

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

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

For the quarterly period ended March 30, 2014

OR

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

Commission File Number 0-1088

KELLY SERVICES, INC.

(Exact name of registrant as specified in its charter)

DELAWARE

38-1510762

(State or other jurisdiction
of incorporation or organization)

(I.R.S. Employer
Identification No.)

999 WEST BIG BEAVER ROAD, TROY, MICHIGAN 48084

(Address of principal executive offices) (Zip Code)

(248) 362-4444

(Registrant's telephone number, including area code)

No Change

(Former name, former address and former fiscal year, if changed since last report.)

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 No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for shorter period that the registrant was required to submit and post such files). Yes No

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 the definitions of "large accelerated filer," "accelerated filer" and "small reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company)

Smaller reporting company

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

Yes

At April 25, 2014, 33,975,010 shares of Class A and 3,451,161 shares of Class B common stock of the Registrant were outstanding.

PART I. FINANCIAL INFORMATION	
Item 1. Financial Statements (unaudited)	
Consolidated Statements of Earnings	3
Consolidated Statements of Comprehensive Income	4
Consolidated Balance Sheets	5
Consolidated Statements of Stockholders' Equity	6
Consolidated Statements of Cash Flows	7
Notes to Consolidated Financial Statements	8
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations	16
Item 3. Quantitative and Qualitative Disclosures About Market Risk	25
Item 4. Controls and Procedures	25
PART II. OTHER INFORMATION	
Item 1. Legal Proceedings	25
Item 1A. Risk Factors	26
Item 2. Unregistered Sales of Equity Securities and Use of Proceeds	26
Item 4. Mine Safety Disclosures	26
Item 6. Exhibits	26
SIGNATURES	27

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

KELLY SERVICES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EARNINGS
 (UNAUDITED)
 (In millions of dollars except per share data)

	13 Weeks Ended	
	March 30, 2014	March 31, 2013
Revenue from services	\$ 1,330.8	\$ 1,314.8
Cost of services	1,108.5	1,097.9
Gross profit	222.3	216.9
Selling, general and administrative expenses	216.0	209.8
Earnings from operations	6.3	7.1
Other expense, net	1.7	1.0
Earnings before taxes	4.6	6.1
Income tax expense (benefit)	2.1	(6.8)
Net earnings	<u>\$ 2.5</u>	<u>\$ 12.9</u>
Basic earnings per share	\$ 0.07	\$ 0.34
Diluted earnings per share	\$ 0.07	\$ 0.34
Dividends per share	\$ 0.05	\$ 0.05
Average shares outstanding (millions):		
Basic	37.4	37.2
Diluted	37.4	37.2

See accompanying unaudited Notes to Consolidated Financial Statements.

KELLY SERVICES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(UNAUDITED)
(In millions of dollars)

	13 Weeks Ended	
	March 30, 2014	March 31, 2013
Net earnings	\$ 2.5	\$ 12.9
Other comprehensive income, net of tax:		
Foreign currency translation adjustments, net of tax expense of \$0.2 in 2014 and benefit of \$0.0 in 2013	0.4	(7.0)
Unrealized (losses) gains on investment, net of tax benefit of \$0.3 in 2014 and expense of \$4.4 in 2013	(0.1)	12.3
Other comprehensive income	0.3	5.3
Comprehensive Income	\$ 2.8	\$ 18.2

See accompanying unaudited Notes to Consolidated Financial Statements.

KELLY SERVICES, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(UnAUDITED)
(In millions)

<u>ASSETS</u>	March 30, 2014	Dec. 29, 2013
CURRENT ASSETS:		
Cash and equivalents	\$ 57.9	\$ 125.7
Trade accounts receivable, less allowances of \$10.2 and \$9.9, respectively	1,080.2	1,023.1
Prepaid expenses and other current assets	61.6	52.2
Deferred taxes	29.2	35.5
Total current assets	1,228.9	1,236.5
PROPERTY AND EQUIPMENT:		
Property and equipment	352.4	350.5
Accumulated depreciation	(261.6)	(258.5)
Net property and equipment	90.8	92.0
NONCURRENT DEFERRED TAXES	129.3	121.7
GOODWILL, NET	90.3	90.3
OTHER ASSETS	265.1	258.1
TOTAL ASSETS	<u>\$ 1,804.4</u>	<u>\$ 1,798.6</u>
<u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>		
CURRENT LIABILITIES:		
Short-term borrowings	\$ 54.8	\$ 28.3
Accounts payable and accrued liabilities	321.7	342.4
Accrued payroll and related taxes	291.2	294.9
Accrued insurance	25.5	27.6
Income and other taxes	68.4	68.8
Total current liabilities	761.6	762.0
NONCURRENT LIABILITIES:		
Accrued insurance	45.4	46.0
Accrued retirement benefits	140.4	134.7
Other long-term liabilities	31.8	33.3
Total noncurrent liabilities	217.6	214.0
Commitments and contingencies (See contingencies footnote)		
STOCKHOLDERS' EQUITY:		
Capital stock, \$1.00 par value		
Class A common stock, shares issued 36.6 at 2014 and 2013	36.6	36.6
Class B common stock, shares issued 3.5 at 2014 and 2013	3.5	3.5
Treasury stock, at cost		
Class A common stock, 2.7 shares at 2014 and 2013	(55.4)	(55.6)
Class B common stock	(0.6)	(0.6)
Paid-in capital	27.5	26.0
Earnings invested in the business	751.9	751.3
Accumulated other comprehensive income	61.7	61.4
Total stockholders' equity	825.2	822.6
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$ 1,804.4</u>	<u>\$ 1,798.6</u>

See accompanying unaudited Notes to Consolidated Financial Statements.

KELLY SERVICES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(UNAUDITED)
(In millions of dollars)

	13 Weeks Ended	
	March 30, 2014	March 31, 2013
Capital Stock		
Class A common stock		
Balance at beginning of period	\$ 36.6	\$ 36.6
Conversions from Class B	-	-
Balance at end of period	36.6	36.6
Class B common stock		
Balance at beginning of period	3.5	3.5
Conversions to Class A	-	-
Balance at end of period	3.5	3.5
Treasury Stock		
Class A common stock		
Balance at beginning of period	(55.6)	(61.0)
Issuance of restricted stock and other	0.2	0.5
Balance at end of period	(55.4)	(60.5)
Class B common stock		
Balance at beginning of period	(0.6)	(0.6)
Issuance of restricted stock and other	-	-
Balance at end of period	(0.6)	(0.6)
Paid-in Capital		
Balance at beginning of period	26.0	27.1
Issuance of restricted stock and other	1.5	0.7
Balance at end of period	27.5	27.8
Earnings Invested in the Business		
Balance at beginning of period	751.3	700.0
Net earnings	2.5	12.9
Dividends	(1.9)	(1.9)
Balance at end of period	751.9	711.0
Accumulated Other Comprehensive Income		
Balance at beginning of period	61.4	35.4
Other comprehensive income, net of tax	0.3	5.3
Balance at end of period	61.7	40.7
Stockholders' Equity at end of period	\$ 825.2	\$ 758.5

See accompanying unaudited Notes to Consolidated Financial Statements.

KELLY SERVICES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)
(In millions of dollars)

	13 Weeks Ended	
	March 30, 2014	March 31, 2013
Cash flows from operating activities:		
Net earnings	\$ 2.5	\$ 12.9
Noncash adjustments:		
Depreciation and amortization	5.3	5.3
Provision for bad debts	1.6	0.4
Stock-based compensation	1.7	1.2
Other, net	0.3	0.2
Changes in operating assets and liabilities	(102.2)	(14.1)
Net cash (used in) from operating activities	(90.8)	5.9
Cash flows from investing activities:		
Capital expenditures	(3.3)	(2.8)
Investment in equity affiliate	(0.6)	-
Other investing activities	0.1	0.2
Net cash used in investing activities	(3.8)	(2.6)
Cash flows from financing activities:		
Net change in short-term borrowings	26.5	(13.7)
Dividend payments	(1.9)	(1.9)
Net cash from (used in) financing activities	24.6	(15.6)
Effect of exchange rates on cash and equivalents	2.2	(1.9)
Net change in cash and equivalents	(67.8)	(14.2)
Cash and equivalents at beginning of period	125.7	76.3
Cash and equivalents at end of period	\$ 57.9	\$ 62.1

See accompanying unaudited Notes to Consolidated Financial Statements.

KELLY SERVICES, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

1. Basis of Presentation

The accompanying unaudited consolidated financial statements of Kelly Services, Inc. (the “Company,” “Kelly,” “we” or “us”) have been prepared in accordance with Rule 10-01 of Regulation S-X and do not include all the information and notes required by generally accepted accounting principles for complete financial statements. All adjustments, including normal recurring adjustments, have been made which, in the opinion of management, are necessary for a fair statement of the results of the interim periods. The results of operations for such interim periods are not necessarily indicative of results of operations for a full year. The unaudited consolidated financial statements should be read in conjunction with the Company’s consolidated financial statements and notes thereto for the fiscal year ended December 29, 2013, included in the Company’s Annual Report on Form 10-K filed with the Securities and Exchange Commission on February 13, 2014 (the 2013 consolidated financial statements). The Company’s first fiscal quarter ended on March 30, 2014 (2014) and March 31, 2013 (2013), each of which contained 13 weeks.

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. All intercompany balances and transactions have been eliminated. During the third quarter of 2013, the Company determined that both cash and equivalents and accrued payroll and related taxes were understated by \$4.8 million as of December 30, 2012. The Company determined that the impact of this error on the consolidated balance sheets and consolidated statements of cash flows was not material. As a result of this error, changes in operating assets and liabilities and net cash from operating activities are both overstated by \$2.2 million in the consolidated statements of cash flows for the first quarter of 2013. Effective with the first quarter of 2014, the project-based legal services business in the Americas PT segment was reclassified to the OCG segment and the prior period was revised to conform to the current presentation.

2. Fair Value Measurements

Trade accounts receivable, accounts payable, accrued liabilities, accrued payroll and related taxes and short-term borrowings approximate their fair values due to the short-term maturities of these assets and liabilities.

Assets Measured at Fair Value on a Recurring Basis

The following tables present assets measured at fair value on a recurring basis on the consolidated balance sheet as of first quarter-end 2014 and year-end 2013 by fair value hierarchy level, as described below.

Level 1 measurements consist of unadjusted quoted prices in active markets for identical assets or liabilities. Level 2 measurements include quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability. Level 3 measurements include significant unobservable inputs.

Description	Fair Value Measurements on a Recurring Basis			
	As of First Quarter-End 2014			
	Total	Level 1	Level 2	Level 3
	(In millions of dollars)			
Money market funds	\$ 2.9	\$ 2.9	\$ -	\$ -
Available-for-sale investment	80.6	80.6	-	-
Total assets at fair value	\$ 83.5	\$ 83.5	\$ -	\$ -

KELLY SERVICES, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)
(UNAUDITED)

2. Fair Value Measurements (continued)

Description	Fair Value Measurements on a Recurring Basis As of Year-End 2013			
	Total	Level 1	Level 2	Level 3
	(In millions of dollars)			
Money market funds	\$ 2.9	\$ 2.9	\$ -	\$ -
Available-for-sale investment	80.7	80.7	-	-
Total assets at fair value	\$ 83.6	\$ 83.6	\$ -	\$ -

Money market funds as of first quarter-end 2014 and as of year-end 2013 represent investments in money market accounts, all of which are restricted as to use and are included in other assets on the consolidated balance sheet. The valuations were based on quoted market prices of those accounts as of the respective period end.

