

2nd quarter 2013

continuation of a stable trend

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Randstad Holding nv
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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

~ performance

~ financial results & outlook

~ Q&A

~ appendices

performance

good progress on key strategic priorities

↗ excellent execution

- field steering: continued productivity improvements
- EBITA margin improvements
- lower Days Sales Outstanding (DSO)

↗ improving client profitability across the board

- implementing right delivery models
- enhancing pricing policy
- reviewing client profitability

↗ focus on costs

- aligning overhead and head office with field
- annualized costs down by € 142M (CC) since Q2 2012, of which 60% through restructuring
- marketing investments of € 15-20M in H2 2013

↗ capturing growth opportunities and improve business mix

- continue investments in profitable growth
- solid growth in MSP & RPO by adding new programs
- organic expansion of professionals
- perm in staffing

acquiring part of USG staffing businesses

attractive opportunity for value creation

revenue

FY 2012	Spain	Italy	Switzerland	Austria	Poland	Luxembourg	total
Randstad	460	409	204	-	124	40	1,237
USG activities	200	112	22	50	34	8	426
<i>total</i>	<i>660</i>	<i>521</i>	<i>226</i>	<i>50</i>	<i>158</i>	<i>48</i>	<i>1,663</i>

- stronger market positions in key markets
- higher density of our network
- attractive synergies:
 - expected cost savings of € 15-20M, plus tax synergies
 - focus on client profitability
 - efficiency gains
 - branch optimization
- ample upside potential → implementing best practices:
 - field steering
 - cross-selling
 - delivery models

continuation of a stable trend

€ million	Q2 2013	Q2 2012	% organic	Q1 2013
revenue	4,096	4,303	-/-4%	3,832
gross profit	747	782	-/-3%	684
<i>gross margin</i>	<i>18.2%</i>	<i>18.2%</i>		<i>17.8%</i>
operating expenses*	601	648	-/-5%	592
<i>opex as % of revenue</i>	<i>14.7%</i>	<i>15.0%</i>		<i>15.5%</i>
EBITA*	146	135	+10%	92
<i>EBITA margin*</i>	<i>3.6%</i>	<i>3.1%</i>		<i>2.4%</i>

organic growth/wd down 3.7% with a stable trend in Europe

- 0.4 more working days, but offset by additional bridging days in several countries
- growth in June: Germany, Iberia, UK, Italy, Switzerland, Poland, Australia and emerging markets

gross margin flat YoY:

- higher CICE subsidies in France
- continued gross margin expansion in North America
- pressure in Europe remaining, mainly as a result of legislative changes in NL & Germany

operating expenses* up by € 9M sequentially and down by € 47M YoY

- higher marketing and bonus accruals

EBITA* to € 146M, including € 10M additional CICE subsidies vs. Q1 2013

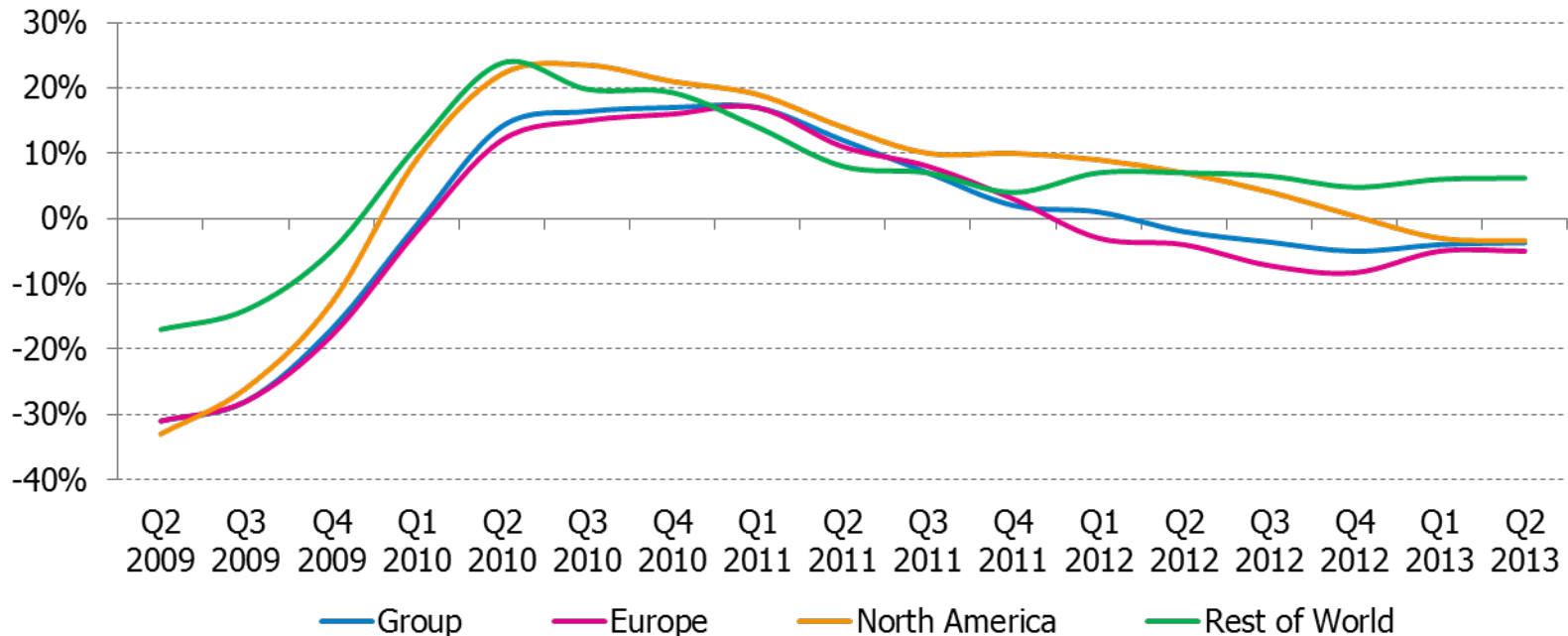
* before integration costs, restructuring costs & one-offs

