

4th quarter results 2022.



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outstanding year, revenue of € 27.6bn
and underlying EBITA of € 1.3bn.

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outstanding year, revenue of € 27.6bn and underlying EBITA of € 1.3bn.



Q4 2022 organic growth

2.4%

Q4 2022 underlying EBITA

€ 364m

Q4 2022 EBITA margin

5.2%

gross profit +3% YoY; perm (+1% YoY) and RPO (+17% YoY) combined c. 19% of gross profit.

gross margin of 20.8%, up 40bp YoY; driven by business mix and pricing discipline.

EBITA margin +20bp YoY; opex as % of revenue down by 60bp QoQ to 15.6%.

ROIC of 17.9%, +110bp YoY, a.o. reflecting strong improvement in EBITA.

2022 proposed total return of ~€ 921m of capital to shareholders.

January 2023 revenue modestly down YoY (org).

CEO Sander van 't Noordende commented, "Randstad delivered an outstanding performance in 2022, driven by Inhouse, Professionals, perm and RPO. In the fourth quarter, we delivered solid growth with strong profitability.

Robust levels of demand from clients and persistent levels of talent scarcity underpinned our full year performance and the improvements we delivered in profitability and margin show the benefits of our firm focus on cost management, value-based pricing and business mix. Client activity moderated in the fourth quarter, and this trend has continued into 2023. However, our deep understanding of talent and clients, together with our experienced leadership team positions us well to navigate the macroeconomic environment.

In line with our existing capital allocation policy, we propose a return of around € 921m of capital to our shareholders over FY 2022, of which regular ordinary cash dividend of € 2.85 per ordinary share, and a share buy back program of around € 400m over a period of 17 months, starting end of April 2023.

I would like to thank our talent and clients across the world as well as all Randstad people for their continued dedication to making us a partner of choice."

financial performance.

core data

in millions of €, unless otherwise indicated - underlying	Q4 2022	Q4 2021	yoy change	% org.	FY 2022	FY 2021	yoy change	% org.
Revenue	7,007	6,754	4%	2%	27,568	24,635	12%	8%
Gross profit	1,457	1,379	6%	3%	5,755	4,873	18%	13%
Operating expenses	1,093	1,044	5%	0%	4,461	3,778	18%	12%
EBITA, underlying ¹	364	335	9%	4%	1,294	1,095	18%	13%
Integration costs and one-offs	(68)	(11)			(130)	(9)		
EBITA	296	324	(9)%		1,164	1,086	7%	
Amortization and impairment of intangible assets ²	(11)	(15)			(27)	(53)		
Operating profit	285	309			1,137	1,033		
Net finance costs	(12)	(5)			(12)	(16)		
Share of profit of associates	-	-			1	1		
Income before taxes	273	304	(10)%		1,126	1,018	11%	
Taxes on income	21	(64)			(197)	(250)		
Net income	294	240	23%		929	768	21%	
Adj. net income for holders of ordinary shares ³	354	258	37%		1,041	806	29%	
Free cash flow	294	211	39%		739	590	25%	
Net debt	870	415	110%		870	415	110%	
Leverage ratio (net debt/12-month EBITDA) ⁴	0.6	0.3			0.6	0.3		
Leverage ratio (net debt/12-month EBITDA) excluding IFRS 16 ⁵	0.2	(0.1)			0.2	(0.1)		
DSO (Days Sales Outstanding), moving average	52.9	51.6			52.9	51.6		
Margins (in % of revenue)								
Gross margin	20.8%	20.4%			20.9%	19.8%		
Operating expenses margin	15.6%	15.4%			16.2%	15.3%		
EBITA margin, underlying	5.2%	5.0%			4.7%	4.4%		
Share data								
Basic earnings per ordinary share (in €)	1.60	1.30	23%		5.04	4.13	22%	
Diluted earnings per ordinary share, underlying (in €) ³	1.93	1.39	39%		5.67	4.35	30%	
Basis earnings per share, underlying ⁶	n.a.	n.a.			5.69	4.39	30%	

1 EBITA adjusted for integration costs and one-offs.

2 Amortization and impairment of acquisition-related intangible assets and goodwill.

3 Before amortization and impairment of acquisition-related intangible assets and goodwill, integration costs and one-offs. See table 'Earnings per share' on page 24.

4 Leverage ratio including IFRS 16.

5 Leverage ratio excluding IFRS 16, based on best estimates.

6 Based on net income, adjusted for the net effect of amortization and impairment of acquisition-related intangible assets and goodwill, integration costs, acquisition-related costs, and one-offs.

revenue

Organic revenue per working day grew by 2.4% YoY in Q4 2022 resulting in revenue of € 7,007 million (Q3 2022: up 6.8%). Reported revenue was up 3.7% YoY, of which working days had a negative impact of 1.9% effect while FX had a positive effect of 0.9%. M&A positively contributed 2.3%.

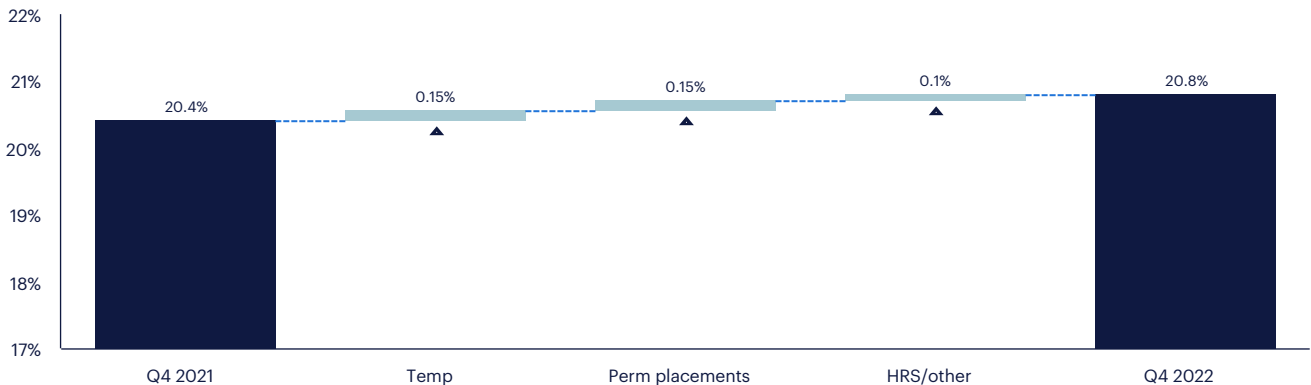
In North America, revenue per working day was down 5% (Q3 2022: up 6%). Growth in the US was down 6% (Q3 2022: up 6%), while Canada was up 1% YoY (Q3 2022: up 9%). In Europe, revenue per working day grew by 3% (Q3 2022: up 5%). Revenue in France was up 4% (Q3 2022: up 9%), while the Netherlands was up 2% (Q3 2022: stable). Germany was up 9% (Q3 2022: up 5%), while revenue growth in Belgium was down 2% (Q3 2022: stable). Revenue in Italy was up 4% (Q3 2022: up 9%), while revenue in Iberia was down 2% (Q3 2022: up 8%). In the 'Rest of the world' region, revenue was up by 10% (Q3 2022: up 11%); Japan increased by 11% (Q3 2022: up 9%), while Australia & New Zealand rose by 8% (Q3 2022: up 12%).