Available-for-sale investment represents the Company's investment in Temp Holdings Co., Ltd. ("Temp Holdings"), a leading integrated human resources company in Japan, and is included in other assets on the consolidated balance sheet. The valuation is based on the quoted market price of Temp Holdings stock on the Tokyo Stock Exchange as of the period end. The unrealized loss, net of tax, of \$0.1 million for the 13 weeks ended 2014 and the unrealized gain, net of tax, of \$12.3 million for the 13 weeks ended 2013 was recorded in other comprehensive income, as well as in accumulated other comprehensive income, a component of stockholders' equity. The cost of this yen-denominated investment, which fluctuates based on foreign exchange rates, was \$20.1 million as of the first quarter-end 2014 and \$19.7 million at year-end 2013.

KELLY SERVICES, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)
(UnAUDITED)

3. Goodwill

The changes in the net carrying amount of goodwill for the 13 weeks ended 2014 are included in the table below. Effective with the first quarter of 2014, the project-based legal services business in the Americas PT segment was reclassified to the OCG segment. Accordingly, the related portion of Americas PT goodwill was reclassified to OCG during the 13 weeks ended 2014.

	As of Year-End 2013		Adjustments to Goodwill	As of First Quarter-End 2014		
	Goodwill, Gross	Accumulated Impairment Losses		Goodwill, Gross	Accumulated Impairment Losses	Goodwill, Net
(In millions of dollars)						
Americas						
Americas Commercial	\$ 40.0	\$ (16.4)	\$ -	\$ 40.0	\$ (16.4)	\$ 23.6
Americas PT	39.2	-	(1.3)	37.9	-	37.9
Total Americas	79.2	(16.4)	(1.3)	77.9	(16.4)	61.5
EMEA						
EMEA Commercial	50.4	(50.4)	-	50.4	(50.4)	-
EMEA PT	22.0	(22.0)	-	22.0	(22.0)	-
Total EMEA	72.4	(72.4)	-	72.4	(72.4)	-
APAC						
APAC Commercial	12.1	(12.1)	-	12.1	(12.1)	-
APAC PT	1.4	-	-	1.4	-	1.4
Total APAC	13.5	(12.1)	-	13.5	(12.1)	1.4
OCG	26.1	-	1.3	27.4	-	27.4
Consolidated Total	\$ 191.2	\$ (100.9)	\$ -	\$ 191.2	\$ (100.9)	\$ 90.3

KELLY SERVICES, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)
(UnAUDITED)

4. Accumulated Other Comprehensive Income

The changes in accumulated other comprehensive income by component, net of tax, during the 13 weeks ended 2014 and 2013 are included in the table below. Amounts in parentheses indicate debits. Reclassification adjustments out of accumulated other comprehensive income during the 13 weeks ended 2014 and 2013 were not significant.

	13 Weeks Ended 2014			Total
	Foreign Currency Translation Adjustments	Unrealized Gains and Losses on Investment	Pension Liability Adjustments	
	(In millions of dollars)			
Beginning balance	\$ 18.1	\$ 44.8	\$ (1.5)	\$ 61.4
Other comprehensive income (loss)	0.4	(0.1)	-	0.3
Ending balance	<u>\$ 18.5</u>	<u>\$ 44.7</u>	<u>\$ (1.5)</u>	<u>\$ 61.7</u>
	13 Weeks Ended 2013			Total
	Foreign Currency Translation Adjustments	Unrealized Gains and Losses on Investment	Pension Liability Adjustments	
	(In millions of dollars)			
Beginning balance	\$ 24.9	\$ 13.6	\$ (3.1)	\$ 35.4
Other comprehensive income (loss)	(7.0)	12.3	-	5.3
Ending balance	<u>\$ 17.9</u>	<u>\$ 25.9</u>	<u>\$ (3.1)</u>	<u>\$ 40.7</u>

KELLY SERVICES, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)
(UnAUDITED)

5. Earnings Per Share

The reconciliation of basic and diluted earnings per share on common stock for the 13 weeks ended 2014 and 2013 follows (in millions of dollars except per share data):

	13 Weeks Ended	
	2014	2013
Net Earnings	\$ 2.5	\$ 12.9
Less: Earnings allocated to participating securities	(0.1)	(0.3)
Net Earnings available to common shareholders	\$ 2.4	\$ 12.6
Basic earnings per share on common stock	\$ 0.07	\$ 0.34
Diluted earnings per share on common stock	\$ 0.07	\$ 0.34
Average common shares outstanding (millions)		
Basic	37.4	37.2
Diluted	37.4	37.2

Stock options representing 0.2 million and 0.4 million shares, respectively, for the 13 weeks ended 2014 and 2013, were excluded from the computation of diluted earnings per share due to their anti-dilutive effect.

6. Other Expense, Net

Included in other expense, net for the 13 weeks ended 2014 and 2013 are the following:

	13 Weeks Ended	
	2014	2013
(In millions of dollars)		
Interest income	\$ 0.1	\$ 0.1
Interest expense	(0.6)	(0.7)
Foreign exchange losses	(0.8)	(0.1)
Net loss on equity investment	(0.4)	(0.3)
Other expense, net	\$ (1.7)	\$ (1.0)

KELLY SERVICES, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)
(UNAUDITED)

7. Contingencies

During the fourth quarter of 2013, a Louisiana jury rendered an award of \$4.4 million, pursuant to litigation brought by Robert and Margaret Ward against the Jefferson Parish School Board and Kelly Services. Under the verdict, Kelly's share of the liability consists of \$2.7 million plus a portion of pre- and post-judgment interest. During April 2014, Kelly reached an agreement with the plaintiffs pursuant to which Kelly and the primary insurer agreed to pay \$1.0 million to the plaintiffs to satisfy the judgment against the primary insurer and Kelly. In April 2014, Kelly paid \$0.25 million of this amount and our primary insurer paid \$0.75 million. Kelly's umbrella/excess insurer, which has elected to continue to appeal the decision, is responsible for the remaining verdict amount, if any, that may be owed at the conclusion of the appellate process plus related costs and interest. Kelly will remain a nominal defendant on appeal in order to preserve its rights to insurance coverage. Plaintiffs have agreed that they must first exhaust all legal remedies to collect from our umbrella/excess insurer and its surety before pursuing Kelly for any remaining verdict amount that may be owed at the conclusion of the appellate process.

The Company is continuously engaged in litigation arising in the ordinary course of its business, typically matters alleging employment discrimination, alleging wage and hour violations or enforcing the restrictive covenants in the Company's employment agreements. While there is no expectation that any of these matters will have a material adverse effect on the Company's results of operations, financial position or cash flows, litigation is always subject to inherent uncertainty and the Company is not able to reasonably predict if any matter will be resolved in a manner that is materially adverse to the Company.

8. Segment Disclosures

The Company's segments are based on the organizational structure for which financial results are regularly evaluated by the Company's chief operating decision maker to determine resource allocation and assess performance. The Company's seven reporting segments are: (1) Americas Commercial, (2) Americas Professional and Technical ("Americas PT"), (3) Europe, Middle East and Africa Commercial ("EMEA Commercial"), (4) Europe, Middle East and Africa Professional and Technical ("EMEA PT"), (5) Asia Pacific Commercial ("APAC Commercial"), (6) Asia Pacific Professional and Technical ("APAC PT") and (7) Outsourcing and Consulting Group ("OCG").

The Commercial business segments within the Americas, EMEA and APAC regions represent traditional office services, contact-center staffing, marketing, electronic assembly, light industrial and, in the Americas, substitute teachers. The PT segments encompass a wide range of highly skilled temporary employees, including scientists, financial professionals, attorneys, engineers, IT specialists and healthcare workers. OCG includes recruitment process outsourcing ("RPO"), contingent workforce outsourcing ("CWO"), business process outsourcing ("BPO"), payroll process outsourcing ("PPO"), executive placement and career transition/outplacement services. Corporate expenses that directly support the operating units have been allocated to the Americas, EMEA and APAC regions and OCG based on a work effort, volume or, in the absence of a readily available measurement process, proportionately based on revenue from services.

KELLY SERVICES, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)
(UNAUDITED)

8. Segment Disclosures (continued)

The following tables present information about the reported revenue from services and gross profit of the Company by segment, along with a reconciliation to consolidated earnings before taxes, for the 13 weeks ended 2014 and 2013. Asset information by reportable segment is not presented, since the Company does not produce such information internally nor does it use such data to manage its business. Effective with the first quarter of 2014, the project-based legal services business in the Americas PT segment was reclassified to the OCG segment and the prior period was revised to conform to the current presentation.

	13 Weeks Ended	
	2014	2013
	(In millions of dollars)	
Revenue from Services:		
Americas Commercial	\$ 613.2	\$ 638.3
Americas PT	236.4	242.6
Total Americas Commercial and PT	849.6	880.9
EMEA Commercial	221.9	201.0
EMEA PT	47.7	43.5
Total EMEA Commercial and PT	269.6	244.5
APAC Commercial	83.0	81.5
APAC PT	8.6	10.2
Total APAC Commercial and PT	91.6	91.7
OCG	134.4	107.4
Less: Intersegment revenue	(14.4)	(9.7)
Consolidated Total	<u>\$ 1,330.8</u>	<u>\$ 1,314.8</u>

KELLY SERVICES, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)
(UnAUDITED)

8. Segment Disclosures (continued)

	13 Weeks Ended	
	2014	2013
	(In millions of dollars)	
Earnings from Operations:		
Americas Commercial gross profit	\$ 91.8	\$ 93.5
Americas PT gross profit	39.8	38.3
Americas Region gross profit	131.6	131.8
Americas Region SG&A expenses	(109.5)	(107.9)
Americas Region Earnings from Operations	22.1	23.9
EMEA Commercial gross profit	32.9	31.1
EMEA PT gross profit	11.1	10.7
EMEA Region gross profit	44.0	41.8
EMEA Region SG&A expenses	(41.9)	(42.0)
EMEA Region Earnings (Loss) from Operations	2.1	(0.2)
APAC Commercial gross profit	12.3	11.6
APAC PT gross profit	2.8	3.3
APAC Region gross profit	15.1	14.9
APAC Region SG&A expenses	(14.3)	(15.8)
APAC Region Earnings (Loss) from Operations	0.8	(0.9)
OCG gross profit	32.6	29.2
OCG SG&A expenses	(31.4)	(26.7)
OCG Earnings from Operations	1.2	2.5
Less: Intersegment gross profit	(1.0)	(0.8)
Less: Intersegment SG&A expenses	1.0	0.8
Net Intersegment Activity	0.0	0.0
Corporate	(19.9)	(18.2)
Consolidated Total	6.3	7.1
Other Expense, Net	1.7	1.0
Earnings Before Taxes	<u>\$ 4.6</u>	<u>\$ 6.1</u>

9. New Accounting Pronouncement

In April 2014, the Financial Accounting Standards Board issued an accounting standard update that changes the definition of a discontinued operation to include only those disposals of components of an entity that represent a strategic shift that has (or will have) a major effect on operations and financial results. The amendments are effective prospectively for fiscal periods (and interim reporting periods within those years) beginning on or after December 15, 2014 (early adoption is permitted). The adoption of this guidance is not expected to have a material effect on our results of operations, financial position or liquidity.