July 25, 2013

second quarter results 2013

Q2 2013: stable trends across regions

YoY Randstad growth development



- ↗ divergent trends across countries in Europe
- ↗ continued focus on profitability in North America
- ↗ growth in Japan and emerging markets
- ↗ March -2.6%, April -5.2%, May -3.1%, June -2.6%

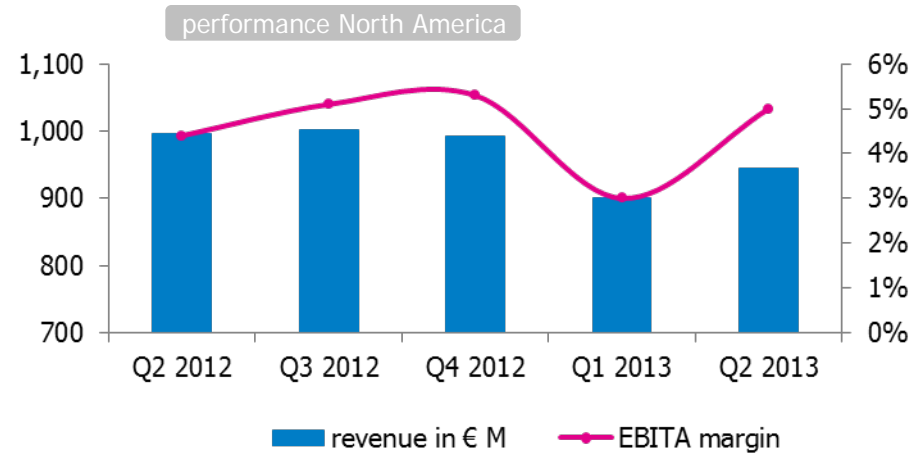
North America: focus on revenue quality



- revenue -/-3% (Q1: -/-3%), -/-2% in June
 - strong gross margin improvements in staffing & professionals
 - ACA employer mandate delayed by 1 year

- US staffing & inhouse down 3%
 - good performance in admin and perm up 19%
 - focus on client profitability, gross profit up 6%

- US professionals down 6%
 - gradual improving trend through the quarter
 - perm up 7%



- MSP: solid growth in spend under management

- Canada up 1% (Q1: +3%)
 - solid profitability improvement

- EBITA margin up to 5.0% (vs. 4.4% LY)
 - continued good cost control and synergies

France: continued strong market decline

higher gross profit, supported by subsidies



revenue down 13% (Q1: -/- 12%)

- stable trend through the quarter
- professionals at -/-14% (stable vs. Q1)

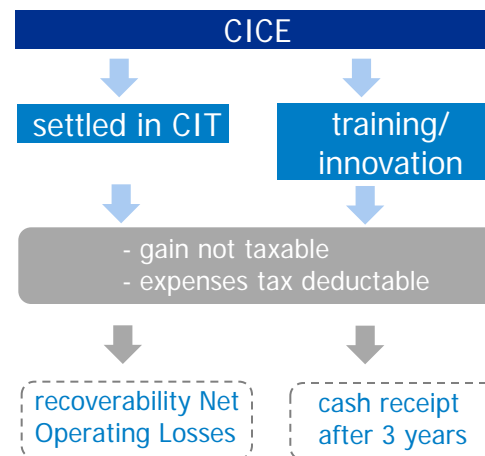
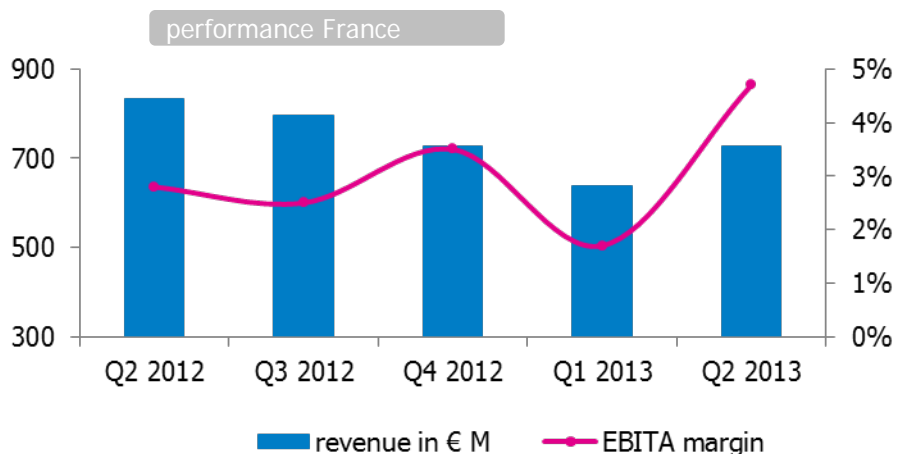
gross profit up 6% YoY