Perm fees increased by 1% YoY (Q3 2022: up 23%), with Europe up 13% YoY (Q3 2022: up 35%) and North America down 12% YoY (Q3 2022: up 15%). In the 'Rest of the world' region, perm fees decreased by 5% (Q3 2022: up 14%). Perm fees made up 11.7% of gross profit.

gross profit

In Q4 2022, gross profit amounted to € 1,457 million. Organic growth was 3.2% YoY (Q3 2022: up 10.6%). Currency effects had a positive € 40 million impact on gross profit compared to Q4 2021.

year-on-year gross margin development (%)

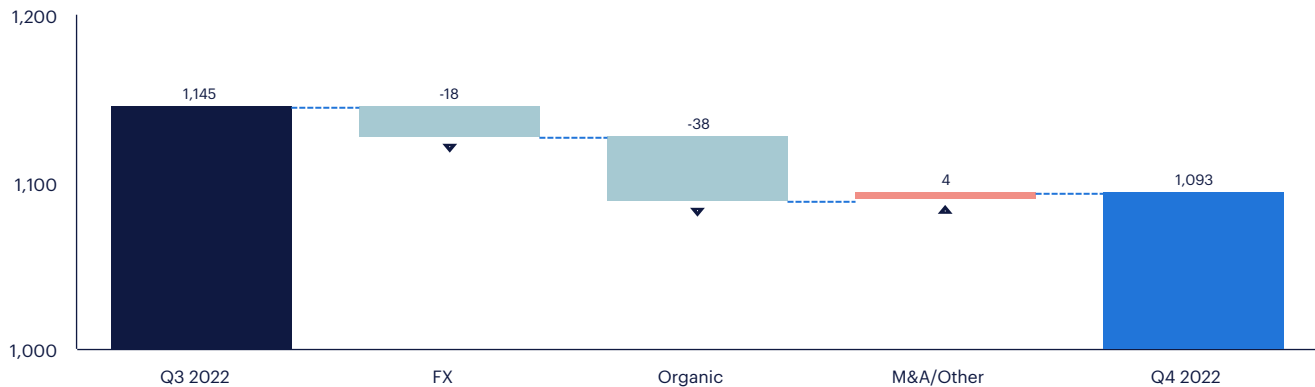


Gross margin was 20.8% in the quarter, 40bp above Q4 2021 (as shown in the graph above). Temporary placements had a 15bp positive impact on gross margin (Q3 2022: 10bp positive impact). Permanent placements had a 15bp positive impact, while HRS/other had a 10bp positive impact.

operating expenses

On an organic basis, operating expenses decreased by € 38 million sequentially to € 1,093 million. Compared to last year, operating expenses were stable organically (Q3 2022: up 12%), while currency effects had a € 32 million negative impact.

sequential OPEX development Q3-> Q4 in € M



Personnel expenses were down 2% sequentially. Average headcount (in FTE) amounted to 46,760 for the quarter, organically up 8% YoY and down 2% sequentially (net reduction of 910 FTE excl. M&A). Productivity (measured as gross profit per FTE) was down 5% YoY (Q3 2022: down 4%). We operated a network of 4,905 outlets end of period (Q3 2022: 4,966).

Operating expenses in Q4 2022 were adjusted for a total of € 66 million of integration costs and one-offs (Q4 2021: € 11 million). This mainly reflects integration costs for our recent acquisitions and restructurings in a few countries.

EBITA

Underlying EBITA increased organically by 4% YoY to € 364 million. Currency effects had a € 8 million positive impact YoY. EBITA margin reached 5.2% in the quarter, 20bp above Q4 2021. Overall, we achieved a 23% organic incremental conversion on a full year basis in FY 2022.

net finance costs

In Q4 2022, net finance costs were € 12 million, compared to € 5 million net finance costs in Q4 2021. Interest expenses on our net debt position were € 7 million (Q4 2021: € 3 million), and interest expenses related to lease liabilities were € 5 million (Q4 2021: € 2 million). Foreign currency and other effects had no impact (Q4 2021: no impact).

tax

The underlying effective tax rate before amortization and impairment of acquisition-related intangibles and goodwill, integration costs and one-offs amounted to 18.2% for the full year (FY 2021: 24.6%). For FY 2023, we expect an effective tax rate before amortization and impairment of acquisition-related intangibles and goodwill, integration costs and one-offs of between 24% and 26%.

net income, earnings per share

In Q4 2022, adjusted net income was up 37% YoY to € 354 million. Diluted underlying EPS amounted to € 1.93 (Q4 2021: € 1.39). The average number of diluted ordinary shares outstanding for the quarter was 184.0 million (Q4 2021: 185.0 million).

invested capital

in millions of €, unless otherwise indicated	dec 31 2022	sep 30 2022	jun 30 2022	mar 31 2022	dec 31 2021	sep 30 2021
Goodwill and acquisition-related intangible assets	3,280	3,414	3,180	3,112	3,088	3,053
Operating working capital (OWC) ¹	1,239	1,320	1,238	1,102	997	857
Net tax assets ²	619	564	630	608	615	651
All other assets/(liabilities) ³	647	102	95	(299)	617	336
Employed capital	5,785	5,400	5,143	4,523	5,317	4,897
Financed by						
Total equity	4,915	4,725	4,397	4,162	4,902	4,663
(Net Cash)/Net debt excl. lease liabilities	272	74	147	(240)	(179)	(346)
Lease liabilities	598	601	599	601	594	580
Net debt incl. lease liabilities	870	675	746	361	415	234
Invested capital	5,785	5,400	5,143	4,523	5,317	4,897
Ratios						
DSO (Days Sales Outstanding), moving average	52.9	52.5	52.1	51.8	51.6	51.6
OWC as % of revenue over last 12 months	4.5%	4.8%	4.7%	4.3%	4.0%	3.6%
Leverage ratio (net debt/12-month EBITDA)	0.6	0.4	0.5	0.2	0.3	0.2
Return on invested capital ⁴	17.9%	18.6%	19.2%	21.6%	16.8%	16.1%

1 Operating working capital: Trade and other receivables minus the current part of financial assets, deferred receipts from disposed Group companies and interest receivable minus trade and other payables excluding interest payable.