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations.

Executive Overview

The Workforce Solutions Industry

The staffing industry has changed dramatically over the last decade – transformed by globalization and competitive consolidation. The industry has also continued to evolve in terms of service line expansion and evolution from commercial into professional/technical and outsourced solutions. The broader workforce solutions industry has continued to transform to meet businesses’ growing demand for total workforce or talent supply chain management (“TSCM”) solutions. Global employment trends are reshaping and redefining traditional employment models, sourcing strategies and human resource capability requirements. Clients’ workforce solutions strategies are moving up the maturity model as they take the full spectrum of talent into consideration. The TSCM concept seeks to manage all categories of talent (temporary, project-based, outsourced and full-time) and represents significant market potential.

The global workforce solutions market is forecast to grow in 2014, as the economy gradually recovers and clients continue to place greater emphasis on labor flexibility and cost discipline. The global staffing market will be helped by strengthening conditions in Europe, while adoption of the TSCM concept and improving permanent placement conditions are supporting a stronger outlook for outsourced solutions. Industry performance in 2014 will be led by accelerating demand for professional/technical workers, a return of commercial sector growth in EMEA and continued client adoption of managed services such as Contingent Workforce Outsourcing (“CWO”) and Recruitment Process Outsourcing (“RPO”).

Professional/Technical staffing is projected to increase as a percent of the global market as a result of cyclical and structural shifts towards higher skilled talent. Demand for professional/technical staffing is projected to outperform commercial.

Our Business

Kelly Services is a global workforce solutions company, serving customers of all sizes in variety of industries. Our staffing operations are divided into three regions, Americas, EMEA and APAC, with commercial, professional and technical staffing businesses in each region. As the human capital arena has become more complex, we have also developed a suite of innovative solutions within our global OCG business. OCG delivers integrated talent management solutions to meet customer needs across the entire spectrum of talent categories. Using talent supply chain strategies, we help customers manage their full-time and contingent labor spend, and gain access to service providers and quality talent at competitive rates with minimized risk.

We earn revenues from the hourly sales of services by our temporary employees to customers, as a result of recruiting permanent employees for our customers, and through our outsourcing and consulting activities. Our working capital requirements are primarily generated from temporary employee payroll and customer accounts receivable. The nature of our business is such that trade accounts receivable are our most significant financial asset. Average days sales outstanding varies within and outside the U.S., but is 57 days on a global basis. Since receipts from customers generally lag temporary employee payroll, working capital requirements increase substantially in periods of growth.

Our Strategy and Outlook

Our long-term strategic objective is to create shareholder value by delivering a competitive profit from the best workforce solutions and talent in the industry. To achieve this, we are focused on the following key areas:

- Maintain our core strengths in commercial staffing in key markets;
- Grow our professional and technical solutions;
- Transform our OCG segment into a market-leading provider of talent supply chain management;
- Capture permanent placement growth in selected specialties; and
- Lower our costs through deployment of efficient service delivery models.

Although our objectives remain clear, tepid global economic growth and job creation continues to impact our business. Kelly's first quarter revenue for 2014 was up 1% year over year. Though modest job growth is occurring, we are not experiencing the corresponding across-the-board uplift in our industry that was typical in previous recoveries. Instead, the improvement in temporary employment in the U.S. as reported by the Bureau of Labor Statistics has primarily been driven by hiring in the construction, retail and hospitality sectors -- areas in which Kelly is not generally engaged.

However, even with these underlying influences, we delivered solid operational performance in two key areas. During the first quarter of 2014:

- In our OCG segment, we increased revenue by 25% year over year, confirming that our direction aligns with increased market demand for outsourced solutions. Growth was particularly strong in the core elements of our talent supply chain management model, which continues to be a key driver of our strategic and financial progress.
- While making additional investments, including significant investments in OCG, we continued to practice effective expense control. Total company expenses increased by 3% in comparison to the prior year, underscoring our commitment to balancing fiscal discipline with targeted long-term growth.

At 0.5% for the first quarter of 2014, our return on sales is still well below our long-term goal of 4.0%. To make significant progress against our ROS goal and better leverage our business, we will need to see continued economic growth coupled with stronger demand for full-time and temporary labor in the sectors that Kelly supports. In the meantime, we remain focused on what we can control: executing a well-formed strategy with increased speed and precision, and making the necessary investments to advance that strategy.

During the first quarter of 2014, we began to make targeted investments to adjust our operating models and increase our resources responsible for driving growth in higher margin specialties -- in Americas PT and also within our growing OCG segment. Specifically, our investments will expand a centralized approach to PT recruiting for our local markets, as well as develop additional capabilities within OCG to meet the increasing demand for our solutions, such as in talent supply chain analytics. These investments are intended to drive double-digit sales growth in 2015 in both OCG and our Americas PT segment, assuming continued growth in portions of the economy that rely on these services. We will also continue to invest in driving efficiencies throughout the Company as we build out our centralized service delivery model for large accounts and create operational efficiencies that remove administrative burdens from client-facing teams. We expect that revenue growth will lag these investments and, consequently, that our overall earnings will be down on a year-over-year basis.

Meeting the provisions of the Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act of 2010 (collectively, the "Acts") remains a challenge for us. The Acts represent comprehensive U.S. healthcare reform legislation that, in addition to other provisions, will subject us to potential penalties unless we offer to our employees minimum essential healthcare coverage that is affordable and provides minimum value. During the first quarter of 2014, final regulations were issued, specifically impacting staffing companies. We are currently assessing the impact of these regulations on our business. In order to comply with the Acts, Kelly intends to begin offering health care coverage in 2015 to all temporary employees eligible for coverage under the Acts. In 2014, we will continue to incur costs related to implementing the Acts in advance of future pricing designed to pass related costs on to our customers. Further, there can be no assurance that we will be able to increase pricing to our customers in a sufficient amount to cover all the increased costs, or that they will be recovered in the period in which costs are incurred, and the net financial impact on our results of operations could be significant.

For the balance of the year, we anticipate steady improvement in the U.S. and global economies, and we are already seeing increased confidence among our largest customers -- though it remains to be seen whether that confidence will translate into more meaningful job growth in 2014. Longer-term, we believe the trends in the staffing industry are positive: companies are becoming more comfortable with the use of flexible staffing models; there is increasing acceptance of free agents and contractual employment by companies and candidates alike; and companies are seeking more comprehensive workforce management solutions that lend themselves to Kelly's talent supply chain management approach. This shift in demand for contingent labor and strategic solutions plays to our strengths and experience -- particularly serving large companies.

Financial Measures – Operating Margin and Constant Currency

Return on sales (earnings from operations divided by revenue from services) in the following tables is a ratio used to measure the Company's pricing strategy and operating efficiency. Constant currency ("CC") change amounts are non-GAAP measures. The CC change amounts in the following tables refer to the year-over-year percentage changes resulting from translating 2014 financial data into U.S. dollars using the same foreign currency exchange rates used to translate financial data for 2013. We believe that CC measurements are an important analytical tool to aid in understanding underlying operating trends without distortion due to currency fluctuations.

Realignment of Segments

Beginning in the first quarter of 2014, we realigned the project-based legal services business in our Americas PT segment to the OCG segment and revised the prior year amounts to conform to the current presentation.

Staffing Fee-Based Income

Staffing fee-based income, which is included in revenue from services in the following tables, has a significant impact on gross profit rates. There are very low direct costs of services associated with staffing fee-based income. Therefore, increases or decreases in staffing fee-based income can have a disproportionate impact on gross profit rates.

Results of Operations Total Company - First Quarter (Dollars in millions)

	2014	2013	Change	CC Change
Revenue from Services	\$ 1,330.8	\$ 1,314.8	1.2%	2.2%
Staffing fee-based income	20.4	22.1	(7.1)	(4.1)
Gross profit	222.3	216.9	2.5	3.5
Total SG&A expenses	216.0	209.8	3.0	3.9
Earnings from Operations	6.3	7.1	(11.8)	
Gross profit rate	16.7%	16.5%	0.2pts.	
Expense rates:				
% of revenue	16.2	16.0	0.2	
% of gross profit	97.2	96.7	0.5	
Return on sales	0.5	0.5	0.0	

Total Company revenue from services for the first quarter of 2014 was up 1% in comparison to the prior year. This reflected primarily an increase in average bill rates in the Americas.

Compared to the first quarter of 2013, the gross profit rate was up 20 basis points. This increase was primarily due to an improvement in the gross profit rate in the Americas region, as more fully described in the Total Americas discussion below.

Selling, general and administrative ("SG&A") expenses increased year over year as a result of investments in our PT and OCG businesses, partially offset by a \$3.0 million unclaimed property settlement which was included in the first quarter of 2013.

Income tax expense for the first quarter of 2014 was \$2.1 million, compared to a benefit of \$6.8 million for the first quarter of 2013. The tax rate was significantly impacted by the U.S. work opportunity credit, which is a temporary income tax incentive. The credit, along with several other temporary income tax incentives, has previously expired and later been retroactively reinstated in what is commonly referred to as “extenders” legislation. The first quarter of 2013 benefitted from recognition of 2012 work opportunity credits that were unavailable in 2012 due to expiration at the end of 2011. These credits later became available upon retroactive reinstatement in the first quarter of 2013. The work opportunity credit again expired at the end of 2013, making credits unavailable for employees hired in 2014. While extenders legislation has been introduced in Congress that would retroactively reinstate the work opportunity credit, if or when such action would be taken is unknown. If such extenders legislation is enacted, the retroactive reinstatement of the work opportunity credit would result in a significant benefit to income tax expense.

Diluted earnings per share for the first quarter of 2014 were \$0.07, as compared to \$0.34 for the first quarter of 2013.

Total Americas - First Quarter
(Dollars in millions)

	2014	2013	Change	CC Change
Revenue from Services	\$ 849.6	\$ 880.9	(3.6)%	(2.6)%
Staffing fee-based income	7.8	7.8	0.6	1.9
Gross profit	131.6	131.8	(0.2)	0.7
Total SG&A expenses	109.5	107.9	1.5	2.4
Earnings from Operations	22.1	23.9	(7.6)	
Gross profit rate	15.5%	15.0%	0.5pts.	
Expense rates:				
% of revenue	12.9	12.3	0.6	
% of gross profit	83.3	81.9	1.4	
Return on sales	2.6	2.7	(0.1)	

The change in Americas revenue from services represents a 4% decrease in hours worked, partially offset by a 2% increase in average bill rates on a CC basis. Americas represented 64% of total Company revenue in the first quarter of 2014 and 67% in the first quarter of 2013.

