we noted no significant indicators of impairment as of June 30, 2015.

(9) Retirement Plans

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

	Defined Benefit Pension Plans			
	3 Months Ended June 30,		6 Months Ended June 30,	
	2015	2014	2015	2014
Service cost	$1.7	$2.1	$3.5	$4.1
Interest cost	2.7	3.4	5.4	6.7
Expected return on assets	(2.8)	(3.5)	(5.6)	(6.8)
Other	1.1	1.0	2.2	2.0
Total benefit cost	$2.7	$3.0	$5.5	$6.0

	Retiree Health Care Plan			
	3 Months Ended June 30,		6 Months Ended June 30,	
	2015	2014	2015	2014
Interest cost	$0.1	$0.2	$0.3	$0.4
Net loss	(0.1)	—	(0.3)	—
Total benefit cost	$—	$0.2	$—	$0.4

During the three and six months ended June 30, 2015, contributions made to our pension plans were $2.6 and $5.3, respectively, and contributions made to our retiree health care plan were $0.4 and $0.7, respectively. During 2015, we expect to make total contributions of approximately $12.4 to our pension plans and to fund our retiree health care payments as incurred.

(10) Shareholders' Equity

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

	June 30, 2015	December 31, 2014
Foreign currency translation	$(130.6)	$(26.4)
Translation loss on net investment hedge, net of income taxes of $(4.6) and $(16.4), respectively	(3.6)	(24.5)
Translation loss on long-term intercompany loans	(52.3)	(73.4)
Unrealized gain on investments, net of income taxes of $3.4 and $3.7, respectively	15.1	16.7
Defined benefit pension plans, net of income taxes of $(29.5) and $(30.1), respectively	(50.6)	(52.1)
Retiree health care plan, net of income taxes of $2.3 and $2.4, respectively	4.3	4.5
Accumulated other comprehensive loss	$(217.7)	$(155.2)

On April 28, 2015 and April 29, 2014, the Board of Directors declared a semi-annual cash dividend of $0.80 and $0.49 per share, respectively. The 2015 dividend was paid on June 15, 2015 to shareholders of record on June 1, 2015. The 2014 dividend was paid on June 16, 2014 to shareholders of record on June 2, 2014.

We currently have authorization from our Board of Directors to repurchase 8.0 million shares of our common stock. Share repurchases may be made from time to time through a variety of methods, including open market purchases, block transactions, privately negotiated transactions, accelerated share repurchase programs, forward repurchase agreements or similar facilities. During the first half of 2015, we repurchased 2.2 million shares at a cost of $187.2 under this authorization, including 2.0 million shares at a cost of $168.7 that settled as of June 30, 2015, and 0.2 million shares at a total cost of $18.5 that settled in July. The share repurchases that settled in July are not reflected in the treasury stock in our Consolidated Balance Sheets as of June 30, 2015. There were 4.0 million shares as of June 30, 2015, and 3.8 million shares, after including the 0.2 million share repurchases that settled in July, remaining authorized for repurchase under this authorization.

(11) Interest and Other Expenses

Interest and other expenses consisted of the following:

	3 Months Ended June 30,		6 Months Ended June 30,	
	2015	2014	2015	2014
Interest expense	$8.2	$9.3	$16.2	$17.9
Interest income	(0.7)	(1.1)	(1.2)	(2.0)
Foreign exchange (gain) loss	—	(0.9)	0.7	(2.1)
Miscellaneous (income) expense, net	(0.3)	0.6	2.1	3.3
Interest and other expenses	$7.2	$7.9	$17.8	$17.1

(12) Derivative Financial Instruments and Fair Value Measurements

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

A portion of the €350.0 ($390.1) notes due June 2018 were designated as an economic hedge of our net investment in our foreign subsidiaries with a Euro functional currency as of June 30, 2015. For derivatives designated as an economic hedge of the foreign currency exposure of a net investment in a foreign operation, the gain or loss associated with foreign currency translation is recorded as a component of accumulated other comprehensive loss, net of taxes. We had an unrealized translation loss of $3.5 and

$24.5 as of June 30, 2015 and December 31, 2014, respectively, included in accumulated other comprehensive loss, net of taxes, as the net investment hedge was deemed effective.

