

1st quarter results 2011

strong start of the year; revenue up 22% and EBITA up 44%

Robert-Jan van de Kraats, CFO

Randstad Holding nv
April 28, 2011



disclaimer & definitions

Certain statements in this document comprise forecasts on Randstad Holding's future financial condition and results from operations and certain plans and goals. By their nature, such forecasts generate risk and uncertainty because they concern events in the future and depend on circumstances which then apply. Any number of factors can cause actual results and developments to deviate from those expressed in the forecasts stated here. Such factors can be, but are not limited to, general economic conditions, scarcity on the employment market, the variation in the demand for (flexible) personnel, changes in employment legislation, future currency exchange rates and interest rates, future corporate mergers, acquisitions and divestments and the speed of technical change. The forecasts speak only as at the date of this document. Quarterly figures and underlying figures are unaudited.

EBITA: operating profit before amortization and impairment acquisition-related intangible assets and goodwill

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

agenda

- performance
- financial results & outlook
- Q&A

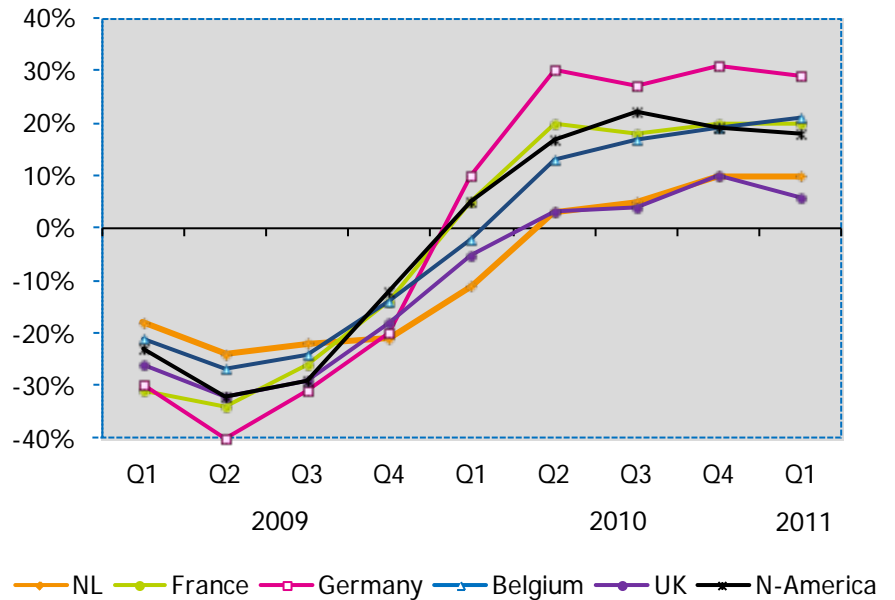
performance

strong market trends persist

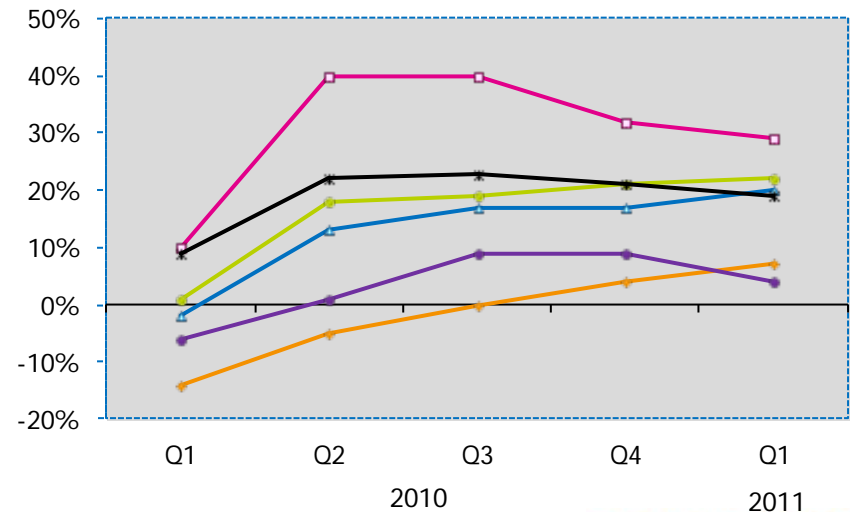
- market growth on average strong, despite more difficult comparables
- continued high growth in industrial segments
- public sector segment NL & UK challenging
- administrative segment gradually strengthening
- Randstad NL back at market

* organic growth

quarterly market growth (YoY)



quarterly Randstad growth* (YoY)



