

2nd quarter 2015 results

Solid execution; Europe gaining momentum

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Randstad Holding nv
July 30, 2015



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 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, 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. The quarterly results as presented in this press release are unaudited.

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

agenda

~ performance

~ financial results & outlook

~ Q&A

~ appendices

performance

Q2: Solid execution; Europe gaining momentum

Revenue of € 4,816 million; organic growth +6.7%; gross profit up 7.2%

Topline accelerated in Europe (the Netherlands and France); North America stable growth

Gross margin up 30 bp to 18.7%; Perm fees up 13%, now 10.9% of gross profit (vs. 10.0% last year)

Underlying EBITA of € 215 million (+16% organically); EBITA margin up 40 bp to 4.5%; Organic L4Q ICR of 61%

Adjusted net income up 31% from € 116 million to € 152 million

DSO improved to 51.2 (from 51.9 in Q2 2014); leverage ratio of 0.7 compared to 1.3 last year

Global MSP spend under management up 57%, RPO revenue up 36%

Based on volume trends, growth in July is at least in line with Q2

Expected FY 2015 effective tax rate of between 26% and 28% (previous guidance 27 – 30%)

Q2 2015: strong execution

€ million	Q2 '15	Q2 '14	% Org.	L4Q '15	L4Q '14	% Org.
revenue	4,816	4,268	+7%	18,259	16,878	+5%
gross profit	903	787	+7%	3,394	3,085	+6%
<i>gross margin</i>	<i>18.7%</i>	<i>18.4%</i>		<i>18.6%</i>	<i>18.3%</i>	
operating expenses*	688	613	+4%	2,617	2,447	+3%
<i>opex %</i>	<i>14.3%</i>	<i>14.4%</i>		<i>14.3%</i>	<i>14.5%</i>	
EBITA*	215	174	+16%	777	638	+19%
<i>EBITA margin*</i>	<i>4.5%</i>	<i>4.1%</i>		<i>4.3%</i>	<i>3.8%</i>	

☞ organic growth/wd at +6.7%

☞ gross profit growth at +7.2%

- gross margin up by 30 bps YoY
- perm at +13% in the quarter (Q1: +16%)

☞ operating expenses* up 4% organically YoY

- GP/FTE up 5.3% organically (Q1 +4.9%)

☞ EBITA* margin up to 4.5%, from 4.1% Q2 2014

- L4Q organic incremental conversion ratio of 61%

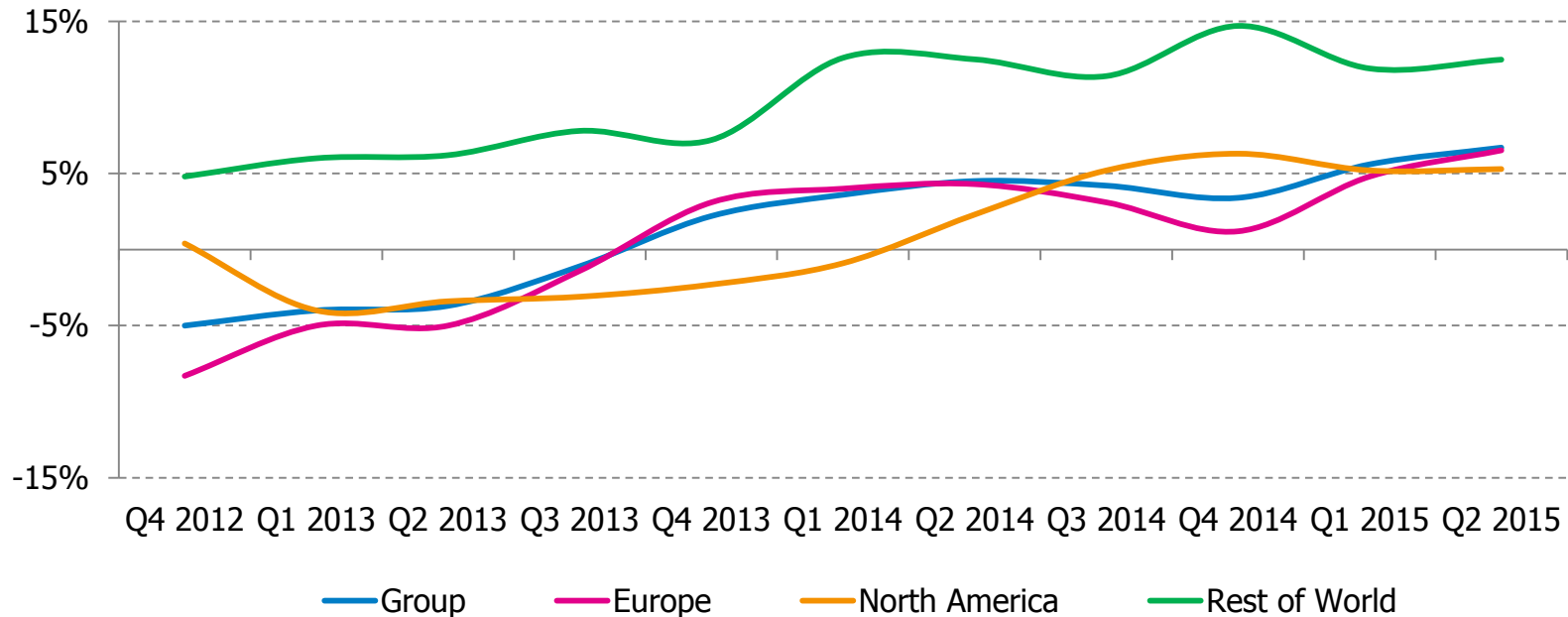
* Before integration costs & one-offs.