2 Net tax assets: Deferred income tax assets and income tax receivables less deferred income tax liabilities and income tax liabilities.

3 All other assets/(liabilities), mainly containing property, plant & equipment, right of use assets, software plus financial assets and associates, less provisions and employee benefit obligations and other liabilities. As at September 30, and June 30, 2022, € 514 million dividends payable is included (September and June 30, 2021 € 298 million)

4 Return on invested capital: underlying EBITA (last 12 months) less income tax paid (last 12 months) as percentage of invested capital.

Return on invested capital (ROIC) amounted to 17.9%, an increase of 110bp YoY. This is mainly a reflection of an improvement of our 12-month rolling EBITA.

The moving average of Days Sales Outstanding (DSO) was 52.9 (Q3 2022: 52.5).

At the end of Q4 2022, net debt including lease liabilities was € 870 million, compared to € 415 million at the end of Q4 2021. A further analysis of the cash flow is provided in the next section.

cash flow summary

in millions of €	Q4 2022	Q4 2021	change	FY 2022	FY 2021	change
EBITA	296	324	(9)%	1,164	1,086	7%
Depreciation, amortization and impairment of property, plant, equipment, right-of-use assets, and software	80	99		303	326	
EBITDA	376	423	(11)%	1,467	1,412	4%
Operating working capital	16	(106)		(213)	(290)	
Provisions and employee benefit obligations	10	(10)		28	(19)	
All other items	21	10		52	15	
Income taxes	(41)	(43)		(261)	(204)	
Net cash flow from operating activities	382	274	39%	1,073	914	17%
Net capital expenditures	(33)	(12)		(122)	(128)	
Financial assets	(2)	-		(2)	-	
Repayments of lease liabilities	(53)	(51)		(210)	(196)	
Free cash flow	294	211	39%	739	590	25%
Net (acquisitions)/disposals	28	(20)		(167)	(79)	
Dividends from associates	1	-		1	-	
Net purchase of own ordinary shares	(10)	(54)		(81)	(54)	
Dividend on ordinary and preference shares	(514)	(298)		(922)	(604)	
Net finance costs paid	(4)	(3)		(15)	(7)	
Translation and other effects	10	(17)		(10)	(6)	
Net increase of net debt	(195)	(181)		(455)	(160)	

In the quarter, free cash flow amounted to € 294 million, up € 83 million YoY (Q4 2021: € 211 million). Free cash flow mainly reflects the movement of working capital year over year.

Over the full year, we delivered free cash flow of € 739 million, up € 149 million YoY (FY 2021: € 590 million). This increase results from an improvement of our full year EBITA and movements in working capital year over year. Finally, income taxes paid over the full year 2022 amounted to € 261 million (FY 2021: € 204 million).

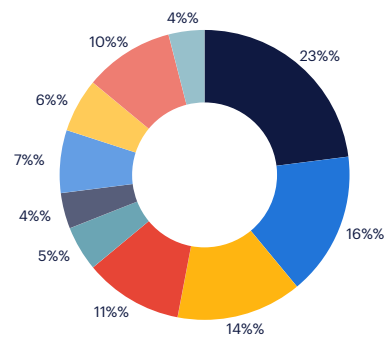
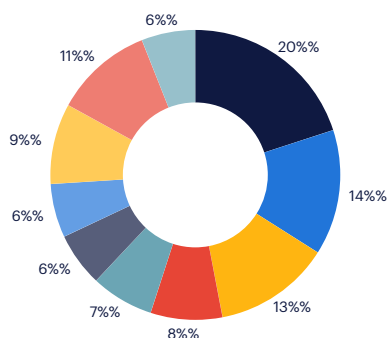
performance.

performance by geography

split by geography

Q4 2022: revenue € 7,007 million

Q4 2022: EBITA € 364 million



- North America
- France
- Netherlands
- Italy
- Germany
- Belgium & Luxembourg
- Iberia
- Other European countries
- Rest of the world
- Global Businesses

revenue in millions of €	Q4 2022	Q4 2021	organic Δ ¹	FY 2022	FY 2021	organic Δ ¹
North America	1,370	1,298	(5)%	5,497	4,558	6%
France	986	957	4%	3,916	3,625	8%
Netherlands	906	915	2%	3,526	3,413	4%
Italy	560	558	4%	2,231	1,978	14%
Germany	519	503	9%	2,014	1,895	7%
Belgium & Luxembourg	415	423	(2)%	1,681	1,600	3%
Iberia	398	413	(2)%	1,621	1,502	8%
Other European countries	655	628	7%	2,515	2,325	8%
Rest of the world	784	690	10%	2,993	2,504	12%
Global businesses	414	369	5%	1,574	1,235	18%
Revenue	7,007	6,754	2%	27,568	24,635	8%

¹ Organic change is measured excluding the impact of currencies, acquisitions, disposals, and reclassifications. For revenue, the organic change has been adjusted for the number of working days.

