

# 3rd quarter 2021 results.

randstad reports record Q3 revenue,  
up 21% YoY, further improving profitability.

Jacques van den Broek, CEO  
Henry Schirmer, CFO



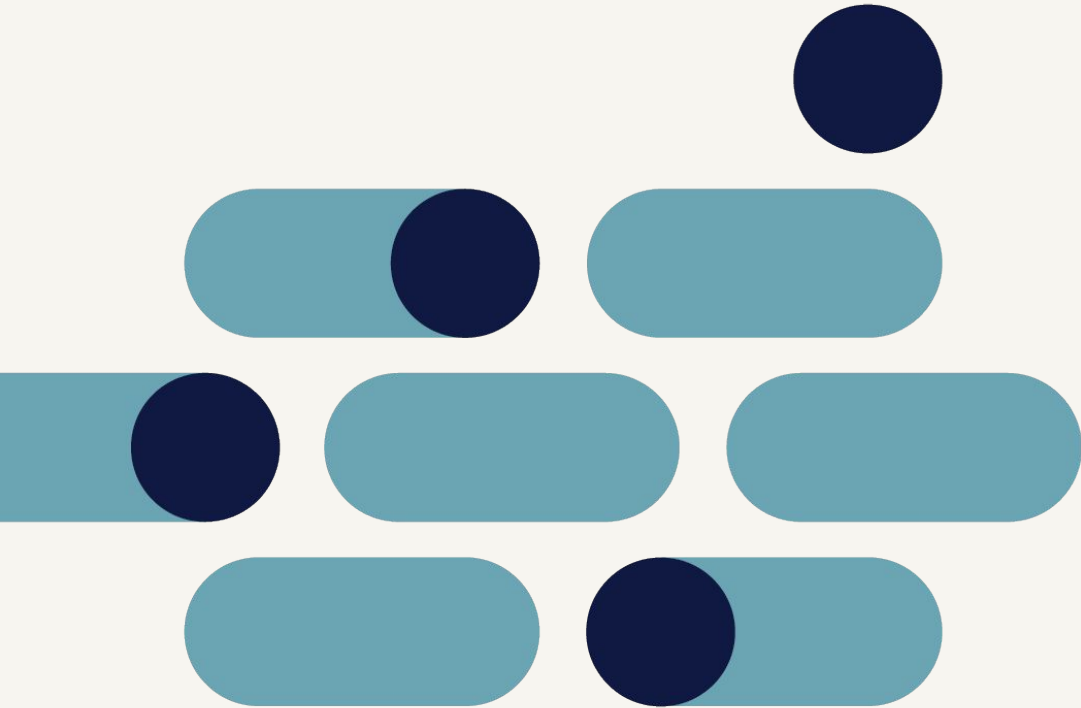
Randstad N.V.  
21 October 2021

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Certain statements in this document concern prognoses about the future financial condition, risks, investment plans, and the results of operations of Randstad N.V. 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, shortages on the job market, changes in the demand for personnel (including flexible personnel), achievement of cost savings,

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# definitions.



**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.

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performance



moving forward.

# Q3 2021: strong performance, further improving profitability



## highlights

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continued market-leading growth  
utilizing full strength of portfolio  
perm +74% YoY, +15% vs. '19

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## Q3 key financials

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revenue +21% YoY, +5% vs. '19  
gross margin 19.9%  
EBITA € 298m, 4.7% margin