- GM up 270 bps
- higher impact Finance act (CICE)
- part of subsidies to be invested in employment

costs down 5% YoY

- field steering
- FTEs -/-8% vs. last year
- reorganization program:
 - social plan approved in June
 - start implementation in Q3 2013

EBITA margin up to 4.7% (vs. 2.8% LY)



the Netherlands: easing gross margin effects

recovery ratio of 82%



- revenue down 4% (Q1: -/-1%)
 - continued growth at inhouse & payroll services
 - focus on client profitability
 - RNL flat YoY, Tempo-Team to -/-8%,
 - Yacht stable at -/-13%

easing gross margin effects

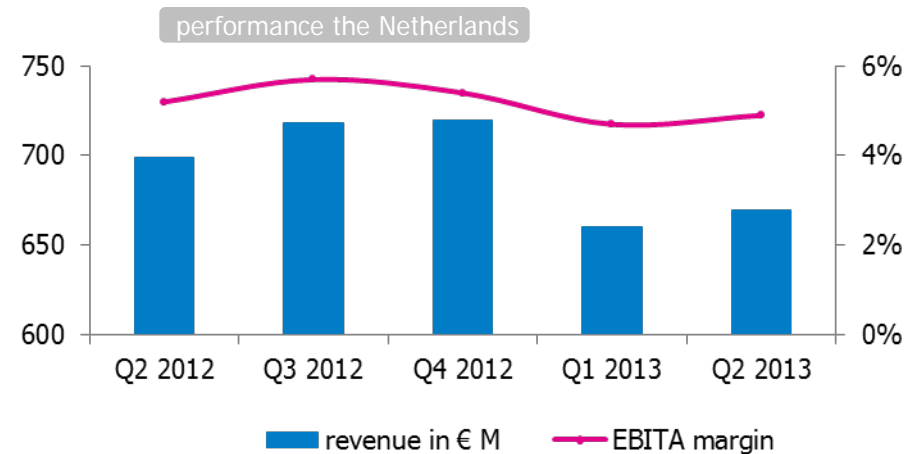
- higher social security charges
- improved business mix
- initiatives taking effect

costs down 1% vs. previous quarter

- FTEs down by 2%
- adjustments to management structure Tempo-Team in Q3 2013

EBITA margin 4.9% vs. 5.2% LY

- EBITA margin up to 5.5% when adjusted for € 3.6M in cost of services for items related to previous years



Germany: growth in June

recovery ratio of 140%

revenue at 0% (Q1: -/-4%)

- significant price effect (+7%)
- no reduced demand from equal pay
- professionals slightly improved with good growth in IT

gross margin effects easing

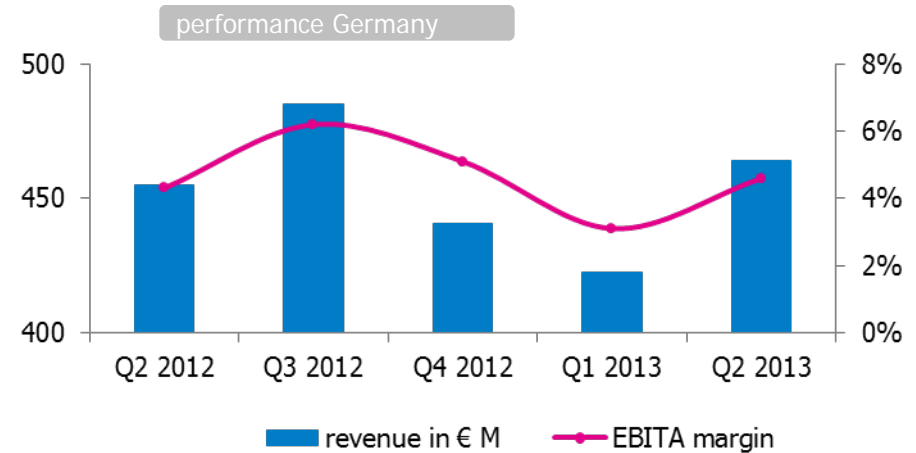
- implementation equal pay
- impact sickness lower after record level in Q1