EBITA in millions of €, underlying	Q4 2022	EBITA margin ¹	Q4 2021	EBITA margin ¹	organic Δ% ²	FY 2022	EBITA margin ¹	FY 2021	EBITA margin ¹	organic Δ% ²
North America	89	6.4%	82	6.3%	(3)%	350	6.4%	238	5.2%	28%
France	63	6.4%	63	6.6%	1%	211	5.4%	201	5.5%	6%
Netherlands	55	6.1%	60	6.6%	(9)%	213	6.0%	233	6.8%	(9)%
Italy	45	8.0%	36	6.6%	20%	161	7.2%	119	6.0%	34%
Germany	20	3.9%	17	3.2%	28%	59	3.0%	43	2.2%	39%
Belgium & Luxembourg	17	4.2%	28	6.5%	(40)%	78	4.7%	90	5.6%	(16)%
Iberia	26	6.5%	24	5.9%	6%	95	5.8%	83	5.5%	13%
Other European countries	23	3.5%	20	3.1%	20%	87	3.4%	69	2.9%	26%
Rest of the world	41	5.3%	33	4.9%	15%	153	5.1%	124	5.0%	15%
Global businesses	16	3.8%	14	3.7%	2%	27	1.7%	15	1.2%	50%
Corporate	(31)		(42)			(140)		(120)		
EBITA before integration costs and one-offs ³	364	5.2%	335	5.0%	4%	1,294	4.7%	1,095	4.4%	13%
Integration costs and one-offs	(68)		(11)			(130)		(9)		
EBITA	296		324			1,164		1,086		

1 EBITA in % of total revenue per segment.

2 Organic change is measured excluding the impact of currencies, acquisitions, disposals, and reclassifications. For revenue, the organic change has been adjusted for the number of working days.

3 Operating profit before amortization and impairment of acquisition-related intangible assets and goodwill, integration costs and one-offs.

north america

In North America, revenue was down 5% YoY (Q3 2022: up 6%). Perm fees were down 12% YoY (Q3 2022: up 15%). In Q4 2022, revenue of our combined US businesses was down 6% YoY (Q3 2022: up 6%). US Staffing/Inhouse Services was down 10% YoY (Q3 2022: up 4%). US Professionals revenue was up 1% YoY (Q3 2022: up 8%). In Canada, revenue was stable YoY (Q3 2022: up 9%). EBITA margin for the region came in at 6.4% for the quarter, compared to 6.3% last year.

france

In France, revenue was up 4% YoY (Q3 2022: up 9%). Perm fees were up 20% compared to last year (Q3 2022: up 12%). Staffing/Inhouse Services revenue was down 1% YoY (Q3 2022: up 5%), while our Professionals business was up 19% YoY (Q3 2022: up 22%). EBITA margin was 6.4% compared to 6.6% last year.

netherlands

In the Netherlands, revenue was up 2% (Q3 2022: stable). Overall perm fees were up 30% YoY (Q3 2022: up 53%). Our combined Staffing and Inhouse Services business was down 2% YoY (Q3 2022: down 3%), while our Professionals business was up 21% YoY (Q3 2022: up 15%). EBITA margin in the Netherlands was 6.1%, compared to 6.6% last year.

italy

Revenue per working day in Italy was up 4% YoY (Q3 2022: up 9%). Overall perm fees were up 11% YoY (Q3 2022: up 29%). EBITA margin was 8.0%, compared to 6.6% last year.

germany

In Germany, revenue per working day was up 9% YoY (Q3 2022: up 5%). Perm fees were up 40% compared to last year (Q3 2022: up 41%). Our combined Staffing/Inhouse Services business was up 9% YoY (Q3 2022: up 5%), while Professionals was up 9% YoY (Q3 2022: up 6%). EBITA margin in Germany was 3.9%, compared to 3.2% last year.

belgium & luxembourg

In Belgium & Luxembourg, revenue was down 2% YoY (Q3 2022: stable). Our Staffing/Inhouse Services business was down 5% (Q3 2022: stable). Our EBITA margin was 4.2%, compared to 6.5% last year.

iberia

In Iberia, revenue per working day was down 2% YoY (Q3 2022: up 8%). Perm fees were up 9% compared to last year (Q3 2022: up 47%). Staffing/Inhouse Services combined was down 3% YoY (Q3 2022: up 8%). Spain was down 4% YoY (Q3 2022: up 8%), while in Portugal revenue was up 6% YoY (Q3 2022: up 10%). Overall EBITA margin was 6.5%, compared to 5.9% last year.

other european countries

Across 'Other European countries', revenue per working day was up 7% YoY (Q3 2022: up 6%). In the UK, revenue was up 6% YoY (Q3 2022: up 3%), while in the Nordics, revenue was up 6% YoY on an organic basis (Q3 2022: up 12%). Revenue in our Swiss business was up 1% YoY (Q3 2022: up 5%). Overall EBITA margin for the 'Other European countries' region was 3.5% compared to 3.1% last year.

rest of the world

Total revenue in the 'Rest of the world' region increased by 10% organically YoY (Q3 2022: up 11%). In Japan, revenue grew 11% YoY (Q3 2022: up 9%). Revenue in Australia/New Zealand was up 8% YoY (Q3 2022: up 12%), while revenue in China decreased by 18% YoY (Q3 2022: down 4%). Our business in India was up 15% YoY (Q3 2022: up 18%), while in Latin America revenue was up 16% (Q3 2022: up 9%). Overall EBITA margin in this region was 5.3%, compared to 4.9% last year.

global businesses

Total organic revenue growth per working day was up 5% YoY (Q3 2022: up 17%). Randstad Sourceright revenue increased by 7% YoY (Q3 2022: up 21%), while Monster revenue was down 12% YoY (Q3 2022: down 4%). Overall EBITA margin came in at 3.8% compared to 3.7% last year.

performance by revenue category

revenue in millions of €	Q4 2022	Q4 2021	organic Δ% ¹	FY 2022	FY 2021	organic Δ% ¹
Staffing	3,155	3,252	(1)%	12,848	12,206	5%
Inhouse Services	1,763	1,676	6%	6,811	5,942	12%
Professionals	1,675	1,457	7%	6,335	5,252	12%
Global Businesses	414	369	5%	1,574	1,235	18%
Revenue	7,007	6,754	2%	27,568	24,635	8%

¹ Organic change is measured excluding the impact of currencies, acquisitions, disposals, and reclassifications. For revenue, the organic change has been adjusted for the number of working days.

Total revenue of permanent placements in the revenue categories 'Staffing', 'Inhouse', and 'Professionals', amounted to € 172 million in Q4 2022 (Q4 2021: € 155 million) and € 734 million in FY 2022 (FY 2021: € 542 million). Revenue of recruitment process outsourcing within Global businesses amounted to € 115 million in Q4 2022 (Q4 2021: € 91 million) and € 453 million in FY 2022 (FY 2021: € 253 million).

other information.

outlook

Q4 2022 revenue per working day increased by 2.4% YoY organically.