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## resilience & agility

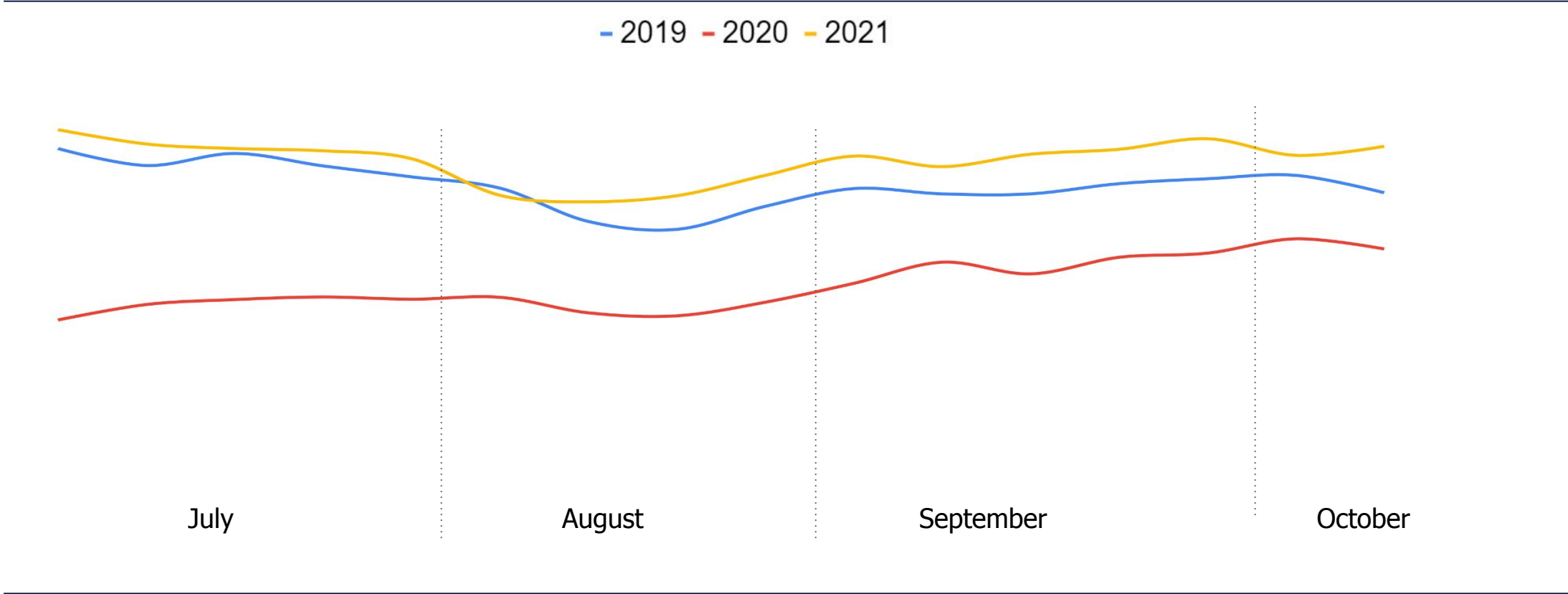
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field investments paying off  
L4Q ICR of 51%  
further capacity to drive  
profitable growth

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trend in early October indicates continued positive momentum.

weekly staffing employees evolution week 26 - week 41



## north america

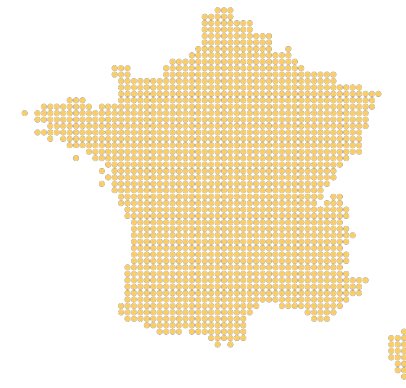
continued market outperformance.



- revenue up 17% YoY (vs. Q3 '19: up 5%)
  - perm up 95% YoY (vs. Q3 '19: up 30%)
- US Staffing & Inhouse revenue up 19% YoY
- US Professionals revenue up 11% YoY
- Canada revenue up 28% YoY (vs. Q3 '19: up 12%)
- EBITA margin at 5.8% vs. 5.4% LY

## france

positive momentum.