operating expenses down 8% YoY

- FTEs slightly down sequentially
- solid productivity improvements

EBITA margin to 4.6% vs. 4.3% LY

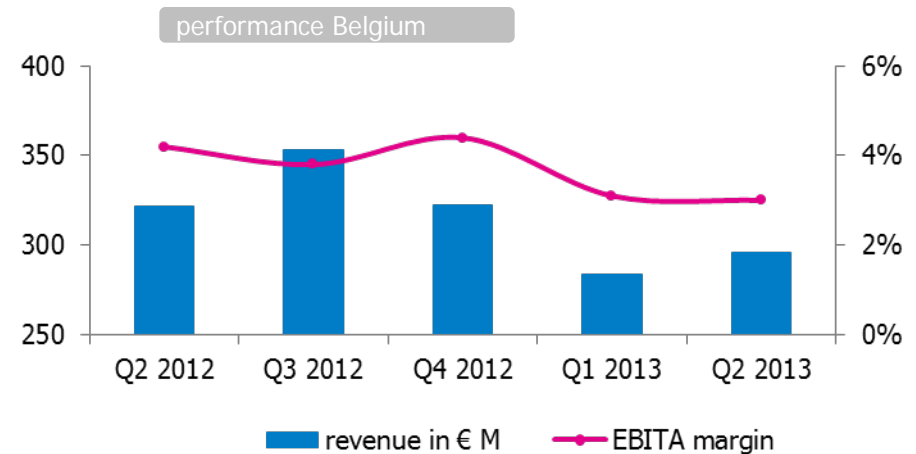
- focus on client profitability and delivery models
- 1.6 more working days vs. LY



Belgium: ensuring adaptability



- revenue -/- 8% (Q1: -/-9%)
 - stable rate of decline
 - administrative segment holding up well
 - inhouse at -/-23%, mainly automotive
 - improving trend in perm, up 14%
- focus on profitability
 - client profitability
 - field steering
 - FTEs down by 6% sequentially
 - restructuring program:
 - aim to create more efficient organization
 - 165 jobs in management and support
 - discussion with social partners ongoing
- EBITA margin at 3.0% vs. 4.2% LY
 - Q2 2012: subsidies relating to prior years



UK: improving trend, strong cost control



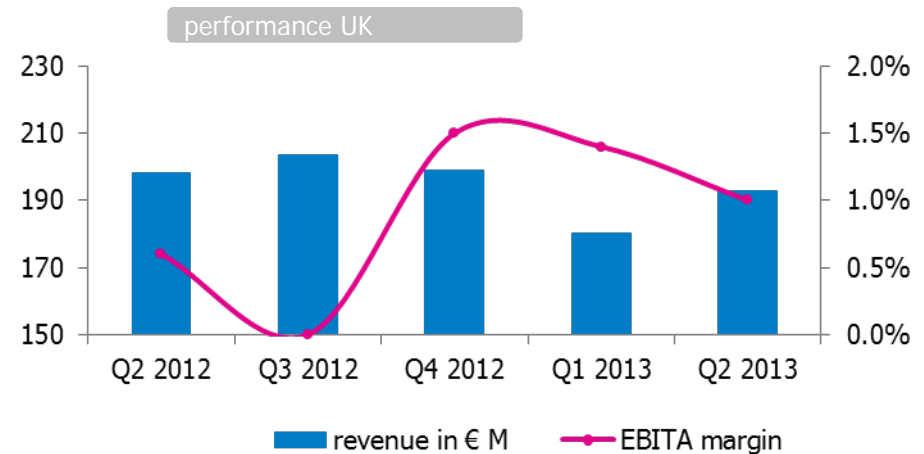
- revenue +2% (Q1: +/- 1%)
 - continued growth in professionals (+13%)
 - led by Education, IT and Engineering
 - decline inhouse persisted, due to focus on client profitability
 - good growth in MSP and RPO
 - perm fees at +/- 13% (Q1: +/- 9%)

focus on costs

- FTEs down by 3% sequentially
- back-office centralization well on track

EBITA margin 1.0% vs. 0.6% LY

- improvement in all businesses
- 1.4 more working days vs. LY



Iberia: improving profitability

stronger demand ahead of summer

Spain

- revenue +/- 1% (Q1: +/- 1%), June +6%
- improving trend in manufacturing
- professionals showed continued growth

Portugal

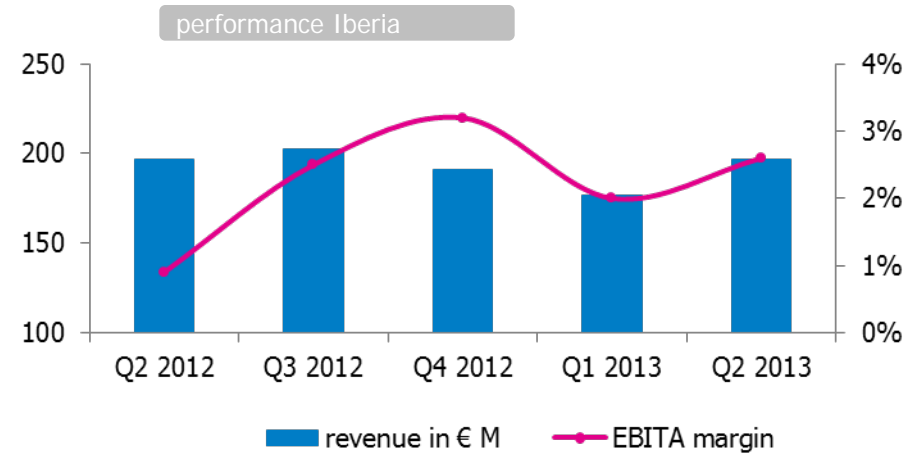
- revenue +/- 2% (Q1: +/- 8%), June +7%
- good performance in call centers
- strengthening in manufacturing and automotive

