Staffing | Professionals | Search & Selection | HR Solutions | Inhouse Services

1st quarter 2013

good start of the year
strong efficiency improvements

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Randstad Holding nv
April 25, 2013

disclaimer & definitions

Certain statements in this document concern prognoses about the future financial condition, risks, investment plans and the results of operations of Randstad Holding and its operating companies as well as certain plans and objectives. Obviously, such prognoses involve risks and a degree of uncertainty since they concern future events and depend on circumstances that will apply then. Many factors may contribute to the actual results and developments differing from the prognoses made in this document. These factors include, but are not limited to, general economic conditions, a shortage on the job market, changes in the demand for (flexible) personnel, changes in legislation (particularly in relation to employment, staffing and tax laws), the role of industry regulators, future currency and interest fluctuations, our ability to identify relevant risks and mitigate their impact, the availability of credit on financially acceptable terms, the successful completion of company acquisitions and their subsequent integration, successful disposals of companies and the rate of technological developments. These prognoses therefore apply only on the date on which this document was compiled. Quarterly figures are unaudited.

EBITA: operating profit before amortization and impairment acquisition-related intangible assets and goodwill, integration costs and one-offs.

organic growth is measured excluding the impact of currency effects, acquisitions, disposals and reclassifications.

diluted EPS is measured before amortization and impairment acquisition-related intangible assets and goodwill, integration costs and one-offs.

agenda

Staffing | Professionals | Search & Selection | HR Solutions | Inhouse Services

- performance
- financial results & outlook
- Q&A

performance

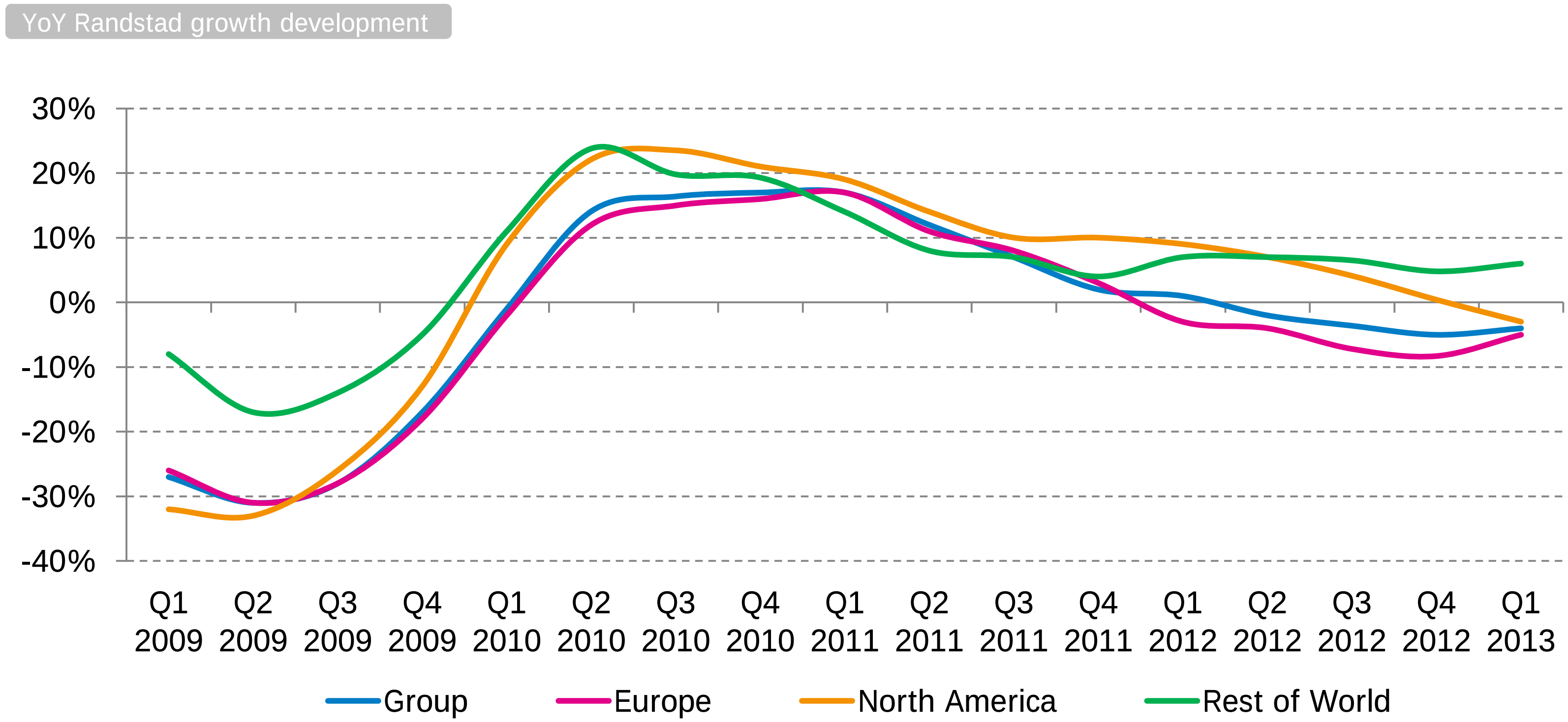
good start of the year, strong efficiency improvements

€ million	Q1 2013	Q1 2012	% organic	Q4 2012
revenue	3,832	4,152	*-/-4%*	4,234
gross profit	684	748	*-/-7%*	772
gross margin	*17.8%*	*18.0%*		18.2%
operating expenses*	592	638	*-/-6%*	616
opex as % of revenue	*15.5%*	*15.4%*		14.5%
EBITA*	**92**	**110**	***-/-16%***	**156**
*EBITA margin**	*2.4%*	*2.7%*		3.7%