July 30, 2015

2nd quarter results 2015

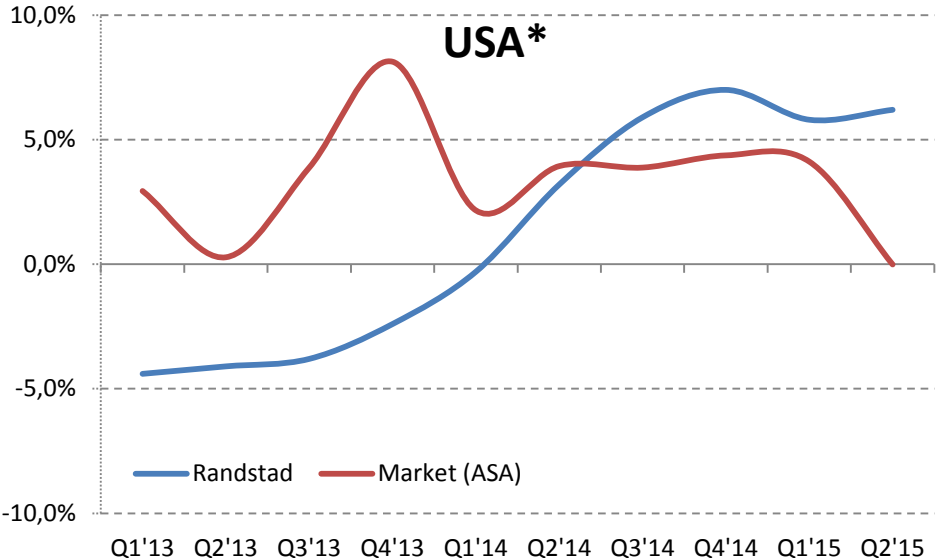
Europe picking up, North America stable

YoY Randstad growth development

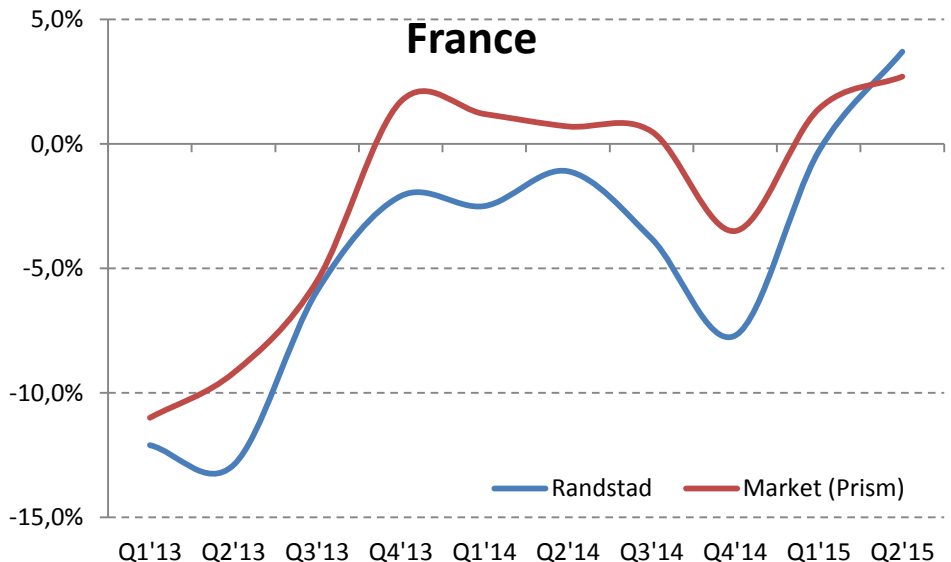
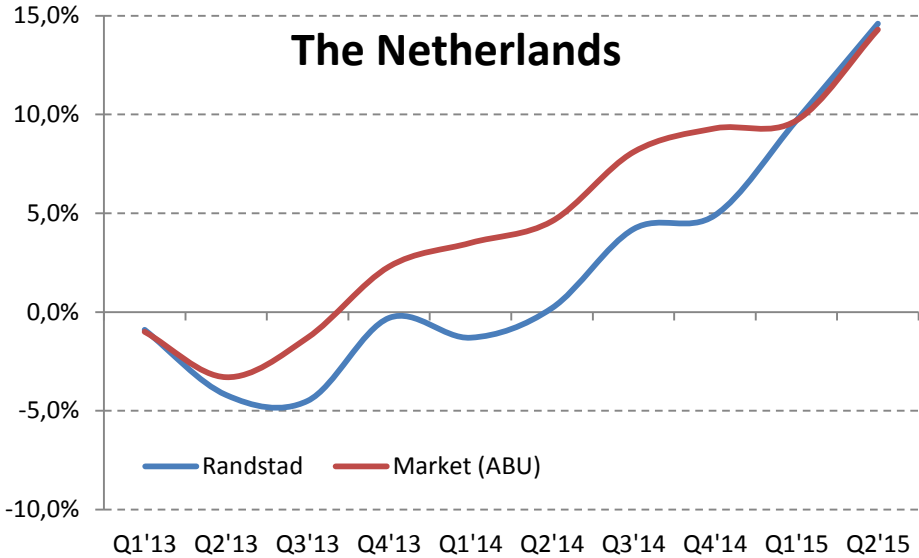


- growth expansion continues in Europe with majority of countries picking