Macro economic environment softened across our markets in the fourth quarter, which translated into lower hiring activities from our clients. This trend has continued into the start of 2023. January revenue was modestly down YoY organically.

Although we remain cautious as visibility remains limited, Randstad is well positioned to respond quickly and effectively, through our diverse portfolio and high operational adaptability and flexibility.

Q1 2023 gross margin and operating expenses are both expected to be broadly in line sequentially.

There will be a positive 0.3 working day impact in Q1 2023.

total shareholder return proposal over 2022

Randstad believes the strength in our balance sheet and cash generative business model has created space for additional capital returns to our shareholders. We have carefully reviewed the options, to achieve a balance within the existing capital allocation framework and provide an attractive return for all shareholders, whilst allowing for flexibility in the current macro environment.

Based on our strong balance sheet at the year-end of 2022 with a net debt position of € 272 million (excluding lease liabilities), we are pleased to announce, subject to shareholder approval, a return of around € 921 million to our shareholders. This consists of a total regular dividend of around € 521 million and a share buyback program totalling around € 400 million.

We propose to pay a regular cash dividend per ordinary share of € 2.85. This equates to 50% of underlying adjusted net profit and in line with current policy of 40-50% payout ratio.

Randstad also aims to return additional capital to its shareholders and intends to buy back around € 400 million worth of ordinary shares over a period of 17 months, starting end of April 2023 until September 2024. Further details of the proposed share repurchase program will be announced in due course.

The ex-dividend date for the regular cash dividend will be March 30, 2023. The number of shares entitled to the regular dividend will be determined on March 31, 2023 (record date). The payment of the regular cash dividend will take place on April 4, 2023.

The proposed dividend payment on the preference B and C shares amounts to € 8.2 million in total and the payment will also take place on April 4, 2023.

committed bilateral term loan

In January 2023, Randstad secured a committed bilateral term loan of € 77 million, with a five-year tenor, maturing in January 2028. Randstad continues to pay floating interest rates, in line with our policy.

change of external auditor as of 2025

The Supervisory Board and Audit Committee initiated the selection process for the external auditor during 2022, because the maximum term of Deloitte, randstad's current external auditor, will expire by the end of 2024. This selection process has been finalized and PricewaterhouseCoopers Accountants NV (PwC) has been selected to become randstad's external auditor as of the financial year 2025. The formal appointment of PwC will be submitted for voting at randstad's next general meeting of shareholders.

other items

As announced on October 25, 2022, we offset the dilutive effect from our annual performance share plans for senior management through share buybacks. The share buy back program was finalized on November 23, 2022 with the maximum number of shares repurchased. In total, Randstad has repurchased 200,000 ordinary shares at an average price of € 52.6629 per share. The next allocation of shares will take place on February 14, 2023. Transaction details of the share buyback program are available on our website.

At the next Annual General Meeting of Shareholders on 28 March 2023, Barbara Borra and Rudy Provoost will step down from the Supervisory Board when their second term expires. The Supervisory Board proposes the following appointments to the Supervisory Board:

Cees 't Hart, who is CEO of Carlsberg Group since 2015. Prior to joining Carlsberg, he was CEO of Royal FrieslandCampina since 2008. Prior to which, he spent 25 years with Unilever. Cees 't Hart is Chairman of the Supervisory Board of KLM and member of the Supervisory board of Air France KLM.

Laurence Debroux, who has been member of the Executive Board and CFO of Heineken from 2015 until 2021. From 2010 until 2015, she was member of the Executive Board and CFO of JCDecaux. She is a member of the Board of Directors of Novo Nordisk, Exor and Solvay. She is also a board member of Kite Insights (the Climate School).

Jeroen Drost, who is CEO of SHV Holdings since 2016. Prior to joining SHV, he was CEO of NPM Capital from 2015 to 2016 and CEO of NIBC Bank NV from 2008 to 2014. He is a member of the Supervisory Board of Ebusco Holding BV. He is also a board member of the Confederation of Netherlands Industry and Employers and Stichting Joop Caldenborgh. Jeroen Drost is nominated as a member of the Supervisory Board by Randstad Beheer (the private shareholding company of Frits Goldschmeding, Randstad's founder and leading shareholder).

working days

	Q1	Q2	Q3	Q4
2023	63.5	62.2	63.8	62.1
2022	63.2	62.1	64.8	62.7
2021	62.4	62.2	65.1	63.9

financial calendar

Publication of fourth quarter and annual results 2022	February 14, 2023
Annual General Meeting of Shareholders	March 28, 2023
Ex-dividend date of regular dividend	March 30, 2023
Record date of regular dividend	March 31, 2023
Regular dividend ordinary shares available for payment	April 4, 2023
Publication of first quarter results 2023	April 25, 2023
Publication of second quarter results 2023	July 25, 2023
Publication of third quarter results 2022	October 24, 2023

analyst and press conference call

Today (February 14, 2023), at 09.00 AM CET, Randstad N.V. will be hosting an analyst conference call. The dial-in numbers are:

- International: +44 33 0551 0200
- Netherlands: +31 20 708 5073

To gain access to the conference please tap or state the password 'Randstad'

You can listen to the call through a real-time audio webcast. You can access the webcast and presentation at <https://www.randstad.com/results-and-reports/quarterly-results>. A replay of the presentation and the Q&A will be available on our website by the end of the day.

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disclaimer

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, changes in the business mix, changes in legislation (particularly in relation to employment, staffing and tax laws), the role of industry regulators, future currency and interest fluctuations, availability of credit on financially acceptable terms, the successful completion of company acquisitions and their subsequent integration, successful disposals of companies, the rate of technological developments, the impact of pandemics and our ability to identify other relevant risks and mitigate their impact. These prognoses therefore apply only on the date on which this document was compiled. The quarterly results as presented in this press release are unaudited.

randstad profile

Randstad is the world's largest talent company and a partner of choice to clients. We are committed to providing equitable opportunities to people from all backgrounds and help them remain relevant in the rapidly changing world of work. We have a deep understanding of the labor market and help our clients to create the high-quality, diverse and agile workforces they need to succeed. Our 46,000 employees around the world make a positive impact on society by helping people to realize their true potential throughout their working life.