Q1 2011: strong start of the year

- revenue amounted to € 3,700 million (+15% YoY organically per wd)
 - organic growth per working day reached 15% in March
 - inhouse still very strong at +41% vs. +51% in previous quarter
 - growth in staffing up to +16% vs. +15% in Q4 2010
 - professionals from +4% to +6% sequentially
 - perm fees up 15% organically vs. +20% in previous quarter
- gross margin from 18.9% to 18.1% YoY
 - impact change French subsidy system was 0.2% on group level
 - mix effect due to strong growth inhouse vs. slower growth professionals
 - some price pressure still apparent in some regions
 - growth perm fees no impact on mix
- productivity (GP/FTE) up 7% due to continued use of overcapacity
- operating expenses sequentially down 2% to € 562 million
 - in line with gross profit development
 - less marketing expenses than anticipated

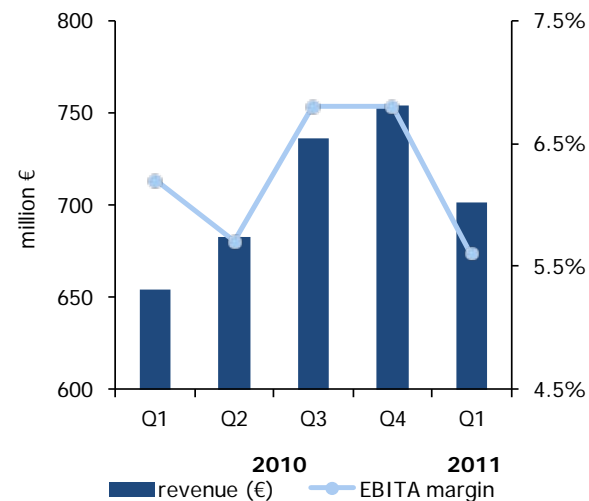
Q1 2011: strong start of the year (continued)

- EBITA reached € 109 million vs. € 75 million in Q1 2010
 - EBITA margin amounted to 2.9% vs. 2.5% in Q1 2010
- developments regarding earthquake/tsunami in Japan:
 - all our internal staff were safe, one flexworker unaccounted for
 - all outlets have been reopened quickly
 - impact up to € 5 million expected in Q2
 - recovery expected in second half of 2011
 - temporary capacity reduction at some European and US automotive clients in Q1
 - total financial impact on group level in Q1 was not material
- launch organic growth accelerator plan professionals

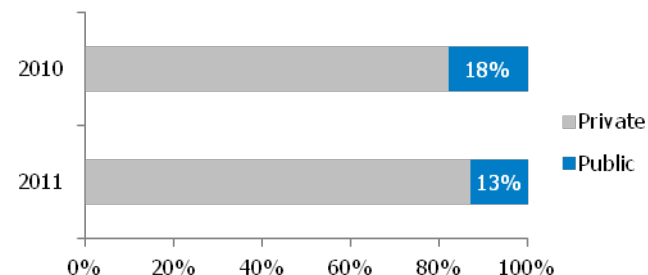
the Netherlands: Randstad back at market

- organic revenue 7% (Q4: +4%)
 - Randstad back at market in a competitive environment
 - Tempo-Team somewhat behind
 - revenue decline at Yacht stable at single digit rate
- exposure public sector significant
 - overall decline of 19% vs. Q1 2010
 - largest impact at Tempo-Team and Yacht
- EBITA margin 5.6% versus 6.2% LY
 - change in mix: inhouse - professionals
 - pricing large contracts and cost price increases

revenue & EBITA margin



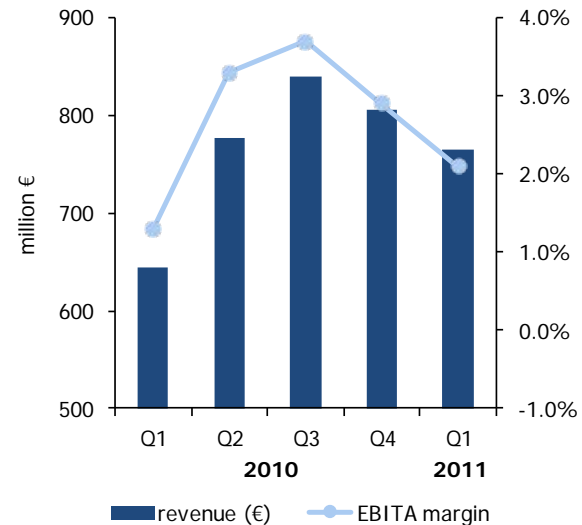
private – public sector



France: continued outperformance

- organic revenue +22% in Q1 2011 (Q4: +21%)
 - outperforming the market
 - growth broad based; manufacturing main driver
 - permanent placement up 25% (YoY) vs. 18% in Q4 2010
 - growth professionals segment strengthened
 - ongoing increase new clients & transfers within inhouse
- change French low wage subsidy system
 - impact in line with expectations
 - gradually passing on to clients, negotiations ongoing
- EBITA margin 2.1% versus 1.3% LY
 - inhouse transfers improve operating leverage
 - more focus on specialties and SME in branches
 - stronger performance professionals