up; improvements in Netherlands & France (above market)
- stable growth continues in North America; above market staffing performance
- solid growth in most emerging markets

strong relative performance



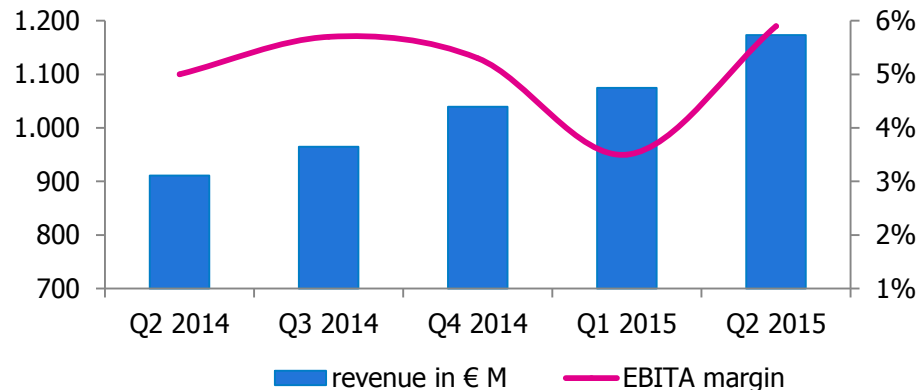
* Randstad based on revenue, ASA staffing index (volume)