- organic growth/wd down 3.7%, improving trend through the quarter
  - continued growth in Japan, decline in Europe eased
  - seasonally smallest quarter of the year, 1.8 fewer working days vs. LY
- gross margin expansion in North America offset by lower GM in Europe
  - legislative changes in Germany, NL and France
- operating expenses* down by € 24M sequentially of which € 9M FX
  - FTE reduction of 2,360 YoY
- EBITA* margin 2.4% vs. 2.7% LY, same level as LY adjusted for working days
  - recovery ratio (YoY) of 71%

* before integration costs, restructuring costs & one-offs

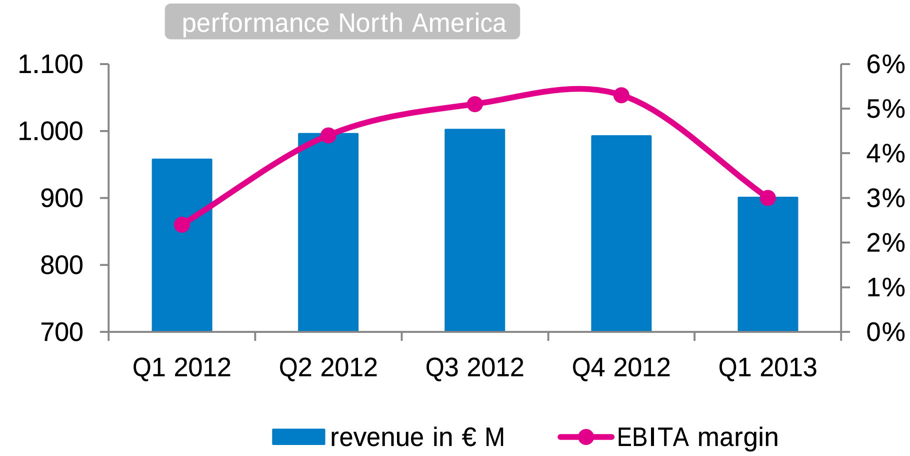
Q1 2013: slightly improving trend through the quarter



- gradual improvement in Europe
- focus on profitability in North America
- continued growth in Japan and emerging markets
- organic growth per working day from -/-5% in January to -/-3% in March

North America: focus on profitability

- revenue -/-3% (Q4: +0%), March -/-3%
  - strong gross margin improvement in staffing & professionals
  - focus on client profitability
  - perm at +4% (vs. -/-5% in Q4)



- US staffing & inhouse down 4%
  - good performance in admin and perm
  - focus on client profitability, gross profit up 6%
- US professionals down 5%
  - gross profit just below last year
  - lower demand in Finance and IT
  - perm improved through the quarter
- Canada up 3% (Q4: +3%)
- EBITA margin 3.0% vs. 2.4% LY
  - sound incremental conversion rate
  - strong cost control and synergies

SFN integration well on track: focus on IT migration

integration process

- physical integration staffing & professionals completed
- migration towards 1 back-office IT system in US
- migration towards 1 front-office system in professionals
- integration costs Q1: € 1.7M (total: € 39.5M)

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synergies

- increase of synergies anticipated in line with higher integration costs
- full amount of synergies expected to be materialized in 2013
- synergies of € 8.8M in Q1 (~€ 35M annualized)

annualized cost-synergies

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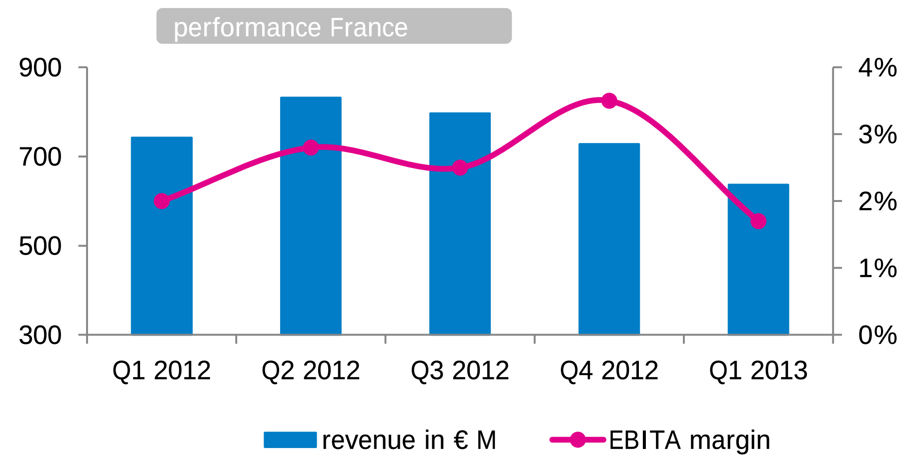
France: ensuring adaptability

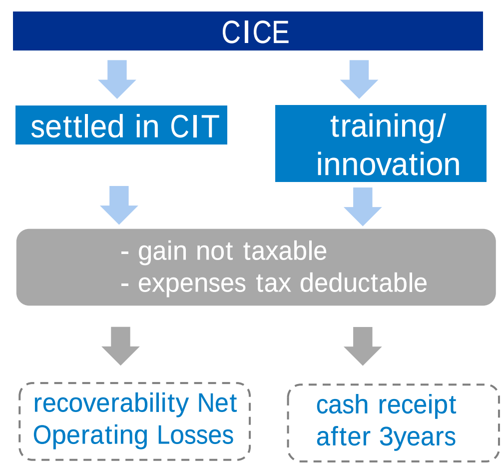
- revenue down 12% (Q4: -/- 14%)
  - stable trend through the quarter
  - inhouse at +8% YoY
  - professionals at -/-15%, impacted by perm