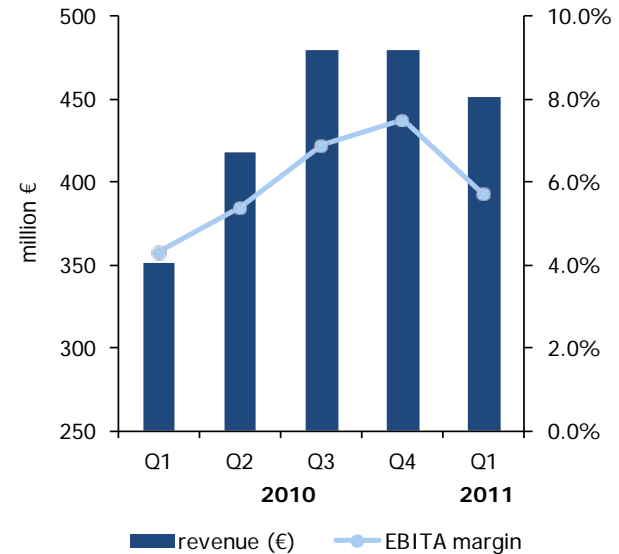
revenue & EBITA margin



Germany: strong performance

- organic revenue +29% in Q1 2011 (Q4: +32%)
 - continued strong growth trend despite tougher comparables (Q1 2010: +10%)
 - performance in line with staffing market
 - more favorable mix in Randstad & Tempo-Team
- improved performance professionals
 - strong growth in IT
 - improvement in profitability
- EBITA margin up to 5.7% (vs. 4.3% LY)
 - strong operating leverage
 - ongoing marketing campaigns to support growth
- Randstad and Tempo-Team apply BZA CLA
 - no exposure to CLA court case (Christian CLA no longer allowed)
- continued focus on sector image and regulation

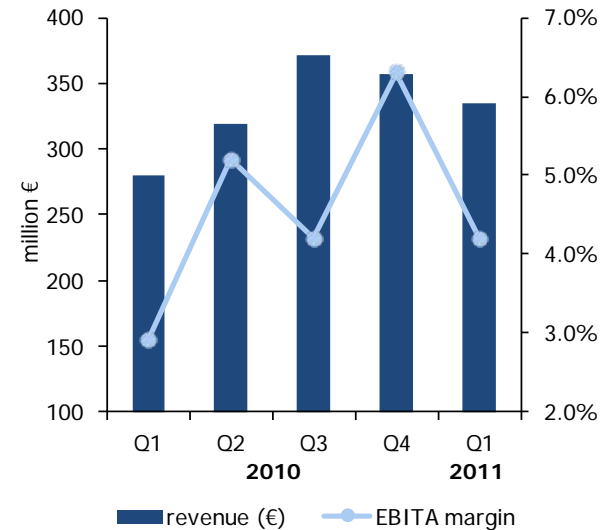
revenue & EBITA margin



Belgium: solid performance

- organic revenue +20% in Q1 2011 (Q4: +17%)
 - outperformance of staffing market
 - industrial segment main driver
 - administrative segment strengthening
- EBITA margin to 4.2% vs. 2.9% LY
 - strong incremental conversion
 - pricing large contracts and cost price increases

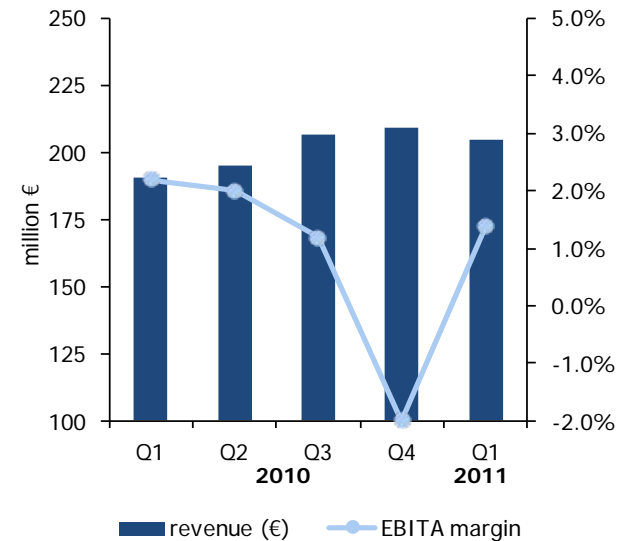
revenue & EBITA margin



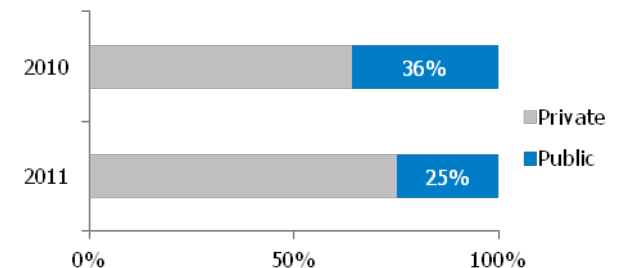
UK: mixed picture

- organic revenue +4% in Q1 2011 (Q4: +9%)
 - private sector +22% vs. public sector -27%
 - healthcare, education & staffing affected by reduction public sector spending
- inhouse continued to gain market share
 - strong growth, tougher comparables
- professionals strong growth in private sector
 - especially in Engineering, Finance, ICT, Media and HR
- perm fees up +7% (YoY) vs. +5% in Q4
 - strong performance, despite public sector exposure
- EBITA margin to 1.4% vs. 2.2% LY
 - integration back offices progressing well