Randstad was founded in 1960 and is headquartered in Diemen, the Netherlands. In 2022, in our 39 markets, we helped more than 2 million people find a job that feels good and advised over 230,000 clients on their talent needs. We generated revenue of €27.6 billion. Randstad N.V. is listed on the Euronext Amsterdam. For more information, see www.randstad.com.

interim

financial
statements.



Q4 2022.

actuals

consolidated income statement

in millions of €, unless otherwise indicated

	Q4 2022	Q4 2021	FY 2022	FY 2021
Revenue	7,007	6,754	27,568	24,635
Cost of services	5,551	5,350	21,817	19,739
Gross profit	1,456	1,404	5,751	4,896
Selling expenses	769	706	3,106	2,556
General and administrative expenses	391	374	1,481	1,289
Other income	-	-	-	(35)
Operating expenses	1,160	1,080	4,587	3,810
Amortization and impairment of acquisition-related intangible assets and goodwill	11	15	27	53
Total operating expenses	1,171	1,095	4,614	3,863
Operating profit	285	309	1,137	1,033
Net finance costs	(12)	(5)	(12)	(16)
Share of profit of associates	-	-	1	1
Income before taxes	273	304	1,126	1,018
Taxes on income	21	(64)	(197)	(250)
Net income	294	240	929	768
Net income attributable to:				
Holders of ordinary shares Randstad N.V.	292	238	921	760
Holders of preference shares Randstad N.V.	2	2	8	8
Equity holders	294	240	929	768
Non-controlling interests	-	-	-	-
Net Income	294	240	929	768
Earnings per share attributable to the holders of ordinary shares of Randstad N.V. (in € per share):				
Basic earnings per share	1.60	1.30	5.04	4.13
Diluted earnings per share	1.59	1.29	5.02	4.10
Diluted earnings per share before amortization and impairment of acquisition-related intangible assets and goodwill, integration costs and one-offs	1.93	1.39	5.67	4.35

information by geographical area and revenue category

revenue by geographical area

in millions of €	Q4 2022	Q4 2021	FY 2022	FY 2021
North America	1,370	1,299	5,497	4,560
France	987	957	3,917	3,625
Netherlands	908	917	3,534	3,421
Italy	560	559	2,231	1,979
Germany	519	503	2,014	1,895
Belgium & Luxembourg	415	423	1,684	1,605
Iberia	399	413	1,625	1,504
Other European countries	661	633	2,536	2,345
Rest of the world	785	691	2,998	2,507
Global Businesses	417	373	1,588	1,248
Elimination of intersegment revenue	(14)	(14)	(56)	(54)
Revenue	7,007	6,754	27,568	24,635

EBITA by geographical area

in millions of €	Q4 2022	Q4 2021	FY 2022	FY 2021
North America	82	77	338	230
France	55	63	198	196
Netherlands	55	60	213	233
Italy	45	36	161	119
Germany	2	32	37	57
Belgium & Luxembourg	16	27	72	89
Iberia	25	24	93	83
Other European countries	21	19	83	68
Rest of the world	25	28	128	119
Global Businesses	5	7	13	19
Corporate	(35)	(49)	(172)	(127)
EBITA¹	296	324	1,164	1,086

1 Operating profit before amortization and impairment of acquisition-related intangible assets and goodwill

revenue by revenue category

in millions of €	Q4 2022	Q4 2021	FY 2022	FY 2021
Staffing	3,166	3,262	12,890	12,247
Inhouse	1,763	1,676	6,811	5,942
Professionals	1,675	1,457	6,335	5,252
Global businesses	417	373	1,588	1,248
Elimination of intersegment revenue	(14)	(14)	(56)	(54)
Revenue	7,007	6,754	27,568	24,635

Total revenue of permanent placements in the revenue categories 'Staffing', 'Inhouse', and 'Professionals', amounted to € 172 million in Q4 2022 (Q4 2021: € 155 million) and € 734 million in FY 2022 (FY 2021: € 542 million). Revenue of recruitment process outsourcing within Global businesses amounted to € 115 million in Q4 2022 (Q4 2021: € 91 million) and € 453 million in FY 2022 (FY 2021: € 253 million).

consolidated balance sheet

in millions of €	december 31, 2022	december 31, 2021
assets		
Property, plant and equipment	153	151
Right-of-use assets	524	507
Intangible assets	3,397	3,200
Deferred income tax assets	633	619
Financial assets and associates	184	195
Non-current assets	4,891	4,672
Trade and other receivables	5,828	5,432
Income tax receivables	116	77
Cash and cash equivalents	274	859
Current assets	6,218	6,368
Total assets	11,109	11,040
equity and liabilities		
Issued capital	26	26
Share premium	2,330	2,323
Reserves	2,558	2,552
Shareholders' equity	4,914	4,901
Non-controlling interests	1	1
Total equity	4,915	4,902
Borrowings (including lease liabilities)	889	1,071
Deferred income tax liabilities	52	18
Provisions and employee benefit obligations	219	256
Other liabilities	7	-
Non-current liabilities	1,167	1,345
Borrowings (including lease liabilities)	255	203
Trade and other payables	4,576	4,426
Income tax liabilities	78	63
Provisions and employee benefit obligations	118	97
Other liabilities	-	4
Current liabilities	5,027	4,793
Total liabilities	6,194	6,138
Total equity and liabilities	11,109	11,040