costs down € 4.0M YoY

- good cost control: FTEs down by 10% YoY

EBITA margin at 2.6% vs. 0.9% LY

- 1.2 more working days vs. LY
- solid recovery ratio



revenue development per industry

Segments	USA	Germany	France	Netherlands
Manufacturing	-	-	--	0
Automotive	0	0	-	++
Food	0	0	0	0
Transport	+	0	--	++
Business services	0	-	--	0
Financial services	--	--	0	-
IT services	-	+	-	+
Public sector	--	0	0	++
Health & social work	0	--	--	--

financial results & outlook

update transaction USG businesses

- ↻ transaction completed on June 25, 2013
- ↻ revenue of combined activities show flat growth in Q2 2013, good growth in Spain
- ↻ financial consolidation:
 - balance sheet included at quarter-end Q2 2013
 - P&L as from Q3 2013
 - purchase price allocation in Q3 2013  significant goodwill amount expected in Q3 2013
- ↻ divestment Uniman Switzerland (€ 8M revenue 2012) at end of June
- ↻ anticipated cost synergies of € 15-20M:
 - synergies expected to be materialized as from Q3 2013
 - expected integration costs of € 15M to be incurred in 1 year
- ↻ additional tax synergies in scope

income statement Q2 2013

€ million	Q2 2013	Q2 2012	% change	% organic
revenue	4,096	4,303	-/- 5%	-/- 4%
gross profit	747	782	-/- 5%	-/- 3%
<i>gross margin</i>	18.2%	18.2%		
operating expenses*	601	648	-/- 7%	-/- 5%
<i>opex as % of revenue</i>	14.7%	15.0%		
EBITA*	146	135	+8%	+10%
<i>EBITA margin*</i>	3.6%	3.1%		
integration costs & one-offs	5	23		
reported EBITA	141	112		
amortization & impairment	-/- 41	-/- 56		
net finance income/(costs)	-/- 11	-/- 2		
income before taxes	90	54		
tax	-/- 27	-/- 17		
net income	63	37		
<i>adjusted net income**</i>	91	88		
<i>diluted EPS***</i>	0.51	0.51		

* 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

Q2 2013: financial key points

- ↻ free cash flow amounted to -/- € 81M vs. -/- € 167M LY
 - typical seasonal pattern: negative free cash flow
 - regular annual payment of holiday allowances
 - Q2 typically more revenue than Q1: working capital investments required
 - YoY improvement:
 - higher profitability and lower DSO
- ↻ leverage ratio at 1.8, up from 1.5 in Q1:
 - negative free cash flow in Q2
 - payment of cash dividend (€ 90.6M vs. € 222M LY)
 - cash-out relating to acquisition of USG activities
- ↻ DSO improved by 1 day YoY
- ↻ effective tax rate* amounted to 31% (FY 2012: 32%)
 - guidance full year 2013: 28-31%
- ↻ diluted EPS* stable at € 0.51 vs. Q2 2012
 - issue shares for stock dividend (4.5M shares)

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

segment performance, focus on delivery models

Staffing in € M	Q2 2013	Q2 2012	% organic*
revenue	2,477.8	2,662.7	-6
EBITA	85.1	80.7	6
EBITA margin	3.4%	3.0%	

- focus on revenue quality in North America
- stable trends across Europe
- strong profit improvements in HRS (Q2 revenue: € 258M)
- positive impact CICE subsidies

Inhouse in € M	Q2 2013	Q2 2012	% organic*
revenue	776.2	752.5	4
EBITA	34.9	30.8	16
EBITA margin	4.5%	4.1%	

- growth led by North America, NL and Iberia
- UK remains in decline, focus on client profitability
- continued growth in RoE & RoW
- positive impact CICE subsidies

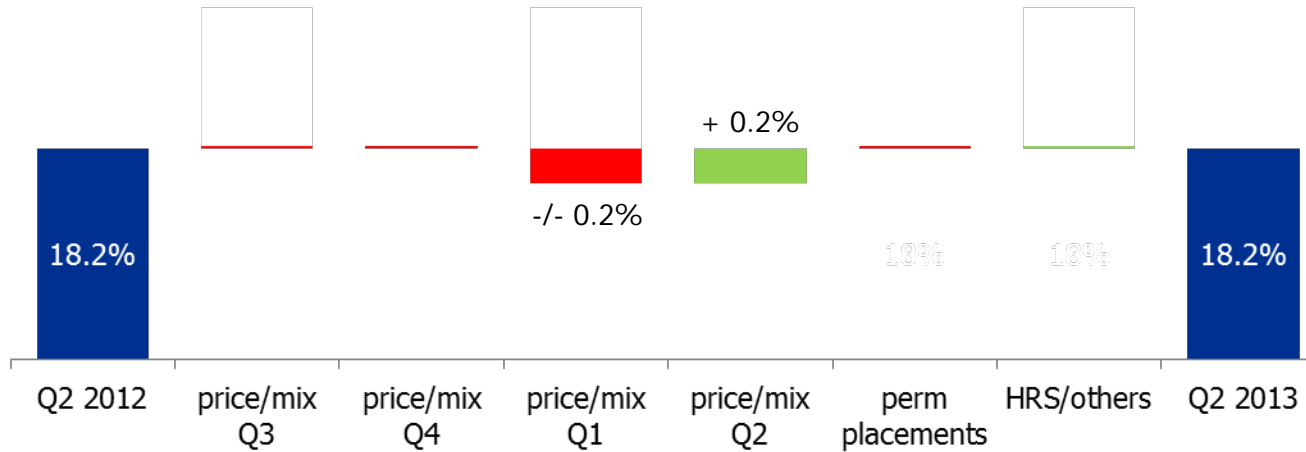
Professionals in € M	Q2 2013	Q2 2012	% organic*
revenue	841.7	887.9	-4
EBITA	38.0	35.9	10
EBITA margin	4.5%	4.0%	