revenue & EBITA margin



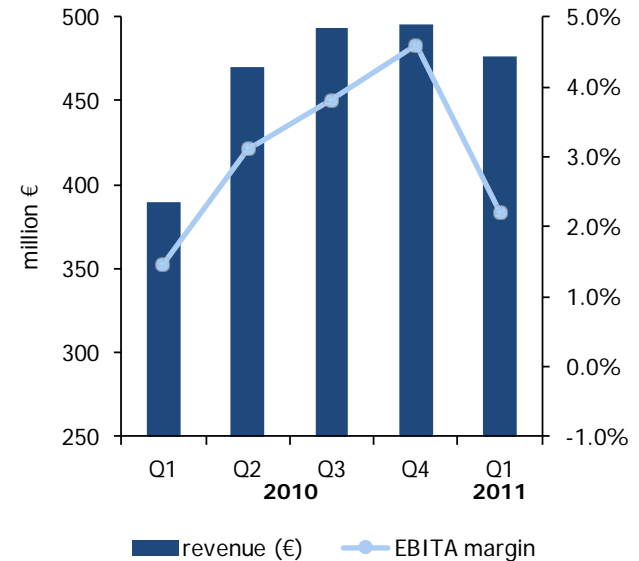
private – public sector



North America: fifth consecutive quarter growth

- organic revenue +19% in Q1 2011 (Q4: +21%)
 - US grew in line with market
 - Canada outperformed in staffing and professionals
- US staffing remained strong at +21%
 - improved mix: administrative segment and perm
- US professionals +16%
 - IT & engineering still main drivers
 - US managed services continued strong growth
 - Finance & Accounting challenging
- EBITA margin 2.2% vs. 1.5% LY
 - productivity improvements
 - continued strong operating leverage

revenue & EBITA margin



segment performance

Staffing in € million	Q1 2011	Q1 2010*	% organic
revenue	2,400.1	2,004.9	16%
EBITA	74.8	49.4	49%
<i>EBITA margin</i>	<i>3.1%</i>	<i>2.5%</i>	



- driven by industrial clients
- predominantly led by early movers
- administrative segments strengthen
- strong leverage

Inhouse in € million	Q1 2011	Q1 2010	% organic
revenue	594.3	380.2	41%
EBITA	19.6	11.5	57%
<i>EBITA margin</i>	<i>3.3%</i>	<i>3.0%</i>	



- continued strong growth
- partly driven by transfers from former Vedior network
- improved profitability across all countries

Professionals in € million	Q1 2011	Q1 2010*	% organic
revenue	705.6	653.9	6%
EBITA	26.3	24.9	4%
<i>EBITA margin</i>	<i>3.7%</i>	<i>3.8%</i>	



- late cyclical segment
- mainly led by engineering & IT
- down in NL and UK due to significant government exposure

* Q1 2010 restated for transfers between staffing and professionals

revenue development per industry segment

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

professionals organic growth accelerator

rebranding

- rebranding campaign launched in several countries in 2010
- around 70% of professionals business under Randstad brand after rebranding in US
- Randstad “look and feel” implemented in all remaining brands

professionals concept

- best practices for our service offerings in professionals segment defined in 2010
- professionals concept described for all business lines
- concept tested internally and validated
- implementation in existing businesses



launch of “professionals organic growth accelerator plan”

- further strengthen a leading position in countries and segments
- aim to accelerate growth in next 2 years
- gradually adding 10% of staff according to field steering model

financial results & outlook

Q1 2011: financial key points

- EBITA up 44% to € 109 million
- effective tax rate* amounted to 31%
 - in line with guidance for 2011 between 29-32%
- diluted EPS* up 36% to € 0.38 vs € 0.28 in Q1 2010
- moving average DSO improved by 2.5 days to 54 days (YoY) and by 0.5 day compared to previous quarter
- free cash flow in Q1 2011 € 130 million vs. € 39 million in Q1 2010
 - underlying improvement based on lower DSO and higher operating result
- net debt amounted to € 747 million in Q1 2011 vs. € 996 million LY
 - leverage ratio at the end of Q1 2011 is 1.2 (vs. 1.5 in Q4 2010)