- gross profit down 9% YoY
  - GM up 80 bps, impact Finance act (CICE)
  - mix: growth inhouse vs. decrease profs & perm

- costs down 6% YoY
  - field steering
  - FTEs -/-8% vs. last year
  - reorganization program:
    - new organizational structure
    - start implementation expected in June

- EBITA margin to 1.7% vs. 2.0% LY
  - 1.5 fewer working days





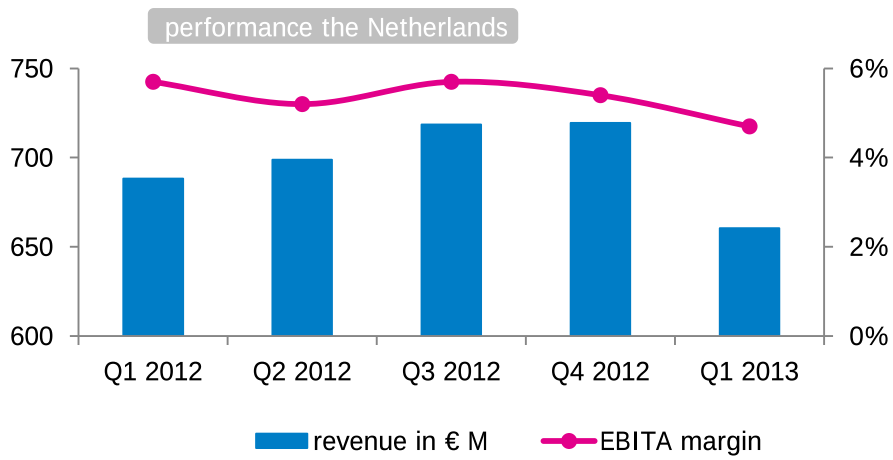
the Netherlands: gross margin pressure

- revenue down 1% (Q4: -/-3%)
  - continued strong growth at inhouse & payroll
  - Yacht at -/-13%, but improving utilization rate

- gross margin pressure
  - higher social security charges
  - price increases in a competitive environment
  - various initiatives in scope

- costs down 8% vs. previous quarter
  - restructuring programs started to materialize:
    - FTEs down by 4%
  - lower marketing costs

- EBITA margin 4.7% vs. 5.7% LY
  - book profit divestment of € 2.0M in Q1 2012
  - 2 fewer working days
  - recovery ratio: 58%



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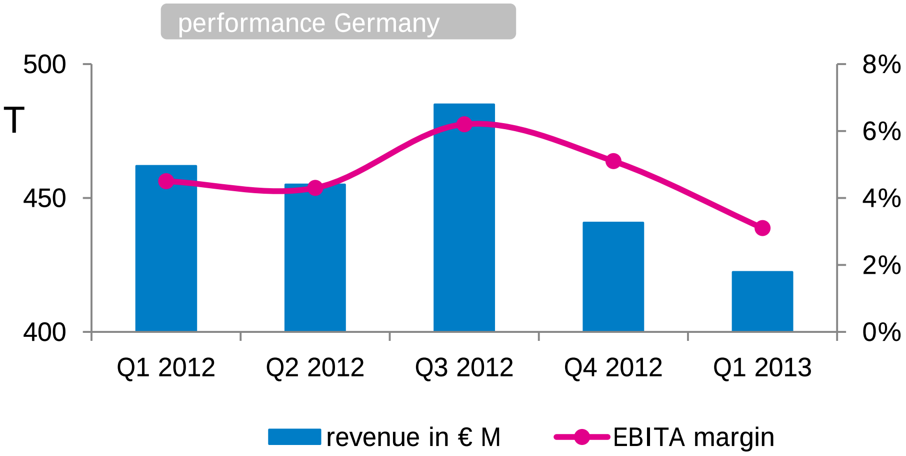
Germany: easing decline

- revenue down 4% (Q4: -/-9%)
  - improving trend through the quarter
  - significant price effect
  - no reduced demand yet from equal pay
  - professionals slowed, but good performance in IT
- gross margin pressure
  - implementation equal pay
  - impact from higher sickness
  - accounting method surcharges during holidays
  - 3 fewer working days
- strong cost control
  - FTEs down 4% sequentially due to field steering
  - adjusted for restructuring charge of € 1.1 million
- EBITA margin to 3.1% vs. 4.5% LY
  - recovery ratio: 49%
  - focus on client profitability and delivery models