consolidated statement of cash flows

in millions of €	Q4 2022	Q4 2021	FY 2022	FY 2021
Operating profit	285	309	1,137	1,033
Amortization and impairment of acquisition-related intangible assets and goodwill	11	15	27	53
EBITA	296	324	1,164	1,086
Depreciation, amortization and impairment of property, plant, equipment, right-of-use assets, and software	80	99	303	326
EBITDA	376	423	1,467	1,412
Provisions and employee benefit obligations	10	(10)	28	(19)
Share-based compensations	13	11	49	44
Gain on disposal of subsidiaries and associates	-	1	-	(34)
CICE	-	-	-	8
Other items	8	(2)	3	(3)
Cash flow from operations before operating working capital and income taxes	407	423	1,547	1,408
Operating working capital assets	(30)	(410)	(324)	(906)
Operating working capital liabilities	46	304	111	616
Operating working capital	16	(106)	(213)	(290)
Income taxes	(41)	(43)	(261)	(204)
Net cash flow from operating activities	382	274	1,073	914
Net additions in property, plant and equipment, and software	(33)	(12)	(122)	(128)
Acquisition of subsidiaries, associates and equity investments	26	(21)	(171)	(133)
Disposal of subsidiaries, associates and equity investments	2	1	4	54
Loans and receivables	(2)	-	(2)	-
Dividend from associates	1	-	1	-
Net cash flow from investing activities	(6)	(32)	(290)	(207)
Net purchase of own ordinary shares	(10)	(54)	(81)	(54)
Drawings on non-current borrowings	400	544	766	664
Repayments of non-current borrowings	(200)	-	(970)	-
Net drawing/(repayment) current borrowings	(54)	(218)	58	(125)
Repayments of lease liabilities	(53)	(51)	(210)	(196)
Net financing	83	221	(437)	289
Net finance costs paid	(4)	(3)	(15)	(7)
Dividends	(514)	(298)	(922)	(604)
Net reimbursement to financiers	(518)	(301)	(937)	(611)
Net cash flow from financing activities	(435)	(80)	(1,374)	(322)
Net decrease in cash, and cash equivalents	(59)	162	(591)	385
Cash, and cash equivalents at beginning of period	356	699	859	474
Net movement	(59)	162	(591)	385
Translation and currency gains	(23)	(2)	6	-
Cash, and cash equivalents at end of period	274	859	274	859
Free cash flow	294	211	739	590

consolidated statement of changes in total equity and consolidated statement of total comprehensive income

in millions of €	October 1 - December 31		January 1 - December 31	
	2022	2021	2022	2021
Begin of period				
Shareholders' equity	4,724	4,662	4,901	4,668
Non-controlling interests	1	1	1	1
Total equity	4,725	4,663	4,902	4,669
Net income for the period, equity shareholders	294	240	929	768
Non-controlling interest	-	-	-	-
Net income for the period	294	240	929	768
Items that subsequently may be reclassified to the income statement	(142)	36	7	73
Items that will never be reclassified to the income statement	35	6	27	5
Total other comprehensive income, net of taxes	(107)	42	34	78
Total comprehensive income	187	282	963	846
Dividend on ordinary shares	-	-	(914)	(596)
Dividend on preference shares	-	-	(8)	(8)
Share-based compensations	13	11	49	44
Tax on share-based compensations	-	-	4	1
Net purchase of ordinary shares	(10)	(54)	(81)	(54)
Total other changes in period	3	(43)	(950)	(613)
End of period	4,915	4,902	4,915	4,902
Shareholder's equity	4,914	4,901	4,914	4,901
Non-controlling interests ¹	1	1	1	1
Total equity	4,915	4,902	4,915	4,902

1 Changes in 'Non-controlling interests', are negligible for all periods.

notes to the consolidated interim financial statements

reporting entity

Randstad N.V. is a public limited liability company incorporated and domiciled in the Netherlands and listed on Euronext Amsterdam.

The consolidated interim financial statements of Randstad N.V. as at and for the three and twelve month period ended December 31, 2022 include the company and its subsidiaries (together called 'the Group').

significant accounting policies

These consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards and its interpretations issued by the International Accounting Standards Board (IASB), as adopted by the European Union (hereinafter: IFRS).

The accounting policies applied by the Group in these consolidated interim financial statements are unchanged from those applied by the Group in its consolidated financial statements as at and for the year ended December 31, 2021.

basis of presentation

These consolidated interim financial statements have been condensed and prepared in accordance with (IFRS) IAS 34 'Interim Financial Reporting'; they do not include all the information required for full (i.e., annual) financial statements, and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended December 31, 2021.

The consolidated financial statements of the Group as at and for the year ended December 31, 2022 are available upon request at the Company's office or on www.randstad.com.

estimates

The preparation of consolidated interim financial statements requires the Group to make certain judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

In preparing these consolidated interim financial statements, the significant judgments, estimates, and assumptions are the same as those applied to the consolidated financial statements as at and for the year ended December 31, 2021.

covid-19

The impact of the global outbreak of COVID-19 on our business has so far been fairly limited in 2022 (and 2021). We continue to monitor and address the impacts of the COVID-19 outbreak although we currently expect limited impact on our business going forward. However, we cannot predict with certainty what these impacts will be for the next quarters.

conflict in Ukraine

We closely follow the geopolitical developments in Eastern Europe. In addition to the human toll, we recognize that rising inflation, rising energy prices, and supply-chain disruptions are signs indicating that this war is affecting the global economy.

So far, the impact of the consequences of the war on our results has been fairly limited. Looking ahead, there continues to be a high degree of global macroeconomic and geopolitical uncertainty. We are continuously monitoring the situation, with the aim to respond as quickly and effectively as possible to the changing circumstances.

seasonality

The Group's activities are affected by seasonal patterns. The volume of transactions throughout the year fluctuates per quarter, depending on demand as well as on variations in items such as the number of working days, public holidays and holiday periods. The Group usually generates its strongest revenue and profits in the second half of the year, while the cash flow in the second quarter is usually negative due to the timing of payments of dividend and holiday allowances; cash flow tends to be strongest in the second half of the year.

effective tax rate

The effective tax rate for the twelve month period ended December 31, 2022 is 17.5% (FY 2021: 24.6%).

The FY 2022 effective tax rate was influenced by an exceptional tax benefit in Q4 2022 (€ 97 million), relating to the re-assessment of the valuation of our tax loss carry forward position in Luxembourg.

Reconciliation from applicable to effective tax rate

	2022	2021
Income tax rate of the company's country of domicile	25.8%	25.0%
Effect of income tax rates in other (non-domestic) jurisdictions	(1.7%)	(0.9%)
Weighted average applicable tax rate	24.1%	24.1%
Tax-exempt income/non-tax-deductible items	0.9%	1.1%
Changes in statutory applicable tax rates and effect of prior years	(0.8%)	(0.1%)
Change in valuation of deferred tax assets and other	(6.7%)	(0.5%)
Effective tax rate	17.5%	24.6%

acquisition and disposal of group companies, equity investments and associates

Assets and liabilities arising from acquisitions in 2022

in millions of €, unless otherwise indicated	finite group	other	FY 2022	FY 2021
Property, plant & equipment and software	-	-	-	1
Right of use assets	3	-	3	4
Acquisition-related intangible assets	97	37	134	39
Deferred tax assets	1	2	3	1
Total non-current assets	101	39	140	45
Working capital	11	(6)	5	(1)
Lease liabilities	3	-	3	7
Provisions and employee benefit obligations	-	-	-	6
Deferred income tax liabilities	36	10	46	12
Total non-current liabilities	39	10	49	25
Net assets acquired	73	23	96	19
Goodwill	55	14	69	91
Total consideration	128	37	165	110