* before amortization and impairment of acquisition-related intangible assets and goodwill

income statement Q1 2011

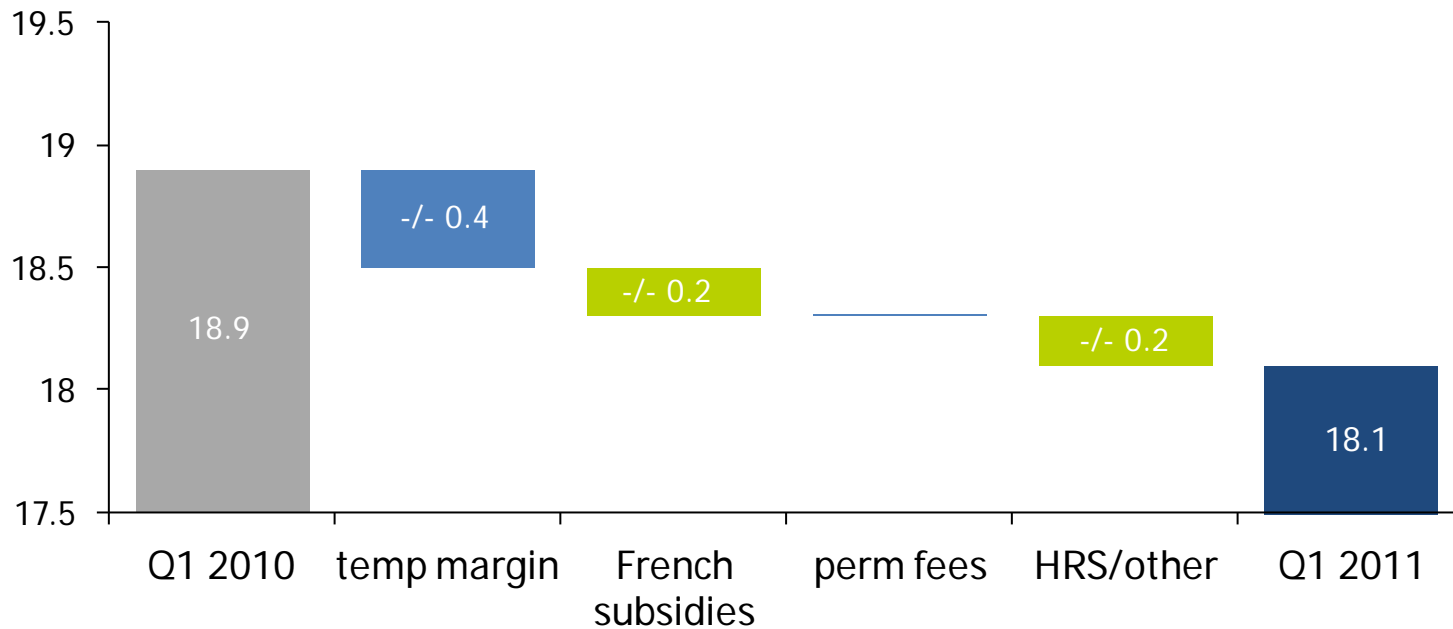
€ million	Q1 2011	Q1 2010	% change	% organic
revenue	3,700	3,039	22%	17%
gross profit	671	575	17%	12%
<i>gross margin</i>	<i>18.1%</i>	<i>18.9%</i>		
operating expenses	562	500	12%	8%
<i>opex as % of revenue</i>	<i>15.2%</i>	<i>16.4%</i>		
underlying EBITA	109	75	44%	40%
<i>underlying EBITA margin</i>	<i>2.9%</i>	<i>2.5%</i>		
reported EBITA	109	75		
amortization	-/- 41	-/- 40		
net finance costs	-/- 11	-/- 6		
income before taxes	57	30		
tax	-/- 17	-/- 8		
net income	40	22		
adjusted net income* **	66	48		
diluted EPS*	0.38	0.28		

* before amortization and impairment acquisition-related intangible assets and goodwill

** attributable to holders of ordinary shares

gross margin Q1 2011

gross margin development



- some price pressure on temp margins in some regions
- mix shift due to strong inhouse growth – slower growth professionals
- impact change French subsidy system was 0.2%
- perm fees increased by 15% organically (YoY)
 - perm fees are now 9.6% of gross profit (vs. 9.2% Q1 2010)
- mix shift to lower margin business within HRS

drivers effective tax rate

effective tax rate* was up to 31% in line with guidance (vs. 29% in 2010)

- 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

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 € 131 m. (Dutch tax)			+	ultimately 2012
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)

selected balance sheet items

€ million	March 31, 2011	March 31, 2010
trade and other receivables	2,701	2,308
trade and other payables	-/-2,185	-/-1,843
operating working capital*	516	465
cash & cash equivalents	280	392
current borrowings	-/-95	-/-121
non-current borrowings	-/-931	-/- 1,267
net debt	-/-747	-/-996

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

consolidated cash flow statement

€ million	Q1 2011	Q1 2010
cash flow from operations before OWC	147	108
usage of OWC	-/- 2	-/- 57
additions of PPE and software	-/- 17	-/- 12
financial receivables	-	-
disposals of PPE	2	1
free cash flow	130	39