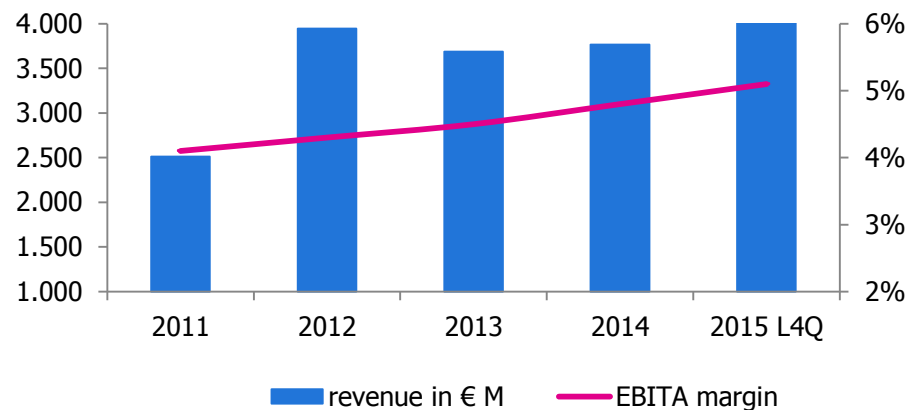
North America: solid growth continues

- ✎ revenue +5% (Q1: +5%)
 - ✎ perm up 16% (Q1: +8%)
 - ✎ GP up 10% (Q1: +10%)
- ✎ US Staffing & Inhouse, revenue growth +7% (Q1: +8%)
- ✎ US Professionals, gross profit up 8%
 - revenue +2% (Q1: -/-1%)
- ✎ Randstad Sourceright: Net fee growth +25% (Q1: +19%)
 - MSP spend under management up 49%
- ✎ Canada: revenue down 2%
 - ahead of a challenging market
- ✎ EBITA margin up to 5.9% from 5.0% LY

performance North America - quarterly

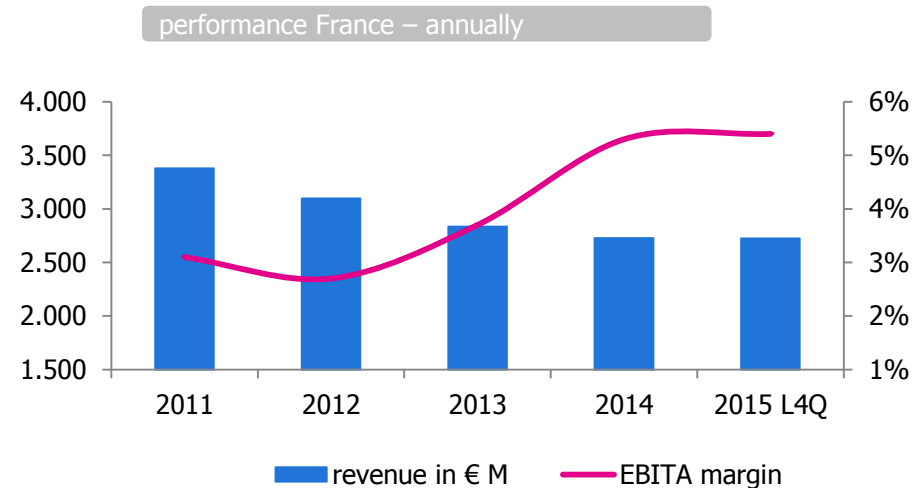
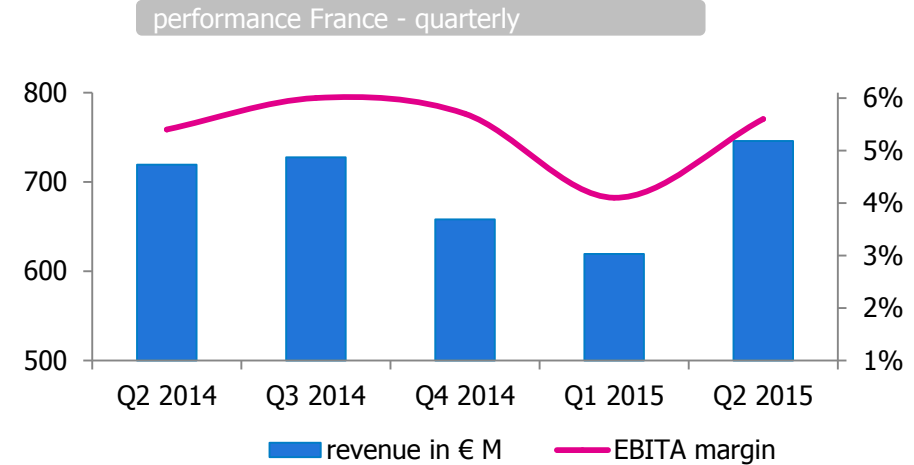