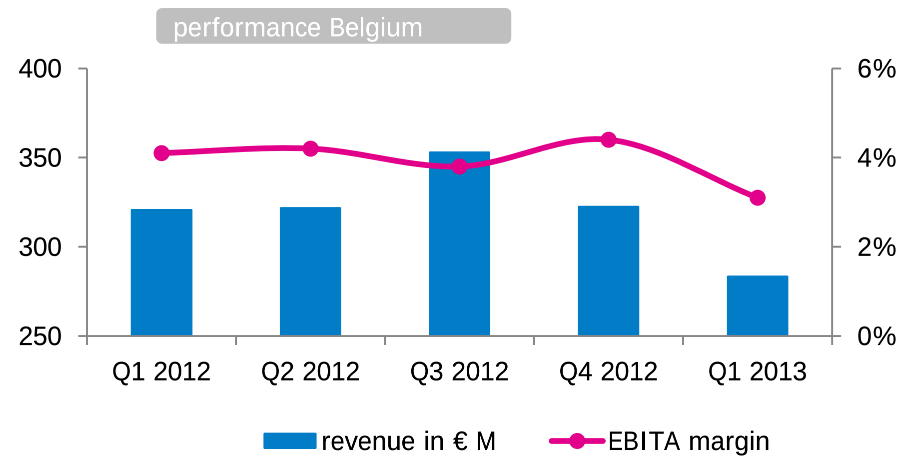


Belgium: challenging market

- revenue -/- 9% (Q4: -/-8%)
  - stable revenue/wd through the quarter

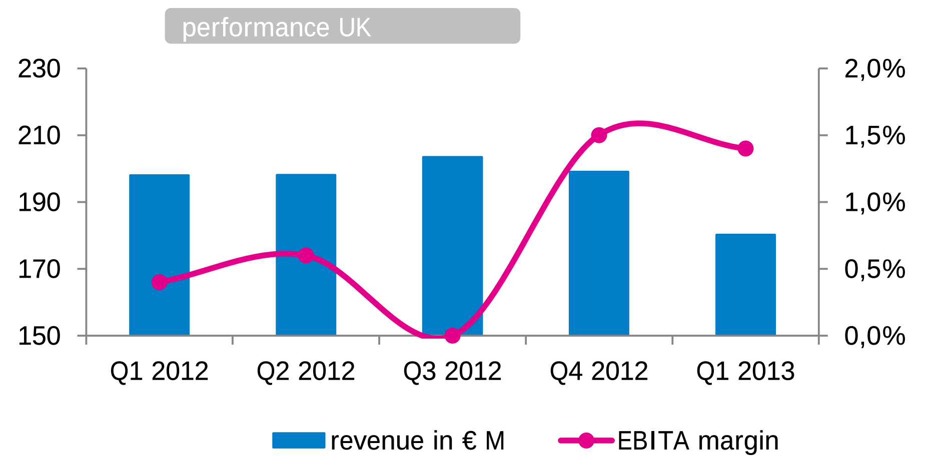
- focus on profitability
  - client profitability
  - field steering
  - focus on costs:
    - FTEs down by 5% sequentially
    - less marketing
    - partly offset by wage inflation

- EBITA margin at 3.1% vs. 4.1% LY
  - stable gross margin YoY
  - 2 fewer working days vs. LY
  - recovery ratio: 39%



UK: improved profitability

- revenue -/- 1% (Q4: -/- 7%)
  - improving trend through the quarter
  - good growth in professionals:
    - Education +11%, Finance: +5%, IT +25%
  - further decline inhouse, due to focus on client profitability
  - good growth in MSP and RPO
  - perm fees at -/- 9% (Q4: -/- 16%)



- focus on costs
  - FTEs down by 8% sequentially
  - back-office centralization well on track

- EBITA margin 1.4% vs. 0.4% LY
  - improved business mix: profs vs. inhouse
  - 2 fewer working days vs. LY

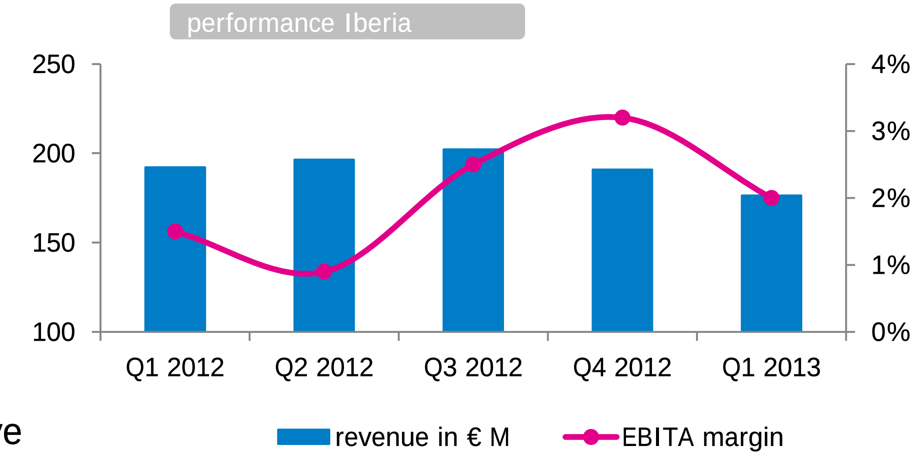
Iberia: improving trend

- Spain
  - revenue -/- 1% (Q4: -/- 12%), March +4%
  - trend positively impacted by Easter (hospitality)
  - improving trend driven by manufacturing
  - professionals showed continued growth

- Portugal
  - revenue -/- 8% (Q4: -/- 14%), March +1%
  - good performance in call centers
  - continued decline manufacturing and automotive

- costs down € 2.8M YoY
  - good cost control: FTEs down by 12% YoY

- EBITA margin at 2.0% vs. 1.5% LY
  - 3 fewer working days
  - competitive environment
  - recovery ratio: 123%



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revenue development per industry

Segments	USA	Germany	France	Netherlands
Manufacturing	--	--	--	-
Automotive	-	--	--	++
Food	++	+	+	+
Transport	--	+	-	++
Business services	-	--	-	o
Financial services	-	--	o	o
IT services	--	+	--	o
Public sector	-	++	-	+
Health & social work	+	--	--	--