- revenue up 12% YoY (vs. Q3 '19: down 3%)
  - perm up 20% YoY (vs. Q3 '19: down 3%)
- Staffing & Inhouse up 12% YoY
- Professionals up 13% YoY
- EBITA margin at 5.0% vs. 3.9% LY

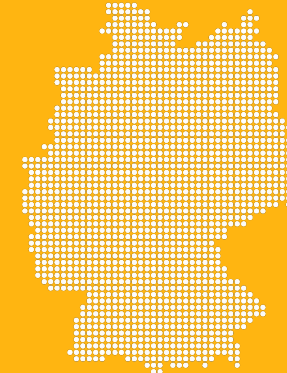


## the netherlands market outperformance.



- revenue up 24% YoY (vs. Q3 '19: up 2%)
  - perm up 61% YoY (vs. Q3 '19: down 8%)
- Staffing & Inhouse up 25% YoY
- Professionals up 20% YoY
- EBITA margin at 7.5% vs. 5.0% LY

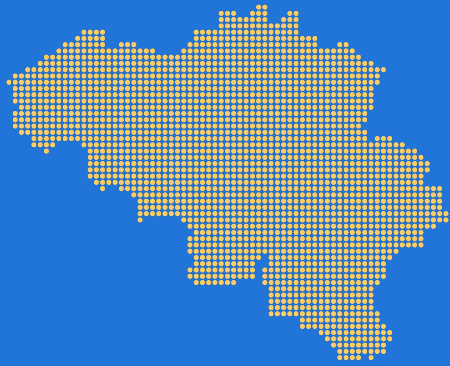
## germany gradually improving.



- revenue up 27% YoY (vs. Q3 '19: up 1%)
- Staffing & Inhouse up 36% YoY
- Professionals down 5% YoY
- EBITA margin at 2.9% vs. 1.5% LY

## belgium

strengthening market leadership.



- revenue up 14% YoY (vs. Q3 '19: up 1%)
  - Staffing & Inhouse up 16% YoY
- EBITA margin at 5.7% vs. 5.9% LY
  - diversified portfolio contributing

## italy

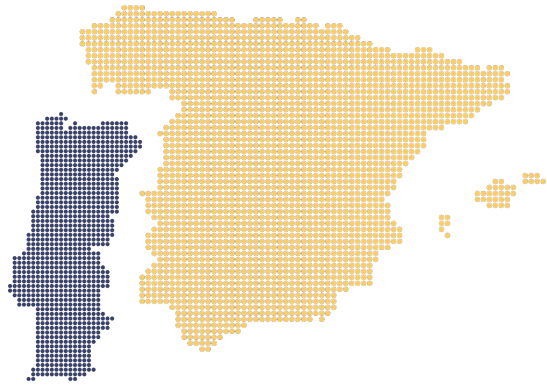
continued strong performance.



- revenue up 34% YoY (vs. Q3 '19: up 21%)
- perm up 86% YoY (vs. Q3 '19: up 42%)
- EBITA margin at 5.9% vs. 5.4% LY

## iberia

spain now above 2019 levels.



- spain revenue up 30% YoY (vs. Q3 '19: up 9%)
- portugal revenue down 2% YoY (vs. Q3 '19: down 15%)
- EBITA margin at 6.1% vs. 4.3% LY

other european countries  
continued improvement.



- UK revenue up 57% YoY (vs. Q3 '19: up 20%)
- nordics up 17% YoY (vs. Q3 '19: down 1%)
- switzerland down 1% YoY (vs. Q3 '19: down 5%)
- poland up 13% YoY (vs. Q3 '19: up 13%)
- EBITA margin at 4.0% vs. 2.5% LY

rest of the world  
revenue 18% above 2019 levels.