Revenue in our Commercial segment was down 4% and our PT revenue was down 3% in comparison to the prior year. The decrease in revenue in Commercial was due to revenue decreases in our office clerical, light industrial and electronic assembly products, partially offset by increased revenue in our educational staffing business due to new customer wins. In the PT segment, we continued to see declines in revenue in our IT and finance products, partially offset by growth in revenue in our engineering and science products.

The increase in the gross profit rate was due to a combination of improved pricing markups as well as lower payroll taxes and lower employee benefit costs.

SG&A expenses were up 1.5% in comparison to the prior year. However, in 2013 we had a \$3.0 million charge to income for settlement of an unclaimed property claim. Excluding this charge, the SG&A expenses in the first quarter of 2014 were up 4.4%. This increase is attributable to annual merit increases and additional full-time employees to support our targeted PT growth.

Total EMEA - First Quarter
(Dollars in millions)

	2014	2013	Change	CC Change
Revenue from Services	\$ 269.6	\$ 244.5	10.3%	9.1%
Staffing fee-based income	8.7	9.5	(8.2)	(6.2)
Gross profit	44.0	41.8	5.4	4.4
SG&A expenses excluding restructuring charges	41.9	42.2	(0.6)	
Restructuring charges	-	(0.2)	(100.0)	
Total SG&A expenses	41.9	42.0	(0.2)	(1.4)
Earnings from Operations	2.1	(0.2)	NM	
Gross profit rate	16.3%	17.1%	(0.8)pts.	
Expense rates (excluding restructuring charges):				
% of revenue	15.5	17.2	(1.7)	
% of gross profit	95.1	100.8	(5.7)	
Return on sales	0.8	(0.1)	0.9	

The change in EMEA revenue from services reflected a 10% increase in hours worked, partially offset by a 1% decrease in average bill rates on a CC basis. The increase in hours was due primarily to Portugal, Russia and Switzerland, reflecting the improving economic environment in Europe. EMEA represented 20% of total Company revenue in the first quarter of 2014 and 19% in the first quarter of 2013.

The EMEA gross profit rate decreased primarily due to the decline in staffing fee-based income, which negatively impacted the gross profit rate by approximately 60 basis points.

The decrease in SG&A expenses was primarily due to a reduction in headquarters costs throughout the EMEA region. Restructuring costs recorded in the first quarter of 2013 reflect favorable adjustments to prior restructuring costs in the U.K., France and Italy.

Total APAC - First Quarter
(Dollars in millions)

	2014	2013	Change	CC Change
Revenue from Services	\$ 91.6	\$ 91.7	(0.1)%	7.5%
Staffing fee-based income	3.9	4.7	(17.8)	(10.0)
Gross profit	15.1	14.9	1.4	9.2
SG&A expenses excluding restructuring charges	14.3	15.6	(7.8)	
Restructuring charges	-	0.2	(100.0)	
Total SG&A expenses	14.3	15.8	(9.0)	(1.1)
Earnings from Operations	0.8	(0.9)	NM	
Gross profit rate	16.5%	16.2%	0.3pts.	
Expense rates (excluding restructuring charges):				
% of revenue	15.7	17.0	(1.3)	
% of gross profit	95.1	104.7	(9.6)	
Return on sales	0.8	(1.0)	1.8	

The change in total APAC revenue from services reflected a 14% increase in hours worked, partially offset by a 4% decrease in average bill rates on a CC basis. The increase in hours worked was due to higher hours for larger accounts in New Zealand, Singapore and India. APAC revenue represented 7% of total Company revenue in both the first quarter of 2014 and 2013.

The increase in the gross profit rate was due to the effect of a \$1.4 million wage credit in Singapore, which was recorded in cost of services. This amount, which represents additional credits received for 2013, added approximately 140 basis points to the APAC region gross profit rate in the first quarter of 2014. This increase was partially offset by decreases in staffing fee-based income and temporary margins, which reduced the gross profit rate by 80 basis points and 30 basis points, respectively. Staffing fee-based income decreased by 22% in Singapore, due to high staff turnover, and by 14% in Australia, due to the weaker economic climate.

SG&A expenses declined 1% on a CC basis. This change was the result of consolidating the Australia and New Zealand management in the prior year and lower country headquarters costs across the region, partially offset by additional hiring in Singapore and Malaysia.

OCG - First Quarter
(Dollars in millions)

	2014	2013	Change	CC Change
Revenue from Services	\$ 134.4	\$ 107.4	25.1%	25.9%
Gross profit	32.6	29.2	11.8	12.3
Total SG&A expenses	31.4	26.7	17.9	18.4
Earnings from Operations	1.2	2.5	(52.6)	
Gross profit rate	24.3%	27.2%	(2.9)pts.	
Expense rates:				
% of revenue	23.4	24.8	(1.4)	
% of gross profit	96.3	91.4	4.9	
Return on sales	0.9	2.3	(1.4)	

Revenue from services in the OCG segment increased during the first quarter of 2014 due primarily to growth in the BPO and CWO practice areas. Revenue in BPO grew by 21% year over year and revenue in CWO, which includes PPO, grew by 35%. The revenue growth in BPO and CWO was due to expansion of programs with existing customers and new customers. OCG revenue represented 10% of total Company revenue in the first quarter of 2014 and 8% in the first quarter of 2013.

The OCG gross profit rate decreased primarily due to practice area mix with higher growth in our lower margin businesses, such as PPO. The increase in SG&A expenses is primarily a result of support costs associated with increased volume with existing customers and implementation costs of new customers in our BPO and CWO practice areas.

Financial Condition

Historically, we have financed our operations through cash generated by operating activities and access to credit markets. Our working capital requirements are primarily generated from temporary employee payroll and customer accounts receivable. Since receipts from customers generally lag payroll to temporary employees, working capital requirements increase substantially in periods of growth. Conversely, when economic activity slows, working capital requirements may substantially decrease. As highlighted in the consolidated statements of cash flows, our liquidity and available capital resources are impacted by four key components: cash and equivalents, operating activities, investing activities and financing activities.

Cash and Equivalents

Cash and equivalents totaled \$57.9 million at the end of the first quarter of 2014 and \$125.7 million at year-end 2013. As further described below, we used \$90.8 million of cash for operating activities, used \$3.8 million of cash for investing activities and generated \$24.6 million of cash from financing activities. The cash and equivalents balance at the end of the first quarter of 2014 was negatively impacted by \$20.0 million related to payments we received at year-end 2013 from our OCG customers, most of which we paid out to suppliers during the first quarter of 2014.

Operating Activities

In the first quarter of 2014 we used \$90.8 million of net cash for operating activities, as compared to generating \$5.9 million in the first quarter of 2013. This change was primarily due to year-to-date growth in trade accounts receivable, along with the negative impact of the \$20.0 million related to the timing of payments to suppliers noted above. Changes in operating assets and liabilities and net cash from operating activities for the first quarter of 2013 are both overstated by \$2.2 million, due to an error from prior periods which was not corrected until the third quarter of 2013.

Trade accounts receivable totaled \$1.1 billion at the end of the first quarter of 2014. Global days sales outstanding were 57 days at the end of the first quarter of 2014 and 54 days at the end of the first quarter of 2013. The increase in DSO is primarily due to the timing of our month-end cut-off as well as extended terms and invoicing complexities for certain large customers.

Our working capital position was \$467.3 million at the end of the first quarter of 2014, a decrease of \$7.2 million from year-end 2013. The current ratio (total current assets divided by total current liabilities) was 1.6% at the end of the first quarter of 2014 and at year-end 2013.

Investing Activities

In the first three months of 2014, we used \$3.8 million of cash for investing activities, compared to using \$2.6 million in the first three months of 2013. Capital expenditures in both years relate primarily to the Company's technology programs.

Financing Activities

In the first three months of 2014, we generated \$24.6 million of cash from financing activities, compared to using \$15.6 million in the first three months of 2013. Debt totaled \$54.8 million at the end of the first quarter of 2014 and \$28.3 million at year-end 2013. Debt-to-total capital (total debt reported on the balance sheet divided by total debt plus stockholders' equity) is a common ratio to measure the relative capital structure and leverage of the Company. Our ratio of debt-to-total capital was 6.2% at the end of the first quarter of 2014 and 3.3% at year-end 2013.

The net change in short-term borrowings in the first three months of 2014 was primarily due to additional borrowings on our securitization facility, used to fund our everyday operations. The net change in short-term borrowings in the three months of 2013 was primarily due to payments on our securitization facility.

We made dividend payments of \$1.9 million in the first three months of both 2014 and 2013.

New Accounting Pronouncement

See New Accounting Pronouncement footnote in the Notes to Consolidated Financial Statements of this Quarterly Report on Form 10-Q for a description of a new accounting pronouncement.

Contractual Obligations and Commercial Commitments

There are no material changes in our obligations and commitments to make future payments from those included in the Company's Annual Report on Form 10-K filed February 13, 2014. We have no material, unrecorded commitments, losses, contingencies or guarantees associated with any related parties or unconsolidated entities.

Liquidity

We expect to meet our ongoing short and long-term cash requirements principally through cash generated from operations, available cash and equivalents, securitization of customer receivables and committed unused credit facilities. Additional funding sources could include public or private bonds, asset-based lending, additional bank facilities, issuance of equity or other sources.

We utilize intercompany loans, dividends, capital contributions and redemptions to effectively manage our cash on a global basis. We periodically review our foreign subsidiaries' cash balances and projected cash needs. As part of those reviews, we may identify cash that we feel should be repatriated to optimize the Company's overall capital structure. At the present time, these reviews have not resulted in any specific plans to repatriate a majority of our international cash balances. We expect much of our international cash will be needed to fund working capital growth in our local operations. The majority of our international cash is concentrated in a cash pooling arrangement (the "Cash Pool") and is available to fund general corporate needs internationally. The Cash Pool is a set of cash accounts maintained with a single bank that must, as a whole, maintain at least a zero balance; individual accounts may be positive or negative. This allows countries with excess cash to invest and countries with cash needs to utilize the excess cash.

We manage our cash and debt very closely to optimize our capital structure. As our cash balances build, we tend to pay down debt as appropriate. Conversely, when working capital needs grow, we tend to use corporate cash and cash available in the Cash Pool first, and then access our borrowing facilities.

As of the 2014 first quarter end, we had \$200.0 million of available capacity on our \$200.0 million revolving credit facility and \$42.0 million of available capacity on our \$150.0 million securitization facility. The securitization facility carried \$53.0 million of short-term borrowings and \$55.0 million of standby letters of credit related to workers' compensation. Together, the revolving credit and securitization facilities provide the Company with committed funding capacity that may be used for general corporate purposes. While we believe these facilities will cover our working capital needs over the short term, if economic conditions or operating results change significantly, we may need to seek additional sources of funds. As of the 2014 first quarter end, we met the debt covenants related to our revolving credit facility and securitization facility.