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financial results & outlook

income statement Q1 2013

€ million	Q1 2013	Q1 2012	% change	% organic
revenue	3,832	4,152	-/- 8%	-/- 4%
gross profit	684	748	-/- 9%	-/- 7%
gross margin	*17.8%*	*18.0%*		
operating expenses*	592	638	-/- 7%	-/- 6%
opex as % of revenue	*15.5%*	*15.4%*		
EBITA*	**92**	**110**	**- /- 17%**	**-/- 16%**
*EBITA margin**	*2.4%*	*2.7%*		
integration costs & one-offs	3	6		
reported EBITA	**89**	**104**		
amortization & impairment	-/- 41	-/- 55		
net finance income/(costs)	-/- 6	-/- 7		
income before taxes	**42**	**41**		
tax	-/- 13	-/- 12		
net income	**30**	**29**		
*adjusted net income***	*57*	*67*		
*diluted EPS****	*0.33*	*0.39*		

* before integration costs and one-offs

** attributable to holders of ordinary shares

*** before amortization and impairment acquisition-related intangible assets and goodwill, integration costs and one-offs

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Q1 2013: financial key points

- free cash flow amounted to € 42M vs. € 58M LY
  - lower profitability vs. LY
  - reinforced focus on collection of trade receivables, some impact Easter
  - timing effect CICE in France
- leverage ratio at 1.5, within our targeted range
- DSO improved by 1 day YoY
- issue preference shares C of € 140M used to lower net debt position
- effective tax rate* amounted to 31% (FY 2012: 32%)
  - guidance full year 2013: 28-31%
- diluted EPS* down to € 0.33 vs. € 0.39 in Q1 2012
- dividend 2012: cash dividend € 84M, issue 4.5M ordinary shares (2.6% dilution)

* before amortization and impairment of acquisition-related intangible assets and goodwill, integration costs & one-offs

segment performance, focus on delivery models

Staffing in € M	Q1 2013	Q1 2012	*% organic**
revenue	2,333.5	2,563.0	-5
EBITA	48.0	68.7	-30
EBITA margin	*2.1%*	*2.7%*	

- continued slowdown in North America, due to focus on client profitability
- signs of improvement across Europe, mainly driven by industrial segments
- good growth in RoW
- improved profitability in HRS

Inhouse in € M	Q1 2013	Q1 2012	*% organic**
revenue	692.5	707.3	3
EBITA	25.4	24.1	9
EBITA margin	*3.7%*	*3.4%*	

- NL, France & Iberia main drivers
- North America flat YoY
- UK declined further, focus on client profitability
- continued growth in RoE & RoW
- strong productivity improvements

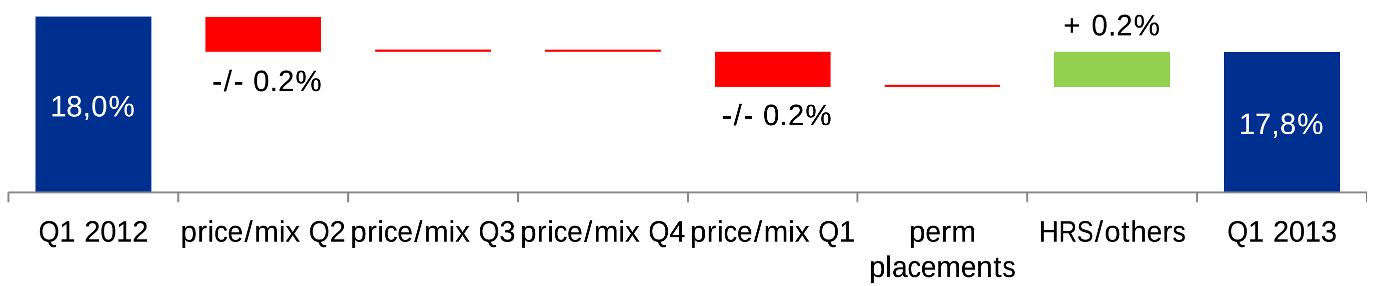
Professionals in € M	Q1 2013	Q1 2012	*% organic**
revenue	806.0	882.1	-4
EBITA	29.9	30.4	-1
EBITA margin	*3.7%*	*3.4%*	

- lower demand across Europe and North America
- good growth in UK, mainly in education, finance & IT
- decline in perm fees in Europe
- decline in RoW, mainly in Australia

* revenue is per working day

gross margin bridge

YoY gross margin development

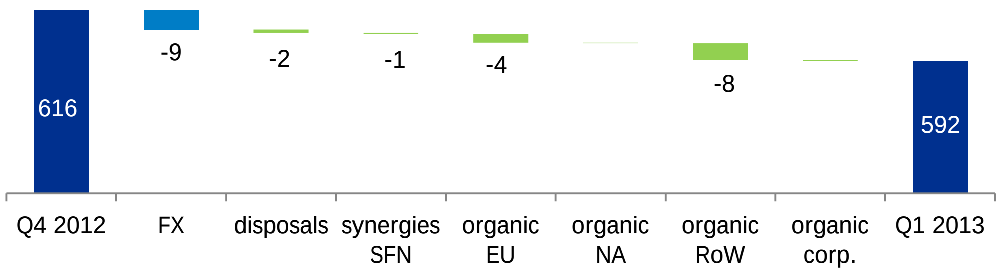


- margin expansion North America
- CICE benefit in France
- fewer working days compared to LY
- legislative changes NL & Germany