Reconciliation of amount of acquisition of subsidiaries in CF statement

in millions of €, unless otherwise indicated	finite group	other	FY 2022	FY 2021
Total consideration	128	37	165	110
Net debt of subsidiaries acquired	12	-3	9	16
Consideration paid, adjusted for net cash acquired	140	34	174	126
Deferred compensation on acquisitions	-	(9)	(9)	(2)
Consideration paid in respect of acquisitions in preceding years	-	5	5	2
Acquisition of subsidiaries, statement of cash flows	140	30	170	126

In the quarter, we corrected the previously reported cash outflow by € 28 million. This related to an adjustment made to our provisional purchase price allocation for the Finite Group in Australia & New Zealand. The provisional purchase price allocation resulted in € 55 million of goodwill and € 97 million of acquisition related intangibles. In the quarter, we had a cash outflow of € 2 million relating to the payment of deferred payments.

In the quarter, we finalized the purchase price allocation for our acquisition of Hudson Benelux.

In FY 2022, we had a net cash outflow of € 1 million in relation to disposals of Group companies during the year (FY 2021: net cash outflow of € 5 million).

In Q4 2022, we had no disposal of Group companies (Q4 2021: € 1 million).

In the quarter, we also had a net cash inflow of € 2 million in relation to the disposals of equity investments (Q4 2021: cash outflow of € 2 million).

shareholders' equity

Issued number of ordinary shares	2022	2021
January 1	183,959,312	183,303,552
Share-based compensations	-	655,760
Dec 31	183,959,312	183,959,312

As at December 31, 2022, the Group held 1,294,504 treasury shares (December 31, 2021: 907,723). The average number of (diluted) ordinary shares outstanding has been adjusted for these treasury shares.

As at December 31 2022, December 31 2021 and September 30, 2021 the number of issued preference shares was 25,200,000 (type B) and 50,130,352 (type C).

earnings per share

in millions of €, unless otherwise indicated	Q4 2022	Q4 2021	FY 2022	FY 2021
Net income for holders of preference and ordinary shares	294	240	929	768
Net income attributable to holders of preference shares	(2)	(2)	(8)	(8)
Net income attributable to holders of ordinary shares	292	238	921	760
Amortization of intangible assets ¹	11	15	27	53
Integration costs and one-offs ²	68	11	130	9
Tax effect on amortization, integration costs, and one-offs	(17)	(6)	(37)	(16)
Adjusted net income for holders of ordinary shares	354	258	1,041	806
Average number of ordinary shares outstanding	182.8	183.6	182.8	183.8
Average number of diluted ordinary shares outstanding	183.7	185.0	183.5	185.2
Earnings per share attributable to the holders of ordinary shares of Randstad N.V. (in € per share):				
Basic earnings per share	1.60	1.30	5.04	4.13
Diluted earnings per share	1.59	1.29	5.02	4.10
Basis earnings per share, underlying ³	n.a.	n.a.	5.69	4.39
Diluted earnings per share before amortization and impairment of acquisition-related intangible assets and goodwill, integration costs, and one-offs ⁴	1.93	1.39	5.67	4.35

1 Amortization and impairment of acquisition-related intangible assets and goodwill.

2 FY2021 includes the one-off book profit of €35 million from the disposal of Alma Career Oy and a gain of €25 million relating to a waiver of an accident insurance payment holiday in in Germany.

3 Based on net income, adjusted for the net effect of amortization and impairment of acquisition-related intangible assets and goodwill, integration costs, acquisition-related costs, and one-offs.

4 Diluted EPS underlying

net debt position

Net debt including lease liabilities at December 31, 2022 amounted to € 870 million, and was € 355 million higher compared to December 31, 2021 (€ 415 million). The net debt position excluding lease liabilities as at December 31, 2022 was € 272 million compared to the net cash position as at December 31, 2021 (€ 179 million). Dividend of € 514 million was paid on October 4th, 2022.

breakdown of operating expenses

in millions of €	Q4 2022	Q4 2021	FY 2022	FY 2021
Personnel expenses	891	791	3,465	2,835
Other operating expenses	269	289	1,122	1,010
Other income	-	-	-	-35
Operating expenses	1,160	1,080	4,587	3,810

depreciation, amortization, impairment of property, plant, equipment, right-of-use assets and software

in millions of €	Q4 2022	Q4 2021	FY 2022	FY 2021
Depreciation and impairment of property, plant and equipment	14	14	56	53
Amortization and impairment of software	21	36	65	81
Depreciation and amortization of software	35	50	121	134
Depreciation and impairment of right-of-use assets	45	49	182	192
Total	80	99	303	326

net additions to property, plant, equipment and software, statement of cash flows

in millions of €	Q4 2022	Q4 2021	FY 2022	FY 2021
Additions				
Property, plant and equipment & Software	(33)	(13)	(129)	(132)
	(33)	(13)	(129)	(132)
Disposals				
Proceeds property, plant and equipment	-	1	6	3
(Profit)/Loss	-	-	1	1
	-	1	7	4
Statement of cash flows	(33)	(12)	(122)	(128)

total comprehensive income

Apart from net income for the period, total comprehensive income comprises translation differences and related tax effects that subsequently may be reclassified to the income statement in a future reporting period, and, if any, fair value adjustments of equity investments and remeasurements of post-employment benefits (including tax effects), that will never be reclassified to the income statement.

related-party transactions

There are no material changes in the nature, scope, and (relative) scale in this reporting period compared to last year. More information is included in notes 28, 29 and 30 to the consolidated financial statements as at and for the year ended December 31, 2021.

commitments

The commitments at December 31, 2022 amounted to € 579 million, and were € 235 million higher compared to December 31, 2021 (€ 344 million). The increase in commitments is due to the renewal of IT contracts.

events after balance sheet date

The Group secured a committed bilateral term loan of € 77 million, with a five-year tenor, maturing in January 2028. Randstad continues to pay floating interest rates. It is our policy to use floating interest rates as a natural hedge against development in our operational results.