We monitor the credit ratings of our major banking partners on a regular basis. We also have regular discussions with them. Based on our reviews and communications, we believe the risk of one or more of our banks not being able to honor commitments is insignificant. We also review the ratings and holdings of our money market funds and other investment vehicles regularly to ensure high credit quality and access to our invested cash.

Forward-Looking Statements

Certain statements contained in this report are "forward-looking" statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include statements which are predictive in nature, which depend upon or refer to future events or conditions, or which include words such as "expects," "anticipates," "intends," "plans," "believes," "estimates," or variations or negatives thereof or by similar or comparable words or phrases. In addition, any statements concerning future financial performance (including future revenues, earnings or growth rates), ongoing business strategies or prospects, and possible future actions by us that may be provided by management, including oral statements or other written materials released to the public, are also forward-looking statements. Forward-looking statements are based on current expectations and projections about future events and are subject to risks, uncertainties, and assumptions about our company and economic and market factors in the countries in which we do business, among other things. These statements are not guarantees of future performance, and we have no specific intention to update these statements.

Actual events and results may differ materially from those expressed or forecasted in forward-looking statements due to a number of factors. The principal important risk factors that could cause our actual performance and future events and actions to differ materially from such forward-looking statements include, but are not limited to, competitive market pressures including pricing and technology introductions, changing market and economic conditions, our ability to achieve our business strategy, our ability to retain the services of our senior management, local management and field personnel, our ability to adequately protect our intellectual property rights, including our brand, our ability to successfully develop new service offerings, our exposure to risks associated with services outside traditional staffing, including business process outsourcing, the risks associated with past and future acquisitions, exposure to risks associated with investments in equity affiliates, material changes in demand from or loss of large corporate customers, risks associated with conducting business in foreign countries, including foreign currency fluctuations, availability of temporary workers with appropriate skills required by customers, liabilities for employment-related claims and losses, including class action lawsuits and collective actions, liability for improper disclosure of sensitive or private employee information, our ability to sustain critical business applications through our key data centers, our ability to effectively implement and manage our information technology programs, our ability to maintain adequate financial and management processes and controls, impairment charges triggered by adverse industry or market developments, unexpected changes in claim trends on workers' compensation, disability and medical benefit plans, the net financial impact of the Patient Protection and Affordable Care Act on our business, the impact of changes in laws and regulations (including federal, state and international tax laws and the expiration and/or reinstatement of the U.S. work opportunity credit program), the risk of additional tax or unclaimed property liabilities in excess of our estimates, our ability to maintain specified financial covenants in our bank facilities, our ability to access credit markets and continued availability of financing for funding working capital. Certain risk factors are discussed more fully under "Risk Factors" in Part I, Item 1A of the Company's Annual Report on Form 10-K.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

We are exposed to foreign currency risk primarily due to our net investment in foreign subsidiaries, which conduct business in their local currencies. We may also utilize local currency-denominated borrowings.

In addition, we are exposed to interest rate risks through our use of the multi-currency line of credit and other borrowings. A hypothetical fluctuation of 10% of market interest rates would not have had a material impact on 2014 first quarter earnings.

Marketable equity investments, representing our investment in Temp Holdings, are stated at fair value and marked to market through stockholders' equity, net of tax. Impairments in value below historical cost, if any, deemed to be other than temporary, would be expensed in the consolidated statement of earnings. See the Fair Value Measurements footnote in the Notes to Consolidated Financial Statements of this Quarterly Report on Form 10-Q for further discussion.

We are exposed to market risk as a result of our obligation to pay benefits under our nonqualified deferred compensation plan and our related investments in company-owned variable universal life insurance policies. The obligation to employees increases and decreases based on movements in the equity and debt markets. The investments in mutual funds, as part of the company-owned variable universal life insurance policies, are designed to mitigate, but not eliminate, this risk with offsetting gains and losses.

Overall, our holdings and positions in market risk-sensitive instruments do not subject us to material risk.

Item 4. Controls and Procedures.

Based on their evaluation as of the end of the period covered by this Form 10-Q, the Company's Chief Executive Officer and Chief Financial Officer have concluded that the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934) are effective.

There were no changes in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings.

During the fourth quarter of 2013, a Louisiana jury rendered an award of \$4.4 million, pursuant to litigation brought by Robert and Margaret Ward against the Jefferson Parish School Board and Kelly Services. Under the verdict, Kelly's share of the liability consists of \$2.7 million plus a portion of pre- and post-judgment interest. During April 2014, Kelly reached an agreement with the plaintiffs pursuant to which Kelly and the primary insurer agreed to pay \$1.0 million to the plaintiffs to satisfy the judgment against the primary insurer and Kelly. In April 2014, Kelly paid \$0.25 million of this amount and our primary insurer paid \$0.75 million. Kelly's umbrella/excess insurer, which has elected to continue to appeal the decision, is responsible for the remaining verdict amount, if any, that may be owed at the conclusion of the appellate process plus related costs and interest. Kelly will remain a nominal defendant on appeal in order to preserve its rights to insurance coverage. Plaintiffs have agreed that they must first exhaust all legal remedies to collect from our umbrella/excess insurer and its surety before pursuing Kelly for any remaining verdict amount that may be owed at the conclusion of the appellate process.

The Company is continuously engaged in litigation arising in the ordinary course of its business, typically matters alleging employment discrimination, alleging wage and hour violations or enforcing the restrictive covenants in the Company's employment agreements. While there is no expectation that any of these matters will have a material adverse effect on the Company's results of operations, financial position or cash flows, litigation is always subject to inherent uncertainty and the Company is not able to reasonably predict if any matter will be resolved in a manner that is materially adverse to the Company.

Item 1A. Risk Factors.

There have been no material changes in the Company's risk factors disclosed in Part I, Item 1A of the Company's Annual Report filed on Form 10-K for year ended December 29, 2013.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

(a) Sales of Equity Securities Not Registered Under the Securities Exchange Act of 1933

None.

(c) Issuer Repurchases of Equity Securities

During the first quarter of 2014, we reacquired shares of our Class A common stock as follows:

Period	Total Number of Shares (or Units) Purchased	Average Price Paid per Share (or Unit)	Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs	Maximum Number (or Approximate Dollar Value) of Shares (or Units) That May Yet Be Purchased Under the Plans or Programs (in millions of dollars)
December 30, 2013 through February 2, 2014	4,288	\$ 24.66	-	\$ -
February 3, 2014 through March 2, 2014	418	23.93	-	\$ -
March 3, 2014 through March 30, 2014	-	-	-	\$ -
Total	4,706	\$ 24.60	-	

We may reacquire shares sold to cover taxes due upon the vesting of restricted stock held by employees. Accordingly, 4,706 shares were reacquired in transactions during the quarter.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 6. Exhibits.

See Index to Exhibits required by Item 601, Regulation S-K, set forth on page 28 of this filing.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

KELLY SERVICES, INC.

Date: May 7, 2014

/s/ Patricia Little
Patricia Little

Executive Vice President and
Chief Financial Officer
(Principal Financial Officer)

Date: May 7, 2014

/s/ Michael E. Debs
Michael E. Debs

Senior Vice President and
Chief Accounting Officer
(Principal Accounting Officer)

**INDEX TO EXHIBITS
REQUIRED BY ITEM 601,
REGULATION S-K**

<u>Exhibit No.</u>	<u>Description</u>
3.1	Certificate of Incorporation.
3.2	By-Laws.
31.1	Certification Pursuant to Rule 13a-14(a)/15d-14(a) of the Securities Exchange Act, as amended.
31.2	Certification Pursuant to Rule 13a-14(a)/15d-14(a) of the Securities Exchange Act, as amended.
32.1	Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

**RESTATED CERTIFICATE OF INCORPORATION OF
KELLY SERVICES, INC.**

* * * * *

Kelly Services, Inc., a corporation organized and existing under the laws of Delaware, certifies as follows:

1. The name of the Corporation is KELLY SERVICES, INC.

2. The original certificate of incorporation was filed with the Secretary of State of Delaware on August 27, 1952 under the name of PERSONNEL SERVICE, INC.

3. This Restated Certificate of Incorporation amends and restates the certificate of incorporation of the corporation heretofore in effect. This Restated Certificate of Incorporation has been duly adopted in accordance with the provisions of Sections 242 and 245 of the General Corporation Law of the State of Delaware by the directors and stockholders of the corporation.

4. The Restated Certificate of Incorporation so adopted reads in full as follows:

FIRST: The name of this corporation is Kelly Services, Inc.

SECOND: Its principal office in the State of Delaware is located at 1209 Orange Street, in the City of Wilmington, County of New Castle. The name of its resident agent at such address is The Corporation Trust Company.

THIRD: The nature of the business, or objects or purposes to be transacted, promoted or carried on are:

To furnish office, clerical, supervisory and consultant services.

To manufacture, purchase or otherwise acquire, invest in, own, mortgage, pledge, sell, assign and transfer or otherwise dispose of, trade, deal in and deal with goods, wares and merchandise and personal property of every class and description.

To acquire, and pay for in cash, stock or bonds of this corporation or otherwise, the good will, rights, assets and property, and to undertake or assume the whole or any part of the obligations or liabilities of any person, firm, association or corporation.

To acquire, hold, use, sell, assign, lease, grant licenses in respect of, mortgage or otherwise dispose of letters patent of the United States or any foreign country, patent rights, licenses and privileges, inventions, improvements and processes, copyrights, trade-marks and trade names, relating to or useful in connection with any business of this corporation.

To acquire by purchase, subscription or otherwise, and to receive, hold, own, guarantee, sell, assign, exchange, transfer, mortgage, pledge or otherwise dispose of or deal in and with any of the shares of the capital stock, or any voting trust certificates in respect of the shares of capital stock, scrip, warrants, rights, bonds, debentures, notes, trust receipts, and other securities, obligations, choses in action and evidences of indebtedness or interest issued or created by any corporations, joint stock companies, syndicates, associations, firms, trusts or persons, public or private, or by the government of the United States of America, or by any foreign government, or by any state, territory, province, municipality or other political subdivision or by any governmental agency, and as owner thereof to possess and exercise all the rights, powers and privileges of ownership, including the right to execute consents and vote thereon, and to do any and all acts and things necessary or advisable for the preservation, protection, improvement and enhancement in value thereof.

To enter into, make and perform contracts of every kind and description with any person, firm, association, corporation, municipality, county, state, body politic or government or colony or dependency thereof.

To borrow or raise moneys for any of the purposes of the corporation and, from time to time, without limit as to amount to draw, make, accept, endorse, execute and issue promissory notes, drafts, bills of exchange, warrants, bonds, debentures and other negotiable or non-negotiable instruments and evidences of indebtedness, and to secure the payment of any thereof and of the interest thereon by mortgage upon or pledge, conveyance or assignment in trust of the whole or any part of the property of the corporation, whether at the time owned or thereafter acquired, and to sell, pledge or otherwise dispose of such bonds or other obligations of the corporation for its corporate purposes.