- HRS continued to grow YoY and contributed 20 bps
- perm fees were 10.1% of GP (vs. 9.9% LY)
- continued focus on client profitability

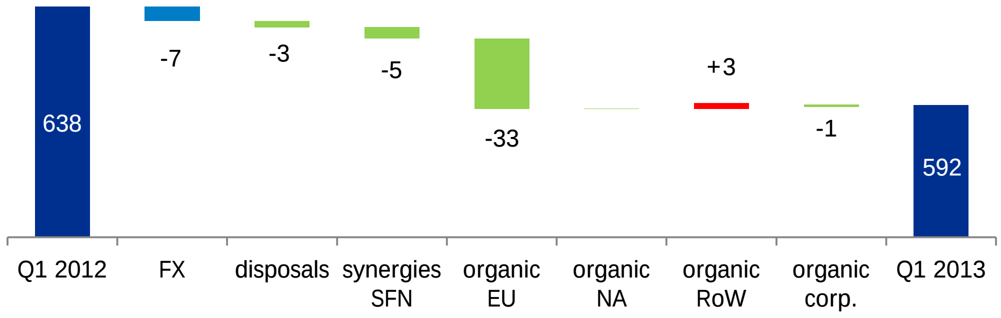
operating expenses down

sequential OPEX development in € M



- FTEs down by 890 sequentially
  - mainly across Europe
- additional synergies related to SFN of € 1M
- recovery ratio: 71%

YoY OPEX development in € M



- in Europe costs down € 33M
- investing in profitable growth in RoW
- FTE reduction of 2,360 YoY
- impact wage inflation

cost reduction initiatives

- field steering
  - supported by staff turnover > 20%
  - optimizing distribution network
  - impacted by wage inflation & bonus accruals
- synergies SFN
- implementation restructuring programs
  - overhead & head office
  - back-offices
  - branch consolidation

Q3 2012: € 638M

FX: - € 10 M

Q4 2012: € 616M

FX: - € 9 M

Q1 2013: € 592M

cost savings Q4 -> Q1 *constant currencies*	**total**	**restructuring / synergies**	**flexibility**	**other**
Europe	3.7	5.3	1.1	(2.7)
North America	0.9	0.6	0.3	-
RoW	8.0	0.2	5.7	2.1
Corporate	0.4	-	0.2	0.2
Total	**13.0**	**6.1**	**7.3**	**(0.4)**

DSO down by 1 day

€ M	**March 31, 2013**	**March 31, 2012**
trade and other receivables	2,854	2,941
less: trade and other payables	-/- 2,291	-/- 2,291
operating working capital*	**563**	**650**
cash & cash equivalents	149	355
less: current borrowings	-/- 113	-/- 39
less: long-term borrowings	-/- 66	-
less: ST part long-term borrowings	-/- 900	-/- 1,528
net debt	**931**	**1,212**
DSO, days sales outstanding	*52*	*53*
leverage ratio	*1.5*	*1.7*

* operating working capital is trade and other receivables minus current part financial fixed assets minus trade and other payables

net debt level down € 165M sequentially

supported by issue of preference shares C

€ M	Q1 2013	Q1 2012
EBITDA	106	124
usage of OWC	-/- 33	-/- 29
income taxes paid	-/- 16	-/- 17
provisions and other	-/- 8	-/- 11
net additions in PPE and software	-/- 3	-/- 12
other non-cash items	-/- 8	3
financial receivables	4	-
free cash flow	**42**	**58**

€ M	Q1 2013
free cash flow	**42**
net acquisitions/disposals/buyouts	4
net issue/purchase of ordinary shares	-/- 7
issue of preferred shares	140
net finance costs paid	-/- 3
dividend	-
translation effects & other	-/- 11
net debt decrease Q4 –> Q1	**165**

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outlook

- stable growth trend: from -/- 5% in January to -/- 3% in March
  - some signs of improvement in some countries
  - comparison base rather stable
  - positive working day impact of 0.4 in Q2 2013 vs. Q2 2012
    - 1.6 days more in Germany and possible impact bridging days
  - well positioned for 2013 based on strong efficiency improvements
  - limited organic cost increase in Q2 2013 due to higher marketing costs

- key priorities:
  - capturing profitable growth in North America, Asia & Latin America
  - diversification of service portfolio
  - field steering
  - client profitability
  - delivery models
  - focus on costs

Q&A

appendices

drivers effective tax rate

effective tax rate* was up to 31% (vs. 32% in FY 2012)