€ million	Q1 2011
free cash flow	130
net (acquisition)/ disposals	-/- 7
issue ordinary shares	15
net finance cost paid	-/- 9
dividend	-
translation & other on net debt	23
net debt reduction	152
Q4 2010 → Q1 2011	

outlook

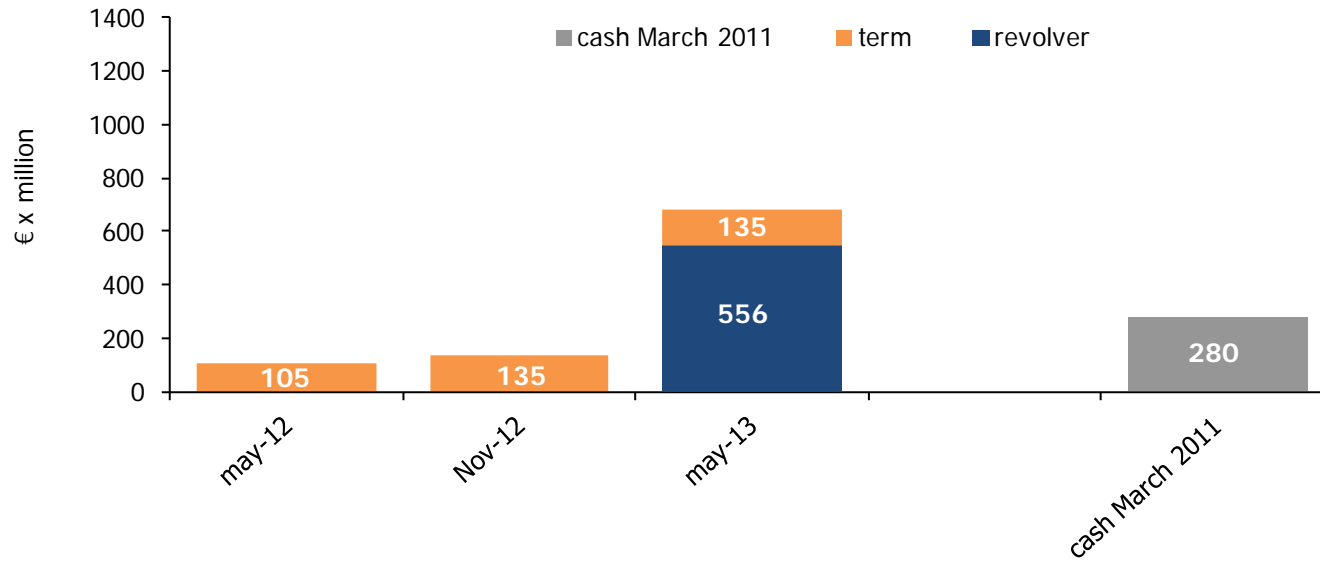
- organic growth per working day was 15% in March
- trends continued into April
- comparison base more challenging in Q2
(organic growth p/wd: April – June 2010 → $\Delta + 4\%$)
- continued focus on field steering
- dividend payment of € 209 million in April

Q&A

appendices

debt facilities & repayment schedule

repayment schedule (excluding current borrowings)