- lower demand across Europe and North America
- good growth in UK, mainly in education, engineering & 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

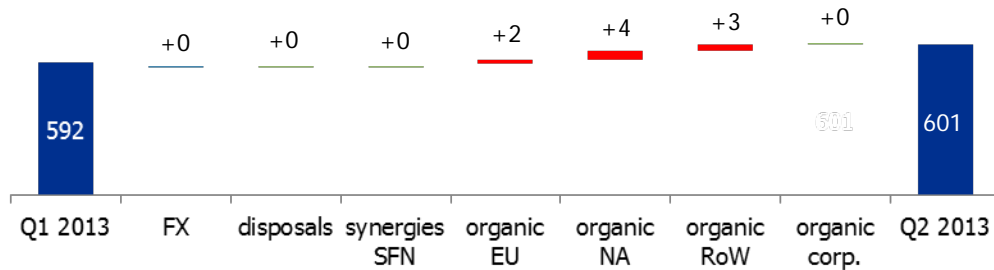


- margin expansion North America
- CICE benefits in France
- legislative changes NL & Germany

- small positive impact HRS in mix
- perm fees were 9.7% of GP (vs. 9.7% LY)
- continued focus on client profitability

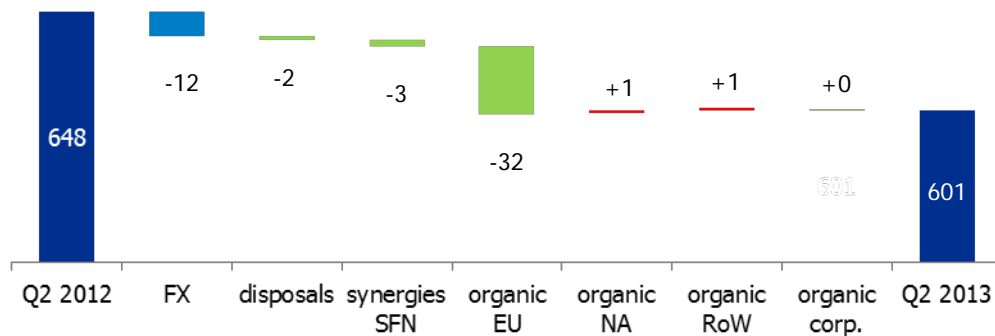
operating expenses bridge

sequential OPEX development in € M



- ☞ FTEs down by 250 sequentially
 - mainly across Europe
- ☞ additional marketing costs and bonus accruals
- ☞ recovery ratio: 132%

YoY OPEX development in € M



- ☞ in Europe costs down € 32M
- ☞ investing in profitable growth in RoW
- ☞ FTE reduction of 2,060 YoY
- ☞ impact wage inflation and bonus accruals

DSO down by 1 day

OWC including € 40M of USG activities

€ M	June 30, 2013	June 30, 2012
trade and other receivables	3,068	3,169
less: trade and other payables	-/- 2,317	-/- 2,263
operating working capital*	751	906
cash & cash equivalents	125	242
less: current borrowings	-/- 191	-/- 102
less: long-term borrowings	1,047	-
less: ST part long-term borrowings	-	-/- 1,794
net debt	1,113	1,654
<i>DSO, days sales outstanding</i>	<i>52</i>	<i>53</i>
<i>leverage ratio</i>	<i>1.8</i>	<i>2.4</i>

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

seasonal net debt increase

reflecting pay-out of cash dividend, holiday allowances and USG transaction

€ M	Q2 2013	Q2 2012
EBITDA	159	133
usage of OWC	-/- 189	-/- 240
income taxes paid	-/- 29	-/- 55
provisions and other items	2	9
net additions in PPE and software	-/- 8	-/- 16
other non-cash items	-/- 16	-
financial receivables	-	2
free cash flow	-/- 81	-/- 167

€ M	Q2 2013
free cash flow	-/- 81
net acquisitions/disposals/buyouts	-/- 16
net issue/purchase of ordinary shares	-
issue of preference shares	-/- 2
net finance costs paid	-/- 9
dividend	-/- 90
translation effects & other items	16
net debt increase Q1 → Q2	-/- 182

outlook

↗ revenue p/wd in June at -/-2.6%

- continuing stable trend into July
- comparison base easier in Q3 2013 (~ 3%)
- 1 additional working day in Q3 2013 vs. Q3 2012
- € 15-20M marketing investments in H2 2013, including regular seasonality in spend
- consolidation of USG activities and purchase price allocation in Q3 2013
- payment tax liability of € 131M to Dutch tax authorities planned for Q4 2013

↗ key strategic priorities:

- capturing profitable growth
- improving business mix (e.g. perm, professionals)
- field steering
- client profitability
- delivery models
- focus on costs

Q&A

appendices

drivers effective tax rate

effective tax rate* at 31% (vs. 32% in FY 2012)

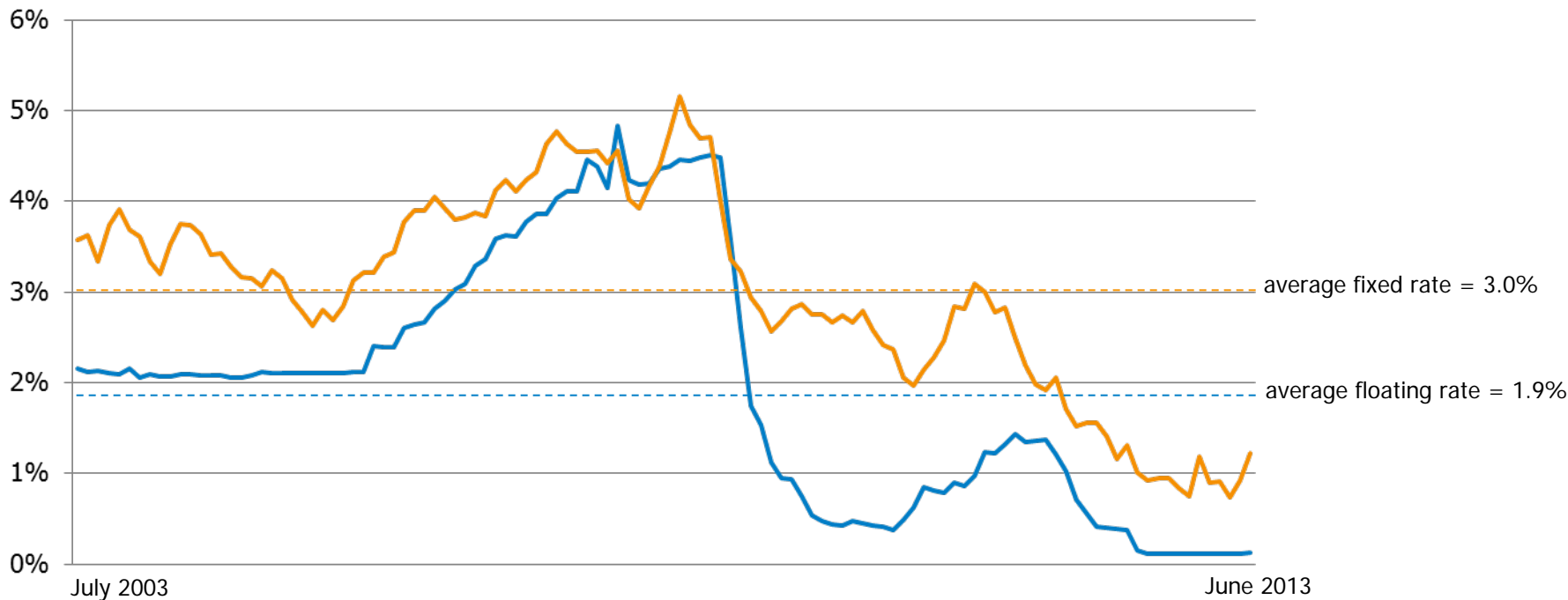
- change in geographical mix: high growth in countries with above-average tax rates
- as our results improve, the relative effect of the tax planning measures decreases
- full year 2013 guidance: 28%-31%

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

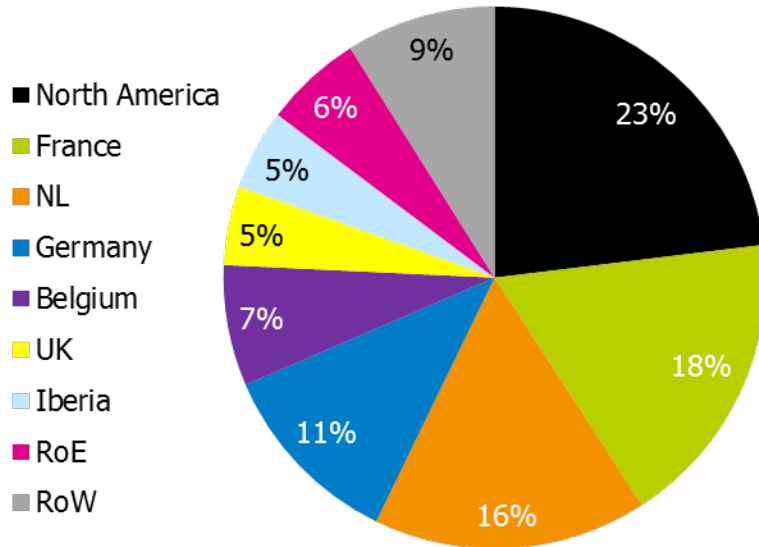
10 year historic interest rates comparison 1M vs. 5Y