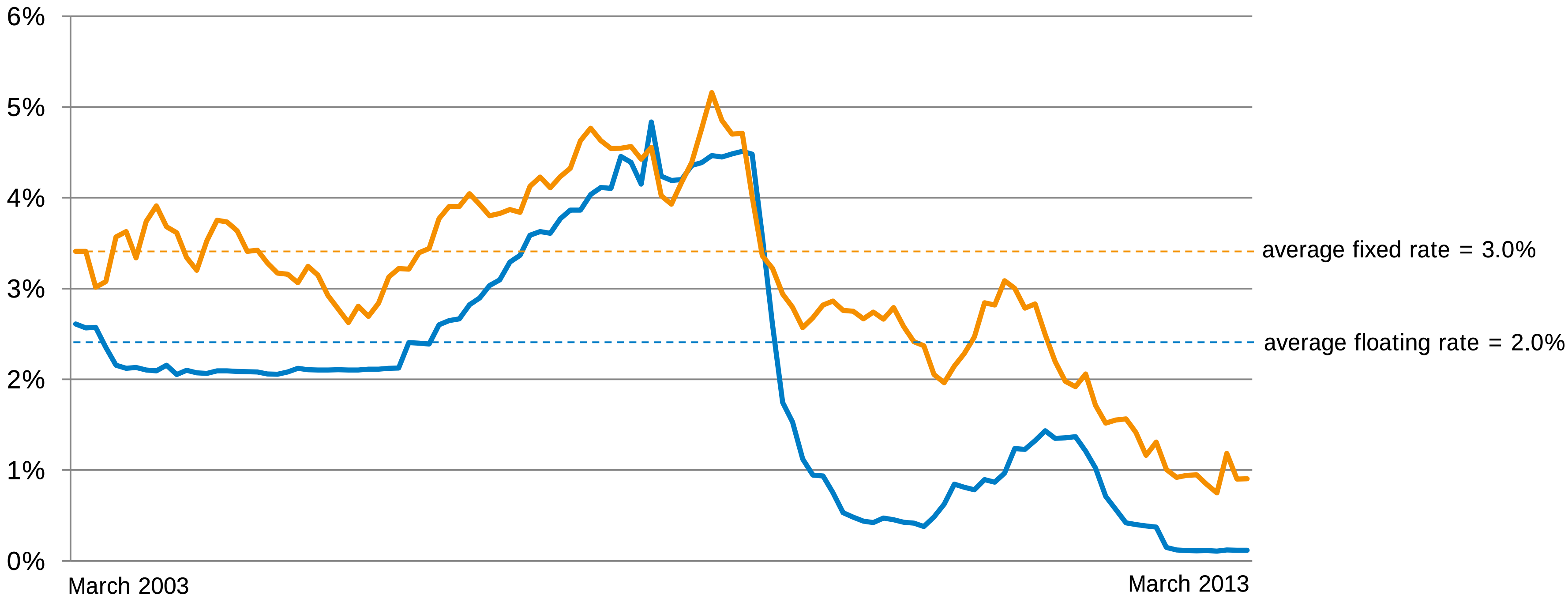
- change in geographical mix: high growth in countries with above-average tax rates
- as our results improve, the relative effect of the tax planning measures decreases
- full year 2013 guidance: 28%-31%

driver / impact	effective* tax rate	cash tax rate	explanation
growth operating companies and mix effects	+	+	higher weight countries with high CIT rate and impact of permanent differences, based on current tax planning
changes in corporate income tax (CIT) rate	+ or -/-	+ or -/-	dependent on direction of change
repayment € 131M (Dutch tax)		+	ultimately 2013
payment regarding recapture obligation		+	tax payment NL based on German profits
timing differences		+ or -/-	dependent on changes in deferred taxes

* tax rate on the underlying profit before tax (before amortization and impairment acquisition-related intangible assets and goodwill and integration costs)

financing: fixed vs. floating interest rates

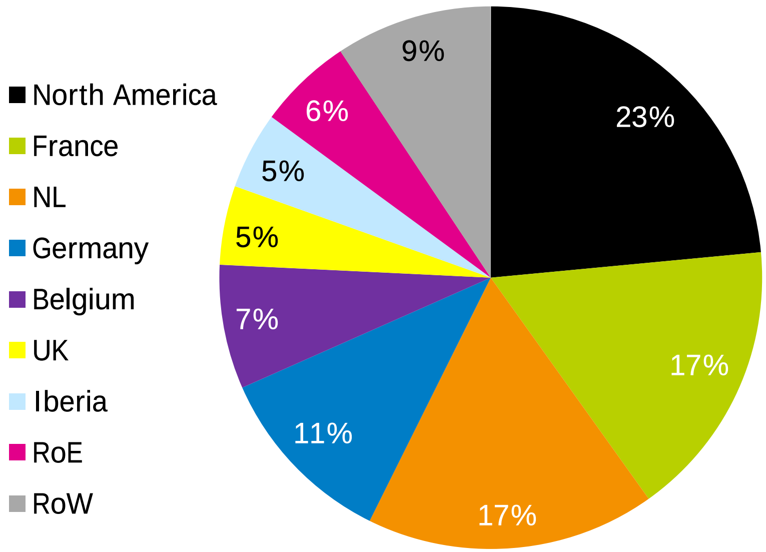
10 year historic interest rates comparison 1M vs. 5Y



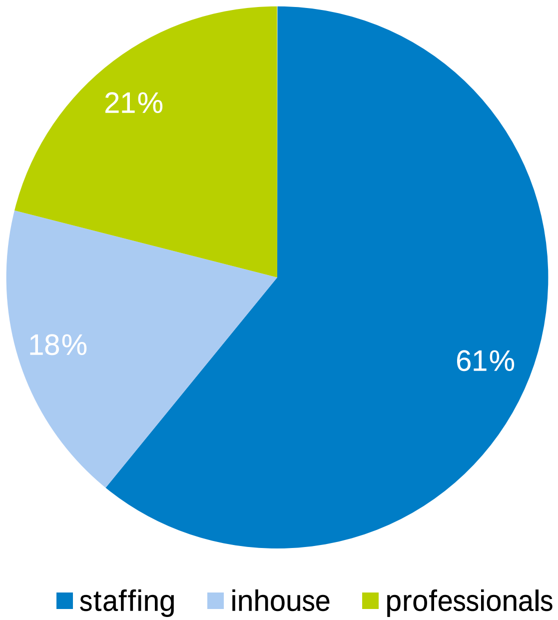
- we use floating interest rates as a natural hedge
  - spread above Euribor of 50-115 bps