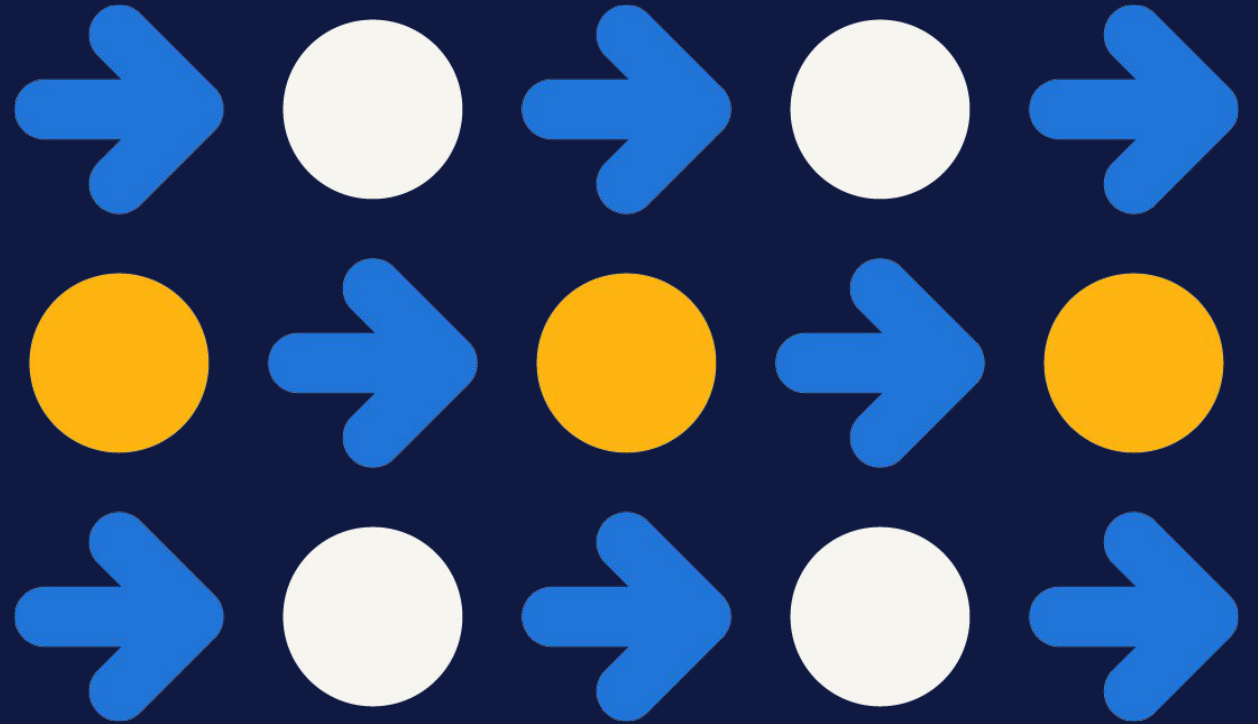
- japan up 10% YoY (vs. Q3 `19: up 7%)
- australia & new zealand up 35% YoY (vs. Q3 `19: up 28%)
- india up 13% YoY (vs. Q3 `19: up 18%)
- latin america up 24% YoY (vs. Q3 `19: up 31%)
- EBITA margin at 4.7% vs. 4.4% LY

global businesses  
strong performance in RPO.



- global businesses up 33% YoY (vs. Q3 `19: up 11%)
- monster revenue up 1% YoY (vs. Q3 `19: down 29%)
- sourceright up 48% YoY (vs. Q3 `19: up 26%)
- EBITA margin at 0.4% vs. 0.7% LY

financial  
results



& outlook.

# Q3 2021: further improving profitability.



## Q3 performance



## Q3 key financials

€ million	Q3 '21	Q3 '20	% org.
revenue	6,275	5,174	21%
gross profit	1,251	980	28%
gross margin	19.9%	18.9%	
operating expenses*	953	781	22%
opex %	15.2%	15.1%	
<b>EBITA*</b>	<b>298</b>	<b>199</b>	<b>50%</b>
<b>EBITA margin*</b>	<b>4.7%</b>	<b>3.9%</b>	
integration costs & one-offs	-/- 15	-/- 26	
amortization & impairment	-/- 13	-/- 16	
net finance income/(costs)	-/- 1	0	
tax	-/- 70	-/- 54	
<b>reported net income**</b>	<b>199</b>	<b>104</b>	
<b>adjusted net income</b>	<b>217</b>	<b>134</b>	<b>62%</b>