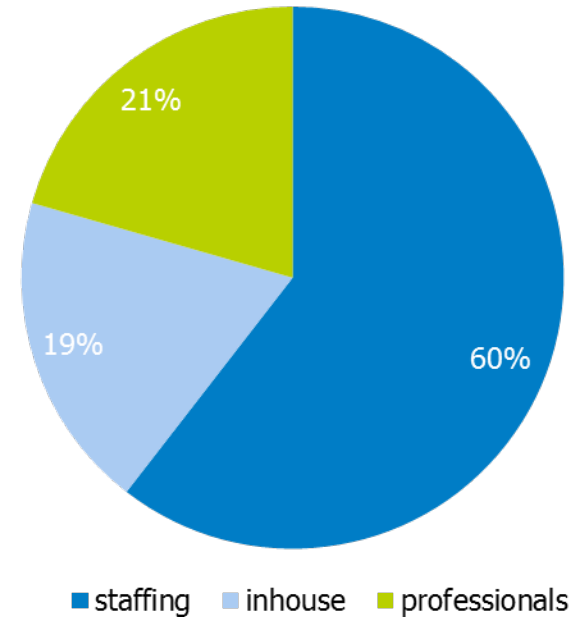
we use floating interest rates as a natural hedge
- spread above Euribor of 50-115 bps

revenue split Q2 2013

geographical area

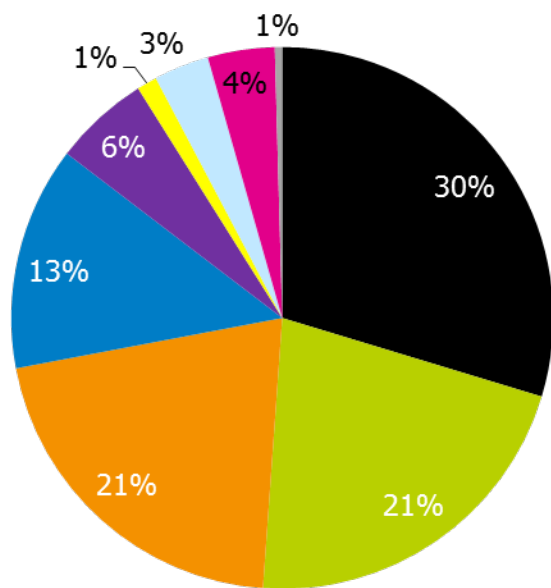


revenue categories

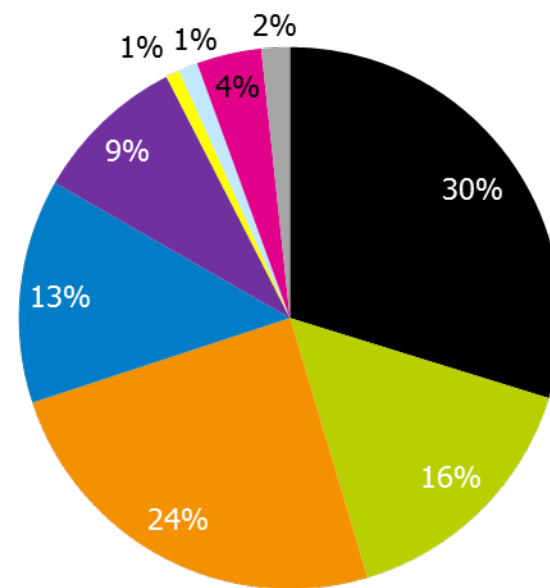


EBITA breakdown by geography

Q2 2013



Q2 2012



- North America
- France
- NL
- Germany
- Belgium
- UK
- Iberia
- RoE
- RoW

outlets* by region

end of period	Q2 2013	Q1 2013	Q4 2012	Q3 2012	Q2 2012
North America	1,060	1,053	1,041	1,041	1,055
France	863	866	868	864	864
the Netherlands	679	688	634	672	683
Germany	547	539	558	551	548
Belgium/Lux	321	320	344	350	350
United Kingdom	155	160	203	231	243
Iberia	252	253	266	264	274
Rest of Europe	338	338	341	338	337
Rest of world	225	232	241	256	253
total	4,440	4,449	4,496	4,567	4,607

* branches and inhouse locations (excl. USG businesses)

corporate employees* by region

average	Q2 2013	Q1 2013	Q4 2012	Q3 2012	Q2 2012
North America	6,230	6,160	6,300	6,360	6,400
France	3,620	3,630	3,740	3,890	3,930
the Netherlands	4,270	4,360	4,560	4,720	4,770
Germany	2,480	2,500	2,610	2,690	2,830
Belgium/Lux.	1,770	1,890	1,980	2,070	1,980
United Kingdom	1,500	1,550	1,680	1,740	1,760
Iberia	1,230	1,240	1,280	1,340	1,370
Rest of Europe	1,750	1,730	1,740	1,760	1,800
Rest of world	4,390	4,430	4,480	4,460	4,450
Corporate	180	180	190	190	190
total	27,420	27,670	28,560	29,220	29,480

* excl. USG businesses

staffing employees* by region

average	Q2 2013	Q2 2012
North America	101,700	106,400
France	78,000	89,500
the Netherlands	82,200	87,700
Germany	48,500	52,900
Belgium/Lux.	38,100	40,600
United Kingdom	19,200	21,100
Iberia	44,800	45,400
Rest of Europe	37,700	35,800
Rest of world	108,800	110,500
total	559,000	589,900

* excl. USG businesses