revenue split Q1 2013

geographical area



revenue categories



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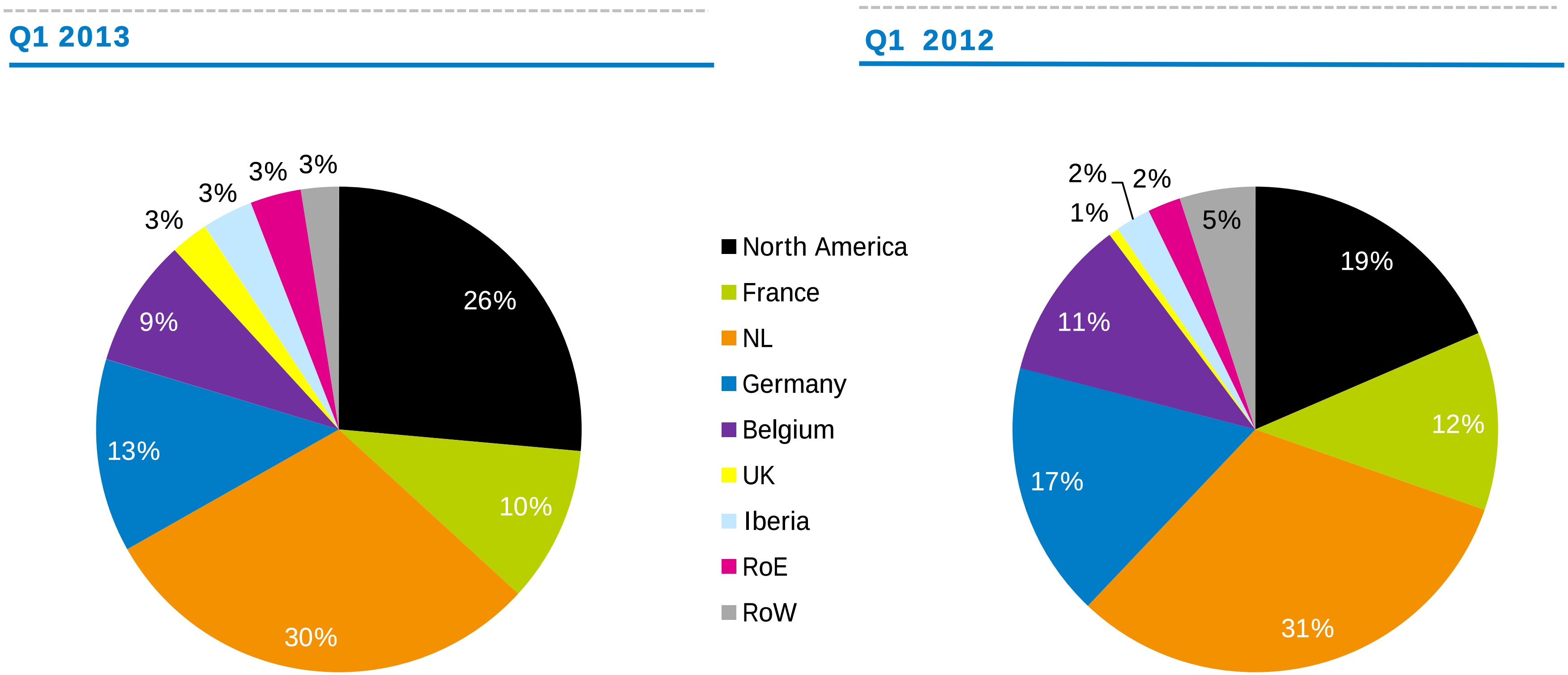
EBITA breakdown by geography



outlets* by region

end of period	Q1 2013	Q4 2012	Q3 2012	Q2 2012	Q1 2012
North America	1,053	1,041	1,041	1,055	1,074
France	866	868	864	864	862
the Netherlands	688	634	672	683	696
Germany	539	558	551	548	557
Belgium/Lux	320	344	350	350	350
United Kingdom	160	203	231	243	246
Iberia	253	266	264	274	273
Other Europe	338	341	338	337	335
Rest of world	232	241	256	253	252
total	**4,449**	**4,496**	**4,567**	**4,607**	**4,645**

* branches and inhouse locations

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corporate employees by region

average	Q1 2013	Q4 2012	Q3 2012	Q2 2012	Q1 2012
North America	6,160	6,300	6,360	6,400	6,440
France	3,630	3,740	3,890	3,930	3,960
the Netherlands	4,360	4,560	4,720	4,770	4,870
Germany	2,500	2,610	2,690	2,830	2,940
Belgium/Lux.	1,890	1,980	2,070	1,980	2,030
United Kingdom	1,550	1,680	1,740	1,760	1,840
Iberia	1,240	1,280	1,340	1,370	1,410
Other Europe	1,730	1,740	1,760	1,800	1,830
Rest of world	4,430	4,480	4,460	4,450	4,530
Corporate	180	190	190	190	180
total	**27,670**	**28,560**	**29,220**	**29,480**	**30,030**

staffing employees by region

average	Q1 2013	Q1 2012
North America	100,400	104,200
France	69,900	80,700
the Netherlands	79,700	81,400
Germany	45,500	50,300
Belgium/Lux.	36,100	40,100
United Kingdom	18,200	21,700
Iberia	40,900	43,900
Other Europe	35,400	34,900
Rest of world	109,800	109,900
total	**535,900**	**567,100**