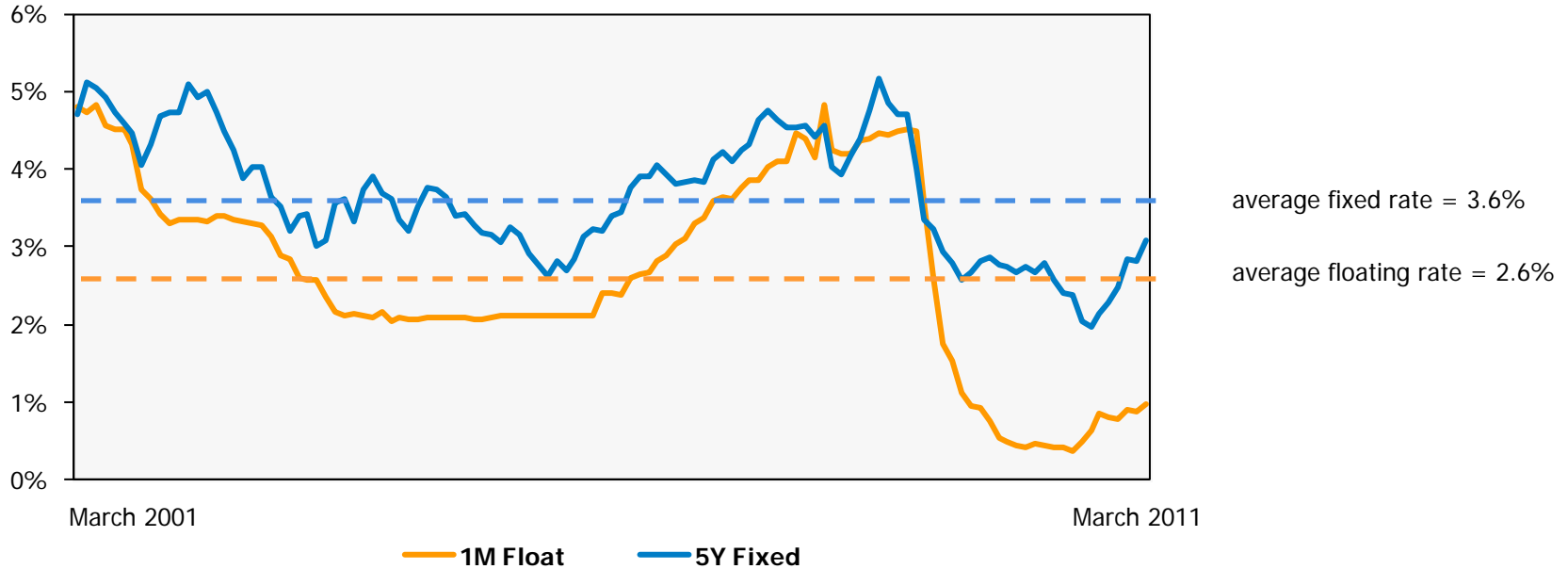


- covenant; net debt/EBITDA* of max. 3.5
 - at the end of Q1 2011 the net debt/EBITDA ratio was 1.2
- syndicated facility amounts to € 1,995 million

* EBITDA; 12 months rolling back, before one-offs

financing: fixed vs. floating interest rates

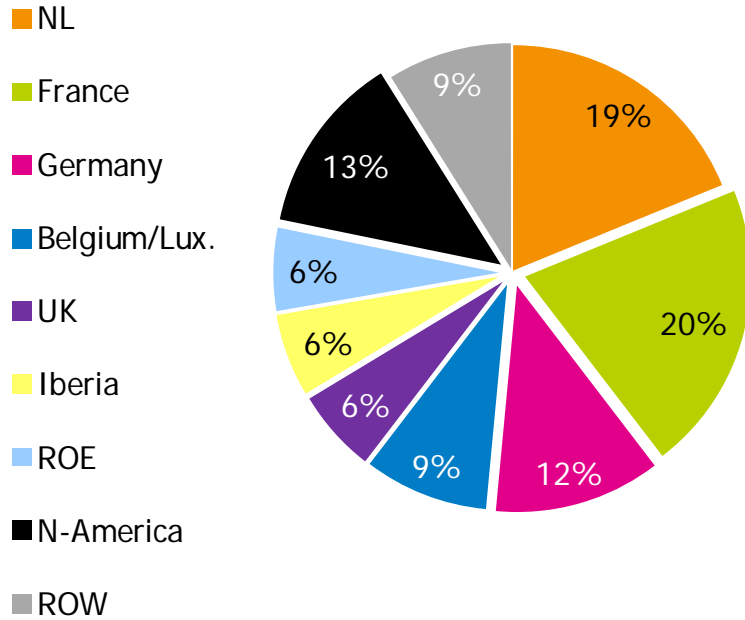
10 year historical interest rates comparison 1M vs 5Y



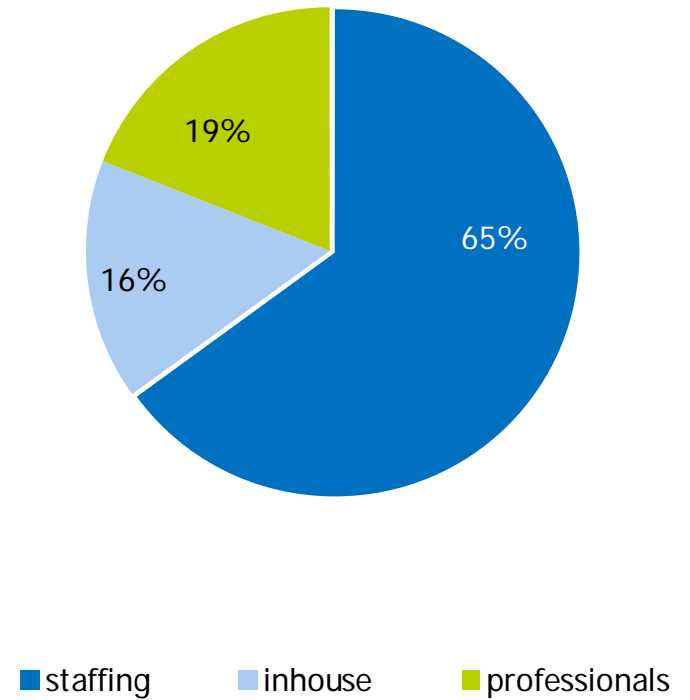
- we use floating interest rates as a natural hedge
 - spread above Euribor of 50-115 bps