- organic revenue up 21% YoY, group revenue 5% above 2019 level
- EBITA € 298m, 4.7% EBITA margin
- L4Q ICR of 51%

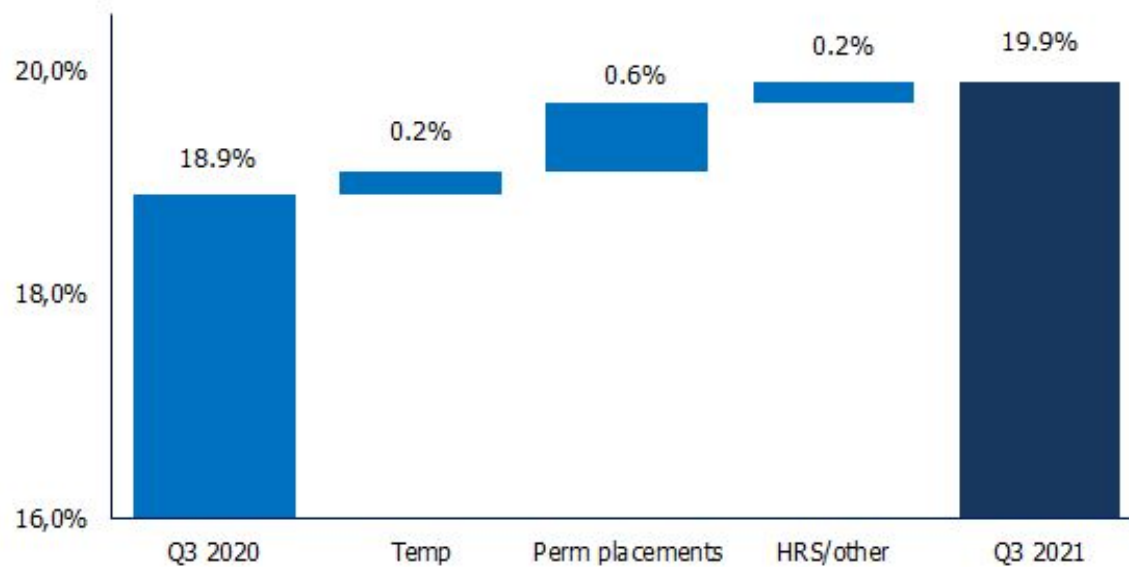


\* before integration costs & one-offs.  
\*\* including share of profit of associates.