To loan to any person, firm or corporation any of its surplus funds, either with or without security.

To purchase, hold, sell and transfer the shares of its own capital stock; provided it shall not use its funds or property for the purchase of its own shares of capital stock when such use would cause any impairment of its capital except as otherwise permitted by law, and provided further that shares of its own capital stock belonging to it shall not be voted upon directly or indirectly.

To operate a private trade school and business school in the State of Michigan after obtaining the necessary license for such operation for the instruction of students in various office skills, including, but not by way of limitation, instruction in the use of various office equipment and machines.

To have one or more offices, to carry on all or any of its operations and business and without restriction or limit as to amount to purchase or otherwise acquire, hold, own, mortgage, sell, convey, or otherwise dispose of real and personal property of every class and description in any of the States, Districts, Territories or Colonies of the United States, and in any and all foreign countries, subject to the laws of such State, District, Territory, Colony or Country.

In general, to carry on any other business in connection with the foregoing, and to have and exercise all the powers conferred by the laws of Delaware upon corporations formed under the General Corporation Law of the State of Delaware, and to do any or all of the things hereinbefore set forth to the same extent as natural persons might or could do.

The objects and purposes specified in the foregoing clauses shall, except where otherwise expressed, be in nowise limited or restricted by reference to, or inference from, the terms of any other clause in this certificate of incorporation, but the objects and purposes specified in each of the foregoing clauses of this article shall be regarded as independent objects and purposes.

FOURTH:

Division A

The total number of shares of stock which the corporation shall have authority to issue is 110,000,000 shares, the par value of each of the shares is \$1.00, amounting in the aggregate to \$110,000,000, and the shares are divided into two classes consisting of 100,000,000 shares of Class A Common Stock and 10,000,000 shares of Class B Common Stock.

Division B

The designations, preferences and relative, participating, optional or other special rights and the qualifications, limitations or restrictions in respect of the shares of each class are as follows:

(a) Dividends. Holders of the Class A Common Stock and the Class B Common Stock shall be entitled to receive dividends, out of funds legally available therefor, when and as declared by the Board of Directors, subject only to the limitations that (1) no cash dividend payable on the shares of the Class B Common Stock shall be declared unless the Board of Directors shall concurrently declare a cash dividend on the shares of the Class A Common Stock at a rate which is not less than the rate of the cash dividend payable on the shares of the Class B Common Stock (but a cash dividend may be declared on the Class A Common Stock without declaring a cash dividend on the Class B Common Stock), and (2) no dividend payable in shares of the Class B Common Stock shall be declared on the Class A Common Stock (but a dividend payable in shares of Class A Common Stock may be declared on the Class A Common Stock or the Class B Common Stock and a dividend payable in shares of Class B Common Stock may be declared on the Class B Common Stock).

(b) Voting Rights. Except on matters where their vote is required by Delaware law, the holders of the Class A Common Stock shall not be entitled to vote on any matter coming before any meeting of stockholders. The holders of the Class B Common Stock shall be entitled to one vote per share upon each matter coming before any meeting of stockholders.

(c) Conversion of Class B Common Stock.

1. Shares of Class B Common Stock shall be convertible, at the option of the respective holders thereof, at any time, into fully paid and non-assessable shares of Class A Common Stock on the basis of one share of Class A Common Stock for each share of Class B Common Stock.

2. No payment or adjustment with respect to dividends on shares of the Class A Common Stock or on the Class B Common Stock shall be made in connection with any conversion of shares of Class B Common Stock into shares of Class A Common Stock.

3. The holders of a certificate or certificates for Class B Common Stock, in order to effect the conversion of shares represented thereby, shall surrender the certificate or certificates to the corporation or to the Transfer Agent for the shares of the Class B Common Stock, with request for conversion. If the shares of the Class A Common Stock issuable upon conversion are to be issued in a name other than that in which the shares of the Class B Common Stock to be converted are registered, the certificate or certificates shall be duly endorsed for transfer or accompanied by a duly executed stock transfer power, and shall also be accompanied by the necessary stock transfer stamps or equivalent funds.

Upon surrender of the certificate or certificates, the corporation shall issue and deliver or cause to be issued and delivered to the person entitled thereto a certificate or certificates for the number of full shares of the Class A Common Stock issuable upon conversion. The corporation shall pay all original issue taxes, if any, payable upon the issue of shares of the Class A Common Stock issued upon any conversion.

The conversion shall be deemed to have been effected on the date of the surrender of the certificate or certificates of shares of the Class B Common Stock, and the person in whose name the certificate or certificates of the shares of the Class A Common Stock issuable upon conversion are to be issued shall be deemed to be the holder of record of the shares as of that date.

4. If there should be any capital reorganization or any reclassification of the Class A Common Stock, the shares of the Class B Common Stock shall thereafter have the right to be converted into the number of shares of stock or other securities or property of the corporation to which outstanding shares of the Class A Common Stock would have been entitled upon the effective date of the reorganization or reclassification. The Board of Directors shall make an appropriate adjustment in the application of the provisions of this paragraph (c) with respect to the conversion rights of the holders of the shares of the Class B Common Stock after the reorganization or reclassification, to the end that the provisions shall be applicable, as nearly as reasonably may be, in respect to any shares or other securities or property thereafter issuable or deliverable upon the conversion of shares of the Class B Common Stock. The provisions of this sub-paragraph shall not apply to a reorganization or reclassification involving merely a subdivision or combination of outstanding shares of the Class A Common Stock.

5. In case the corporation shall be consolidated with or merged into any other corporation or shall sell or transfer its property and business as or substantially as an entirety, then the stock or other securities or other property, including cash, issuable or deliverable in connection with such consolidation, merger or sale in respect of each share of the Class A Common Stock then outstanding, shall thereafter, for the purposes of the conversion rights of the Class B Common Stock, be deemed the equivalent of one share of Class A Common Stock. Upon the exercise of conversion rights, holders of Class B Common Stock shall be entitled to receive on an equivalent basis and at the same rate and on the other terms and conditions set forth in this paragraph (c), the stock or other securities or property, including cash, deemed to be the equivalent of Class A Common Stock. Lawful provisions to this effect shall be made a part of and condition to the consolidation, merger or sale.

6. In case the corporation shall propose (i) to effect any reclassification of the Class A Common Stock or any capital reorganization involving a change in the Class A Common Stock, other than a reclassification or reorganization involving merely a subdivision or combination of outstanding shares of the Class A Common Stock, or (ii) to consolidate with or merge into another corporation, or to sell or transfer its property and business as or substantially as an entirety, then, in each such case, the corporation shall file with each Transfer Agent for the shares of the Class B Common Stock and shall mail to the holders of record of the shares at their respective addresses then appearing on the records of the corporation a statement, signed by an officer of the corporation, with respect to the proposed action, the statement to be so filed and mailed at least 30 days prior to the record date for holders of the Class A Common Stock for the purposes thereof. The statement shall set forth such facts with respect to the proposed action as shall be reasonably necessary to inform each Transfer Agent for the shares of the Class B Common Stock and the holders of those shares as to the effect of the action upon the conversion rights of the holders.

7. The corporation shall at all times have authorized but unissued, or in its treasury, a number of shares of the Class A Common Stock sufficient for the conversion of all shares of the Class B Common Stock from time to time outstanding.

8. In case the shares of the Class A Common Stock or the Class B Common Stock at any time outstanding shall, by reclassification or otherwise, be subdivided into a greater number of shares or combined into a lesser number of shares, the shares of Class B Common Stock or Class A Common Stock, respectively, then outstanding shall, at the same time, be subdivided or combined, as the case may be, on the same basis.

(d) Preemptive Rights. Holders of the Class A Common Stock shall have no preemptive right to subscribe to any securities issued by the corporation. Holders of the Class B Common Stock shall have the preemptive right to subscribe to additional shares of Class B Common Stock, or any other voting stock or any security convertible into Class B Common Stock or other voting stock, hereafter issued by the corporation.

(e) Liquidation Preferences.

1. In the event of dissolution, liquidation or winding up of the corporation, whether voluntary or involuntary, holders of the Class A Common Stock and of the Class B Common Stock shall be entitled to payment out of the assets of the corporation ratably in accordance with the number of shares held by them respectively.

2. Neither a consolidation nor a merger of the corporation with or into any other corporation, nor a merger of any other corporation into the corporation, nor the purchase or other acquisition by the corporation of all or a part of the outstanding shares of any class or classes of its stock, nor the sale or transfer of the property and business of the corporation, as or substantially as an entirety, shall be considered a dissolution, liquidation or winding up of the corporation within the meaning of the foregoing provisions.

FIFTH: The business, property and affairs of this corporation shall be managed by a Board of Directors consisting of no fewer than five (5) and no more than eleven (11) members, the exact number to be determined from time to time by resolution of the Board of Directors. Effective at each annual meeting of the stockholders of the corporation from and after the annual meeting to be held in 2010, all director nominees shall stand for election to terms expiring at the next succeeding annual meeting, with each director to hold office until his successor is duly elected and qualified, subject, however, to prior death, resignation, retirement, disqualification or removal from office. The term of each director serving as of and immediately prior to the annual meeting of the stockholders of the corporation to be held in 2010 shall expire as of the date of such annual meeting, notwithstanding that such director may have been elected for a term that extended beyond the date of such annual meeting. The Board of Directors may exercise all such powers of the corporation and do all such lawful acts and things as are not by statute or by the Certificate of Incorporation or by the by-laws directed or required to be exercised or done by the stockholders.

Newly created directorships resulting from any increase in the authorized number of directors and vacancies in the Board of Directors from death, resignation, retirement, disqualification, removal from office or other cause, shall be filled by a majority vote of the directors then in office, and directors so chosen shall hold office for a term expiring at the next annual meeting of the stockholders of the corporation and until their successors are duly elected and qualified, subject, however, to prior death, resignation, retirement, disqualification or removal from office. No decrease in the number of directors constituting the Board of Directors shall shorten the term of any incumbent director.

Any director, or the entire Board of Directors, may be removed at any time, with or without cause. The affirmative vote of the holders of a majority of the voting power of all of the stock of this corporation entitled to vote in elections of directors shall be required to remove a director from office. The stockholders of the corporation are expressly prohibited from cumulating their votes in any election of directors of the corporation.

SIXTH: The names and places of residence of the incorporators were as follows:

<u>Names</u>	<u>Residences</u>
L. E. Gray	Wilmington, Delaware
S. M. Brown	Wilmington, Delaware
A. D. Atwell	Townsend, Delaware

SEVENTH: By-laws of the corporation may be adopted, amended or repealed by the affirmative vote of a majority of the total number of directors or by the affirmative vote of the holders of a majority of the voting power of all of the stock of this corporation entitled to vote in elections of directors. The by-laws may contain any provision for the regulation and management of the affairs of the corporation and the rights or powers of its stockholders, directors, officers, or employees not inconsistent with the laws of the State of Delaware.

EIGHTH:

In furtherance, and not in limitation of the powers conferred by statute, the Board of Directors is expressly authorized:

To fix the amount to be reserved as working capital over and above its capital stock paid in, to authorize and cause to be executed mortgages and liens upon the real and personal property of this corporation.