For our forward contracts that are not designated as hedges, any gain or loss resulting from the change in fair value is recognized in the current period earnings. These gains or losses are offset by the exposure related to receivables and payables with our foreign subsidiaries and to interest due on our Euro-denominated notes, which is paid annually in June. We recorded a gain in interest and other expenses of $1.6 and $0.2 for the three months ended June 30, 2015 and 2014, respectively, and $1.8 and $0.2 for the six months ended June 30, 2015 and 2014, respectively, associated with those forward contracts, which offset the loss and gain recorded for the items noted above.

On occasion, forward contracts are designated as an economic hedge of our net investment in our foreign subsidiaries. As of June 30, 2015 we had a translation loss of $0.1 included in accumulated other comprehensive loss, as the net investment hedge was deemed effective.

The fair value measurements of those items recorded in our Consolidated Balance Sheets as of June 30, 2015 and December 31, 2014 were as follows:

		Fair Value Measurements Using		
	June 30, 2015	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Deferred compensation plan assets	$86.6	$86.6	$—	$—
Foreign currency forward contracts	2.0	—	2.0	—
	$88.6	$86.6	$2.0	$—
Liabilities				
Foreign currency forward contracts	$0.4	$—	$0.4	$—
	$0.4	$—	$0.4	$—

		Fair Value Measurements Using		
	December 31, 2014	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Deferred compensation plan assets	$81.4	$81.4	$—	$—
Foreign currency forward contracts	0.1	—	0.1	—
	$81.5	$81.4	$0.1	$—

We determine the fair value of our deferred compensation plan assets, comprised of publicly traded securities, by using market quotes as of the last day of the period. The fair value of the foreign currency forward contracts is measured at the value from either directly or indirectly observable third parties.

The carrying value of long-term debt approximates fair value, except for the Euro-denominated notes. The fair value of the Euro-denominated notes, as observable at commonly quoted intervals (level 2 inputs), was $430.3 and $471.6 as of June 30, 2015 and December 31, 2014, respectively, compared to a carrying value of $390.1 and $423.4, respectively.

(13) Segment Data

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

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

	3 Months Ended June 30,		6 Months Ended June 30,	
	2015	2014	2015	2014
Revenues from services:				
Americas:				
United States (a)	$762.6	$775.9	$1,487.7	$1,496.4
Other Americas	368.1	375.2	727.4	725.8
	1,130.7	1,151.1	2,215.1	2,222.2
Southern Europe:				
France	1,202.6	1,412.1	2,243.4	2,629.4
Italy	319.3	313.9	589.4	588.6
Other Southern Europe	244.3	243.0	470.5	473.0
	1,766.2	1,969.0	3,303.3	3,691.0
Northern Europe	1,335.6	1,527.8	2,658.9	2,991.7
APME	556.6	594.0	1,089.7	1,167.7
Right Management	72.2	79.8	136.5	153.1
Consolidated (b)	$4,861.3	$5,321.7	$9,403.5	$10,225.7
Operating unit profit: (c)				
Americas:				
United States	$41.7	$29.7	$59.1	$43.1
Other Americas	14.5	14.0	27.3	26.6
	56.2	43.7	86.4	69.7
Southern Europe:				
France	66.9	71.9	117.2	123.1
Italy	19.8	18.3	33.8	30.9
Other Southern Europe	6.3	5.7	11.0	10.3
	93.0	95.9	162.0	164.3
Northern Europe	35.8	46.2	69.1	84.6
APME	18.5	21.0	37.3	41.2
Right Management	11.7	12.7	17.3	21.0
	215.2	219.5	372.1	380.8
Corporate expenses	(28.9)	(23.7)	(55.6	