# Q3 2021: gross margin strong at 19.9%.



## Q3 gross margin development YoY



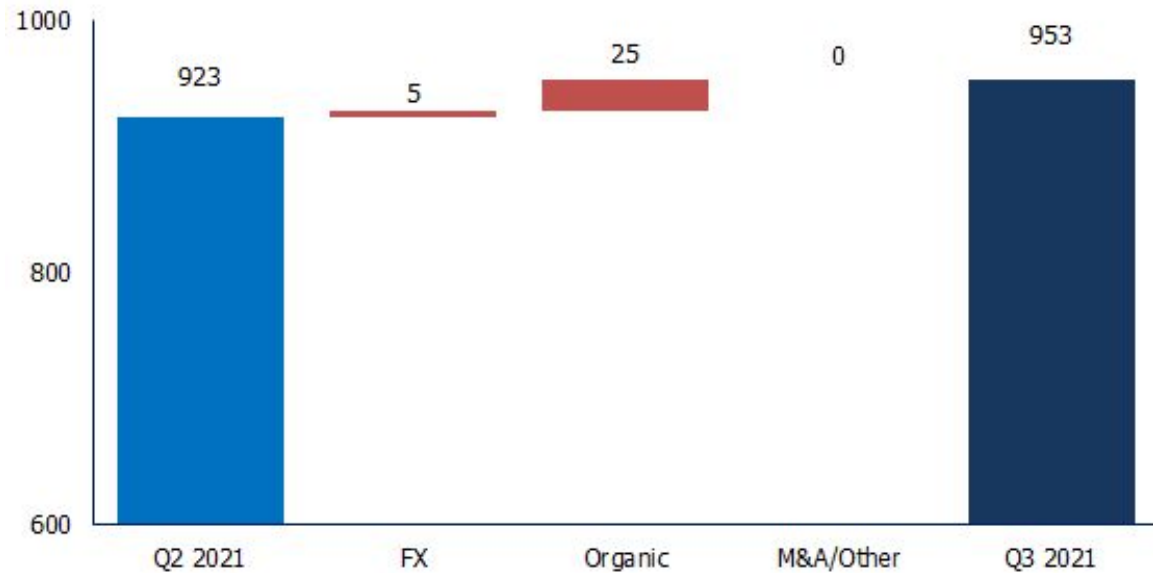
## Q3 highlights

- temp margin +20bp YoY, annualization of COVID-19 effects
- perm fees increased 74% YoY (+15% vs. Q3 2019) +60bp impact on gross margin
- HRS/other +20bp YoY

# investing for **profitable growth.**



## Q3 sequential opex bridge



## focus on future fit investments

- opex of € 953m, 15.2% of revenue (opex ratio sequentially stable)
- continued investments in growth and digitalization
- further capacity to drive profitable growth



# sound balance sheet.



## Q3 2021 free cash flow

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- Q3 FCF € 297m (vs. € 494m in Q3 2020)
  - strong YoY improvement in EBITDA
  - more than offset by the sale of CICE in Q3 2020
- 



## sound balance sheet

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- net cash € 346m, LR excl. IFRS 16: -0.3
  - DSO 51.6, down vs. 52.1 in Q2 2021
  - acquisition of Cella Inc.
-

# conclusion and outlook: gearing up for growth.



## Q4 conclusion and outlook

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- gross margin and opex both expected to be broadly in line sequentially.
- aiming for an incremental conversion ratio of 40-50% for FY 2021.
- a positive 0.2 working day impact in Q4 2021.



## activity momentum

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- September organic sales growth up 6% vs 2019.
- volumes in early October indicate continued positive momentum.

# questions



# & answers.

# appendices



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# outlets by region.

end of period	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020
North America	1,199	1,204	1,156	1,158	1,130
France	645	641	648	642	643
the Netherlands	599	599	591	583	603
Germany	579	565	522	493	487
Belgium & Luxembourg	326	328	321	321	329
Italy	273	272	270	263	263
Iberia	381	389	384	379	384
Other European countries	510	505	498	488	468
Rest of the world	244	239	235	252	279
Global businesses	136	135	133	136	136
total	4,892	4,877	4,758	4,715	4,722

# corporate staff by region.

average	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020
North America	6,820	6,410	6,010	5,860	5,660
France	4,540	4,370	4,310	4,290	4,090
the Netherlands	4,000	3,810	3,650	3,580	3,640
Germany	2,950	2,820	2,670	2,510	2,140
Belgium & Luxembourg	2,140	2,030	1,940	1,940	1,820
Italy	2,550	2,440	2,290	2,140	1,950
Iberia	2,260	2,060	1,940	1,870	1,710
Other European countries	3,860	3,590	3,310	3,200	3,250
Rest of the world	5,700	5,430	5,050	4,970	4,860
Corporate	330	310	300	280	280
Global businesses	5,820	5,100	4,520	4,370	4,260
total	40,970	38,370	35,990	35,010	33,660

# staffing employees by region.

average	Q3 2021	Q3 2020
North America	89,700	81,700
France	85,100	70,300
the Netherlands	71,800	59,300
Germany	39,200	29,900
Belgium & Luxembourg	48,000	43,700
Italy	56,200	42,900
Iberia	63,600	53,800
Other European countries	65,300	52,700
Rest of the world	134,300	120,300
Global businesses	9,100	6,500
total	662,300	561,100

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human forward