revenue split Q1 2011

geographical area

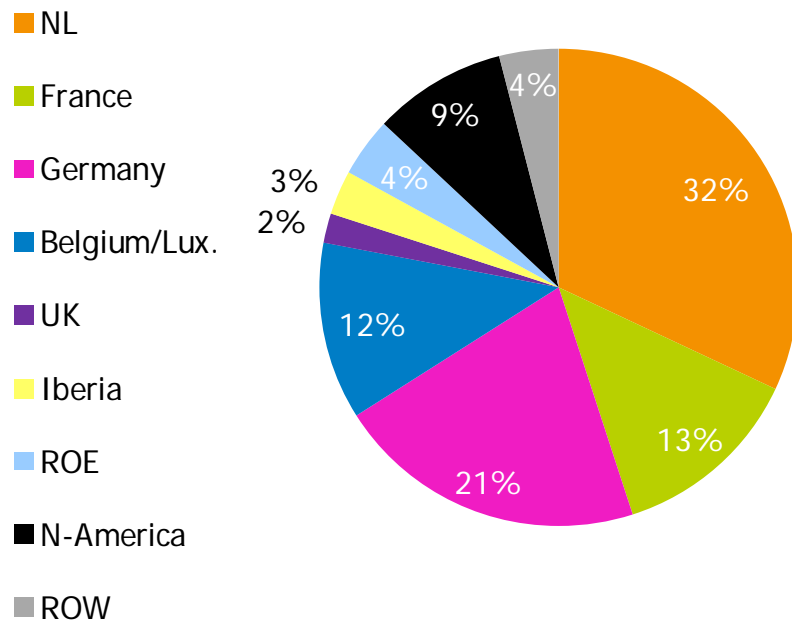


sectors

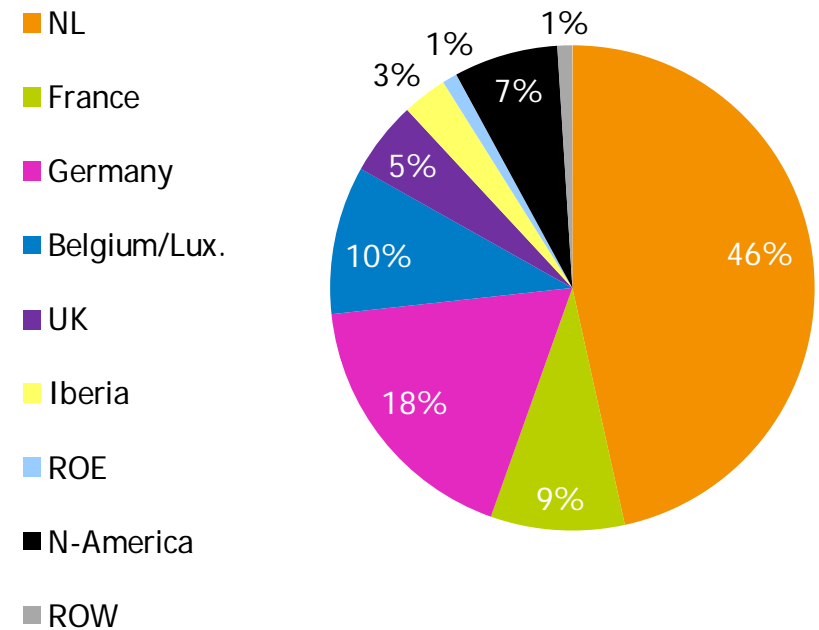


EBITA breakdown by geography spread significantly improved

Q1 2011



Q1 2010



outlets* by country

end of period	Q1 2011	Q4 2010	Q3 2010	Q2 2010	Q1 2010
the Netherlands	746	733	739	725	726
France	896	905	896	928	966
Germany	516	503	475	450	433
Belgium/Lux	367	374	387	388	392
United Kingdom	278	289	297	300	289
Iberia	268	257	266	264	261
Other Europe	322	316	351	346	340
North America	487	500	486	476	477
Rest of world	305	318	218	220	229
total	4,185	4,195	4,115	4,097	4,113

* branches and inhouse locations

corporate employees by country

average	Q1 2011	Q4 2010	Q3 2010	Q2 2010	Q1 2010
the Netherlands	5,190	5,280	5,300	5,210	5,260
France	3,870	3,920	3,940	3,870	3,870
Germany	2,880	2,890	2,740	2,430	2,370
Belgium/Lux.	2,080	2,130	2,150	2,030	2,020
United Kingdom	1,990	2,060	2,050	2,040	2,040
Iberia	1,450	1,450	1,470	1,460	1,470
Other Europe	1,730	1,690	1,570	1,490	1,460
North America	3,010	3,030	2,940	2,790	2,780
Rest of world	4,850	4,360	3,540	3,500	3,480
Holding	160	150	150	150	150
total	27,210	26,960	25,850	24,970	24,900

staffing employees by country

averages	Q1 2011	Q1 2010
the Netherlands	86,100	79,700
France	86,100	73,800
Germany	52,700	42,300
Belgium/Lux.	42,900	37,500
United Kingdom	24,700	23,100
Iberia	47,500	46,700
Other Europe	37,000	28,600
North America	55,200	47,900
Rest of world	104,500	82,500
total	536,700	462,100