From time to time to determine whether and to what extent, and at what times and places, and under what conditions and regulations, the accounts and books of this corporation (other than the stock ledger), or any of them, shall be open to inspection of stockholders; and no stockholder shall have any right of inspecting any account, book or document of this corporation except as conferred by statute, unless authorized by a resolution of the stockholders or directors.

By resolution or resolutions, passed by a majority of the whole board to designate one or more committees, each committee to consist of two or more of the directors of the corporation, which, to the extent provided in said resolution or resolutions, or in the by-laws of this corporation, shall have and may exercise the powers of the Board of Directors in the management of the business and affairs of this corporation, and may have power to authorize the seal of this corporation to be affixed to all papers which may require it. The committee or committees shall have the name or names as may be stated in the by-laws of this corporation or as may be determined from time to time by resolution adopted by the Board of Directors.

This corporation may in its by-laws confer powers upon its directors in addition to the foregoing, and in addition to the powers and authorities expressly conferred upon them by the statute.

Both stockholders and directors shall have power, if the by-laws so provide, to hold their meetings, and to have one or more offices within or without the State of Delaware, and to keep the books of this corporation (subject to the provisions of the statutes), outside of the State of Delaware at such places as may be from time to time designated by the Board of Directors.

NINTH: Whenever a compromise or arrangement is proposed between this corporation and its creditors or any class of them and/or between this corporation and its stockholders or any class of them, any court of equitable jurisdiction within the State of Delaware may, on the application in a summary way of this corporation or of any creditor or stockholder thereof, or on the application of any receiver or receivers appointed for this corporation under the provisions of Section 291 of Title 8 of the Delaware Code or on the application of trustees in dissolution or of any receiver or receivers appointed for this corporation under Section 279 of Title 8 of the Delaware Code order a meeting of the creditors or class of creditors, and/or of the stockholders or class of stockholders of this corporation, as the case may be, to be summoned in such manner as the said Court directs. If a majority in number representing three-fourths in value of the creditors or class of creditors, and/or of the stockholders or class of stockholders of this corporation, as the case may be, agree to any compromise or arrangement and to any reorganization of this corporation as consequence of such compromise or arrangement, the said compromise or arrangement and the said reorganization shall, if sanctioned by the Court to which the said application has been made, be binding on all the creditors or class of creditors, and/or on all the stockholders or class of stockholders, of this corporation, as the case may be, and also on this corporation.

TENTH: The Board of Directors of this corporation, when evaluating any offer of another party to (a) make a tender or exchange offer for any equity security of this corporation; (b) merge or consolidate this corporation with another corporation; or (c) purchase or otherwise acquire all or substantially all of the properties and assets of this corporation, shall, in connection with the exercise of its judgment in determining what is in the best interest of this corporation and its stockholders, give due consideration to such factors as the Board of Directors determines to be relevant, including without limitation, the social, legal and economic effects of the proposed transaction upon employees, customers, suppliers, and other affected persons, firms and corporations and on the communities in which this corporation and its subsidiaries operate or are located.

ELEVENTH: No action required or permitted to be taken at any annual or special meeting of the stockholders of this corporation may be taken without a meeting and the power of stockholders to consent in writing, without a meeting, to the taking of any action is specifically denied.

TWELFTH: No director of the corporation shall be personally liable to the corporation or its stockholders for monetary damages for breach of fiduciary duty by such director as a director; provided, however, that this Article TWELFTH shall not eliminate or limit liability (i) for any breach of the director's duty of loyalty to the corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under section 174 of the Delaware General Corporation Law, or (iv) for any transaction from which the director derived an improper personal benefit. No amendment or repeal of this Article TWELFTH shall apply to or have any effect on the liability or alleged liability of any director of the corporation for or with respect to any acts or omissions of such director occurring prior to such amendment or repeal.

THIRTEENTH: Special meetings of the stockholders of this corporation for any purpose or purposes may be called at any time by the Board of Directors or by a committee of the Board of Directors which has been duly designated by the Board of Directors and whose powers and authority, as provided in a resolution of the Board of Directors or in the by-laws of this corporation, include the power to call such meetings, but such special meetings may not be called by any other person or persons.

FOURTEENTH: This corporation reserves the right to amend, alter, change or repeal any provision contained in this Certificate of Incorporation, in the manner now or hereafter prescribed by statute, and all rights conferred upon stockholders herein are granted subject to this reservation.

IN WITNESS WHEREOF, Kelly Services, Inc. has caused this Restated Certificate of Incorporation to be signed by Daniel T. Lis, its Senior Vice President and Corporate Secretary this 5th day of May, 2009.

KELLY SERVICES, INC.

By: /s/ Daniel T. Lis

Daniel T. Lis
Senior Vice President and Corporate Secretary

**KELLY SERVICES, INC.
B Y L A W S**

**ARTICLE I
OFFICES**

Section 1. The registered office shall be in the County of New Castle, State of Delaware.

Section 2. The corporation may also have offices at such other places both within and without the State of Delaware as the board of directors may from time to time determine or the business of the corporation may require.

**ARTICLE II
STOCKHOLDERS**

Section 1. All meetings of the stockholders for the election of directors shall be held at such place either within or without the State of Delaware as shall be designated from time to time by the board of directors and stated in the notice of the meeting. Meetings of stockholders for any other purpose may be held at such time and place, within or without the State of Delaware, as shall be stated in the notice of the meeting or in a duly executed waiver of notice thereof.

Section 2. Annual meetings of stockholders shall be held on such date and at such time as shall be designated from time to time by the board of directors and stated in the notice of the meeting, at which stockholders shall elect by a plurality vote a board of directors, and transact such other business as may properly be brought before the meeting.

Section 3. The Secretary of the corporation shall prepare and make, at least ten days before every meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting, arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours, for a period of at least ten days prior to the meeting at the place where the meeting is to be held. The list shall also be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any stockholder who is present.

Section 4. Special meetings of the stockholders, for any purpose or purposes, may be called by the board of directors or by a committee of the board of directors which has been duly designated and empowered by the board of directors. Such special meetings may not be called by any other person or persons.

Section 5. The Secretary or any Assistant Secretary shall cause written notice of the place, date and hour of each meeting of the stockholders, and, in the case of a special meeting, the purpose or purposes for which such meeting is called, to be given, not less than ten nor more than sixty days prior to the meeting, to each stockholder of record entitled to vote at such meeting. Such further notice shall be given as may be required by law.

Section 6. No notice of any meeting of stockholders need be given to any stockholder who submits a signed waiver of notice, whether before or after the meeting, provided however, that any actions taken at a meeting shall not be effective until all required waivers are signed and received by the corporation. Waivers of notice may specify a time period during which such waivers will apply to any and all meetings held. No waiver of notice that is received by the corporation more than 30 days after the date of a meeting to which it applies shall be effective for that meeting. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the stockholders need be specified in a written waiver of notice. The attendance of any stockholder at a meeting of stockholders shall constitute a waiver of notice of such meeting, except when the stockholder attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business on the ground that the meeting is not lawfully called or convened.

Section 7. The holders of 60% of the stock issued and outstanding and entitled to vote thereat, present in person or represented by proxy, shall constitute a quorum at all meetings of the stockholders for the transaction of business except as otherwise provided by statute or by the certificate of incorporation. If, however, such quorum shall not be present or represented at any meeting of the stockholders, the stockholders entitled to vote thereat, present in person or represented by proxy, shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented. At such adjourned meeting, at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally notified. If the adjournment is for more than thirty days or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting.

Section 8. When a quorum is present at any meeting, the vote of the holders of a majority of the stock having voting power present in person or represented by proxy shall decide any question brought before such meeting, unless the question is one which by express provision of the statutes or of the certificate of incorporation, a different vote is required in which case such express provision shall govern and control the decision of such question.

Section 9. Each stockholder shall at every meeting of the stockholders be entitled to one vote in person or by proxy appointed by an instrument in writing subscribed by such stockholder for each share of the capital stock having voting power held by such stockholder, but no proxy shall be voted on after three years from its date, unless the proxy provides for a longer period.

Section 10. No action required or permitted to be taken at any annual meeting or special meeting of the stockholders of this corporation may be taken without a meeting and the power of the stockholders to consent in writing, without a meeting, to the taking of any action is specifically denied.

ARTICLE III DIRECTORS

Section 1. The number of directors constituting the whole board shall be no fewer than five (5) and no more than eleven (11), which number shall be fixed, and may be modified from time to time, by resolution of the board of directors, but in no event shall the number of directors be less than five (5). The directors shall be elected as provided in the Restated Certificate of Incorporation. The board of directors may designate one of its members to act as the Chairman of the board.

Section 2. Vacancies and newly created directorships resulting from any increase in the authorized number of directors may be filled as provided in the Restated Certificate of Incorporation. If there are no directors in office, then an election of directors may be held in the manner provided by statute.

Section 3. The business of the corporation shall be managed by the board of directors which shall have and exercise full power in the management and conduct of the business and affairs of the corporation and do all such lawful acts and things as are not by statute or by the certificate of incorporation or by these bylaws directed or required to be exercised or done by the stockholders.

MEETINGS OF THE BOARD OF DIRECTORS

Section 4. The board of directors of the corporation may hold meetings, both regular and special, either within or without the State of Delaware.

Section 5. Immediately following and at the place of holding the annual meeting of stockholders, the board of directors, as constituted upon final adjournment of such annual meeting, shall convene for the purpose of electing officers and transacting any other business properly brought before it. No notice of such meeting to the newly elected directors shall be necessary in order legally to constitute the meeting, provided a quorum shall be present.

Section 6. Regular meetings of the board of directors may be held without notice at such time and at such place as shall from time to time be determined by the board.

Section 7. Special meetings of the board may be called by the Chairman of the board or by the Chief Executive Officer on one day's notice to each director. Special meetings shall be called by the Chairman of the board or by the Chief Executive Officer or Secretary on like notice on the written request of a majority of the directors then in office.

Section 8. At all meetings of the board of directors a majority of the board shall constitute a quorum for the transaction of business and the act of a majority of the directors present at any meeting at which there is a quorum shall be the act of the board of directors, except as may be otherwise specifically provided by statute or by the certificate of incorporation. If a quorum shall not be present at any meeting of the board of directors, the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present. The Chairman shall preside at all meetings of the board of directors, and shall have such other powers as the board may determine. If a director has not been designated as Chairman, or if the designated Chairman is not present, the board of directors shall designate, from time to time, a chairman from amongst its members to serve as chairman of each meeting of the board of directors.

Section 9. Unless otherwise restricted by the certificate of incorporation or these bylaws, any action required or permitted to be taken at any meeting of the board of directors or of any committee thereof may be taken without a meeting, if all members of the board or committee, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the board or committee.

COMMITTEES OF DIRECTORS

Section 10. The board of directors shall, by resolution passed by a majority of the whole board, designate such committees of the board as may be required by a governmental agency having jurisdiction over the affairs of the corporation or by any securities exchange on which securities issued by the corporation may be listed, and the board of directors may, by resolution passed by majority of the whole board, designate one or more additional committees, each committee to consist of two or more of the directors of the corporation. The board may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. Any such committee, to the extent provided by applicable law, rule or regulation or in the resolution, shall have and may exercise the powers of the board of directors in the management of the business and affairs of the corporation. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the board of directors and committee or committees may, subject to approval by the board of directors, adopt a charter governing the conduct of the affairs of the committee, but no such committee shall have the power or authority in reference to the following matters: (i) approving or adopting, or recommending to the stockholders, any action or matter expressly required by the General Corporation Law of Delaware to be submitted to stockholders for approval or (ii) adopting, amending or repealing any bylaw of the corporation.

Section 11. Each committee shall keep regular minutes of its meetings and report the same to the board of directors when required.

COMPENSATION OF DIRECTORS

Section 12. The amount, if any, which each director who is not an officer or employee of the corporation shall be entitled to receive as compensation for his or her services, and the form thereof, shall be fixed from time to time by resolution of the board of directors, and may vary within that group from one director, class of directors, or category of directors to another, provided however, that any person who is an officer or employee of the corporation shall not receive any form of compensation for serving as a director of the corporation.

ARTICLE IV NOTICES

Section 1. Whenever, under the provisions of the statutes or of the certificate of incorporation or of these bylaws, notice is required to be given to any director or stockholder, it shall not be construed to mean personal notice only, but such notice may be given personally or in writing, by mail, addressed to such director or stockholder, at his or her address as it appears on the records of the corporation, with postage thereon prepaid, and such notice shall be deemed to be given at the time when the same shall be deposited in the United States mail. Notice to directors may also be given by facsimile communication. Notice may also be given to stockholders by a form of electronic transmission in accordance with and subject to the provisions of Section 232 of the General Corporation Law of Delaware.

Section 2. Whenever any notice is required to be given under the provisions of the statutes or of the certificate of incorporation or of these bylaws, a waiver thereof in writing, signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent thereto.

**ARTICLE V
OFFICERS**

Section 1. The board of directors shall elect a Secretary and it may, if it so determines, choose a President, one or more Vice Presidents (who may be designated as Vice Presidents, Senior Vice Presidents or Executive Vice Presidents or other appropriate title), and a Treasurer. The corporation may also have such additional or assistant officers as the board of directors, Chief Executive Officer or Chief Operating Officer may deem necessary for its business and may appoint from time to time. Any two or more offices may be held by the same person.

Section 2. The board of directors shall designate an officer as the Chief Executive Officer, and shall have the authority, but shall not be required, to designate officers as the Chief Operating Officer, the Chief Financial Officer or similar such titles.

DUTIES

Section 3. Subject to direction and under the supervision of the board of directors, the Chief Executive Officer shall have general control of the affairs of the corporation.

Section 4. The salaries of all officers and agents of the corporation shall be fixed by the Chief Executive Officer subject to revision by the board of directors.

Section 5. Each officer shall have the authority and shall perform the duties set forth in these bylaws or, to the extent consistent with the bylaws, the duties prescribed by the board of directors, by the Chief Executive Officer, and, to the extent not so provided, as generally pertain to their respective offices, subject to the control of the board of directors. Any designation of duties by the Chief Executive Officer shall be subject to review by the board of directors but shall be in full force and effect in the absence of such review.

TENURE, REMOVAL AND RESIGNATION

Section 6. Each officer shall hold office until the first meeting of the board of directors after the annual meeting of stockholders next succeeding his or her election, and until his or her successor is elected and qualified or until his or her earlier resignation or removal.

Section 7. Any officer elected or appointed by the board of directors may be removed at any time either with or without cause by the affirmative vote of a majority of the board of directors. Any vacancy occurring in any office of the corporation shall be filled by the board of directors.

Section 8. Any director or officer may resign at any time, and if made in writing, the resignation is to be deemed accepted and effective from the time of its receipt by the corporation, unless some later time be fixed in the resignation, and then from that time.

**ARTICLE VI
CERTIFICATES OF STOCK**

Section 1. Every holder of stock in the corporation shall be entitled to have a certificate, signed by, or in the name of the corporation by, the Chairman of the board of directors or a President or a Vice President or the Treasurer or an Assistant Treasurer, or the Secretary or an Assistant Secretary of the corporation, under the seal of the corporation, certifying the number of shares owned by such stockholder in the corporation.

Section 2. Where a certificate is countersigned (1) by a transfer agent other than the corporation or its employee, and, (2) by a registrar other than the corporation or its employee, the signatures of the officers of the corporation may be facsimiles. In case any officer who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer before such certificate is issued, it may be issued by the corporation with the same effect as if he or she were such officer at the date of issue.

LOST CERTIFICATES

Section 3. The board of directors may direct a new certificate or certificates to be issued in place of any certificate or certificates theretofore issued by the corporation alleged to have been lost, stolen or destroyed, upon the making of an affidavit of the fact by the person claiming the certificate of stock to be lost, stolen or destroyed. When authorizing such issue of a new certificate or certificates, the board of directors may, in its discretion and as a condition precedent to the issuance thereof, require the owner of such lost, stolen or destroyed certificate or certificates, or such owner's legal representative, to advertise the same in such manner as it shall require and/or to give the corporation a bond in such sum as it may direct as indemnity against any claim that may be made against the corporation with respect to the certificate alleged to have been lost, stolen or destroyed.

TRANSFERS OF STOCK

Section 4. Upon surrender to the corporation or the transfer agent of the corporation of a certificate for shares duly endorsed or accompanied by proper evidence of succession, assignment or authority to transfer, it shall be the duty of the corporation to issue a new certificate to the person entitled thereto, cancel the old certificate and record the transaction upon its books.

FIXING RECORD DATE

Section 5. In order that the corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the board of directors may fix, in advance, a record date, which shall not be more than sixty nor less than ten days before the date of such meeting, nor more than sixty days prior to any other action. In no event shall such record date precede the date of the resolution establishing it. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the board of directors may fix a new record date for the adjourned meeting.

REGISTERED STOCKHOLDERS

Section 6. The corporation shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends, and to vote as such owner, and to hold liable for calls and assessments a person registered on its books as the owner of shares, and shall not be bound to recognize any equitable or other claim to interest in such share or shares on the part of any other person, whether or not it shall have express or other notice hereof, except as otherwise provided by the laws of Delaware.

**ARTICLE VII
GENERAL PROVISIONS
DIVIDENDS**

Section 1. Dividends upon the common stock of the corporation, subject to the provisions of the certificate of incorporation, if any, may be declared by the board of directors at any regular or special meeting, pursuant to law. Dividends may be paid in cash, in property, or in shares of the common stock, subject to the provisions of the certificate of incorporation.

Section 2. Before payment of any dividend, there may be set aside out of any funds of the corporation available for dividends such sum or sums as the directors from time to time, in their absolute discretion, think proper as a reserve or reserves to meet contingencies, or for equalizing dividends, or for repairing or maintaining any property of the corporation, or for such other purpose as the directors shall think conducive to the interest of the corporation, and the directors may modify or abolish any such reserve in the manner in which it was created.

ANNUAL STATEMENT

Section 3. The board of directors shall present at each annual meeting a full and clear statement of the business and condition of the corporation.

CHECKS AND NOTES

Section 4. All checks or demands for money of the corporation shall be signed by such officer or officers or such other person or persons as the board of directors may from time to time designate. The notes of the corporation shall be signed by at least two of the officers of the corporation appointed by the board of directors.

FISCAL YEAR

Section 5. The fiscal year of the corporation shall end at the close of business on the Sunday nearest December 31.

SEAL

Section 6. The corporate seal shall be circular in form and contain around its circumference the full corporate name of the corporation and the state of incorporation and in the center the words "Corporate Seal" and the year of incorporation. The seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

INDEMNIFICATION

Section 7. A director or officer, or former director or officer, of the corporation, or any person who may have served at its request as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, and such person's heirs, executors, and administrators, shall be indemnified by the corporation against all expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with any action, suit or proceeding whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation) in which he or she may be called to testify or provide documents or to which he or she may be made a party by reason of any alleged acts or omissions as such director or officer if such person acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the corporation and, with respect to any criminal action or proceeding, such person had no reasonable cause to believe his or her conduct was unlawful.

Section 8. A director or officer, or former director or officer, of the corporation, or any person who may have served at its request as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, and such person's heirs, executors, and administrators, shall be indemnified by the corporation against all expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection with any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of any alleged acts or omissions as such director or officer if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the corporation, and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the corporation unless and only to the extent that the Court of Chancery or the court in which such action or suit was brought shall determine upon application that despite the adjudication of liability but in view of all of the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court of Chancery or such other court shall deem proper.

Section 9. To the extent that a director or officer of the corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Section 7 or 8 of this Article VII, or in defense of any claim, issue or matter therein, he or she shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith.

Section 10. Expenses incurred by a director or officer, former director or officer, or such person's heirs, executors and administrators in defending a civil or criminal action shall be paid by the corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such director or officer, or such person's heirs, executors or administrators to repay such amount if it shall ultimately be determined that he or she is not entitled to be indemnified by the corporation.

Section 11. The foregoing rights of indemnification and advancement of expenses shall be in addition to and not exclusive of any and all other rights to which such director or officer, or former director or officer, or such person's heirs, executors or administrators might be entitled as a matter of law.

ARTICLE VIII AMENDMENTS

Section 1. Subject to the provisions of statute, the bylaws of the corporation may be adopted, amended or repealed by the affirmative vote of a majority of the total number of directors or by the affirmative vote of holders of a majority of the voting power of all of the stock of this corporation entitled to vote in elections of directors, provided, however, that no bylaw adopting or changing the qualifications for service as a member of the board of directors shall cause any member of the board of directors serving at the time such bylaw is implemented to be disqualified from service prior to the expiration of such director's current term of office. The bylaws may contain any provision for the regulation and management of the affairs of the corporation and the rights or powers of its stockholders, directors, officers, or employees not inconsistent with the laws of the State of Delaware.

CERTIFICATIONS

I, Carl T. Camden, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Kelly Services, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 7, 2014

/s/ Carl T. Camden
Carl T. Camden

President and
Chief Executive Officer

CERTIFICATIONS

I, Patricia Little, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Kelly Services, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 7, 2014

/s/ Patricia Little
Patricia Little

Executive Vice President and
Chief Financial Officer

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Kelly Services, Inc. (the "Company") on Form 10-Q for the period ended March 30, 2014 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Carl T. Camden, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 7, 2014

/s/ Carl T. Camden
Carl T. Camden

President and
Chief Executive Officer

A signed original of this written statement required by Section 906 has been provided to Kelly Services, Inc. and will be retained by Kelly Services, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Kelly Services, Inc. (the "Company") on Form 10-Q for the period ended March 30, 2014 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Patricia Little, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 7, 2014

/s/ Patricia Little
Patricia Little

Executive Vice President and
Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to Kelly Services, Inc. and will be retained by Kelly Services, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.