performance North America - annually



France: above market growth

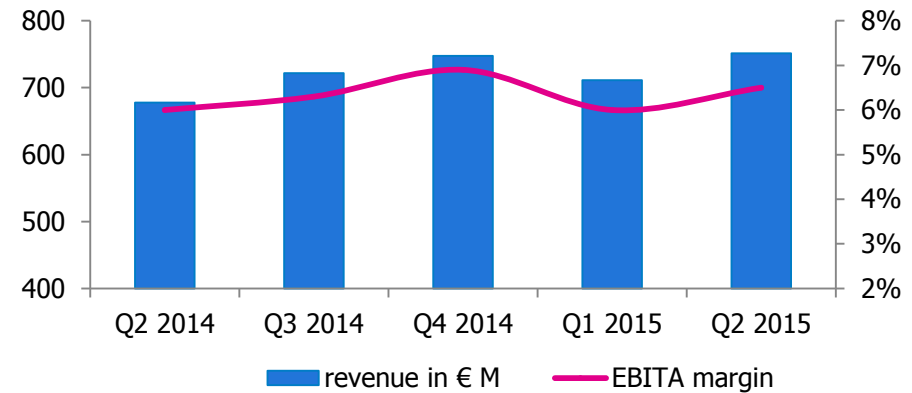
- revenue up 4% YoY (Q1: 0%)
 - growth after 13 quarters of decline
 - combined Staffing & Inhouse at +4% YoY
 - Professionals at +2% vs. Q1: +4%
 - perm grew 6%
- gross profit +3% YoY (Q1: +1%)
 - 30% more commercial activities
 - SME improving
- EBITA margin at 5.6% vs. 5.4% LY
 - balancing client profitability with market outperformance



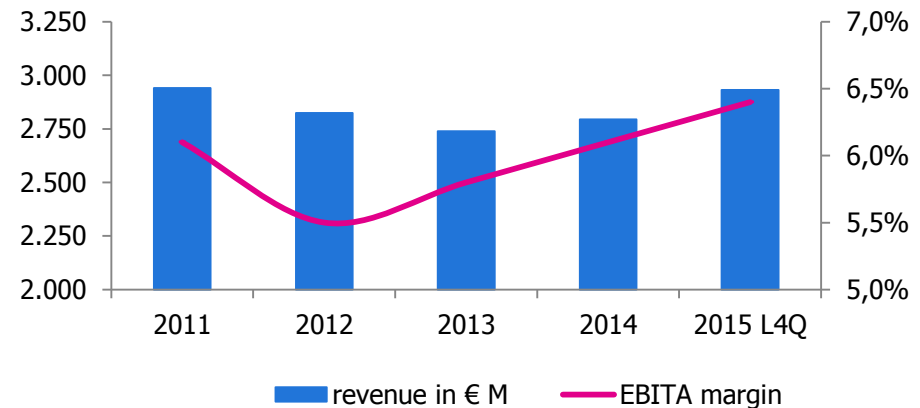
the Netherlands: growth acceleration continued into Q2

- revenue at +15% (Q1: +10%)
 - perm growth stable at +21% (Q1: +21%)
- Staffing businesses (Randstad & Tempo-Team) +15% YoY
 - in line with the market
- Professionals (Yacht) up 12% (Q1: +19%)
- EBITA margin at 6.5% vs. 6.0% LY

performance the Netherlands - quarterly



performance the Netherlands - annually



Germany: subdued market

revenue growth flat YoY (Q1: -/-3%)

- volumes down 4% (Q1: -/-6%)
- perm growth of +26% (Q1: +67%)

gross profit -/-1% (Q1: -/-6%);

- continues to be impacted by 13 week avg calculation rule

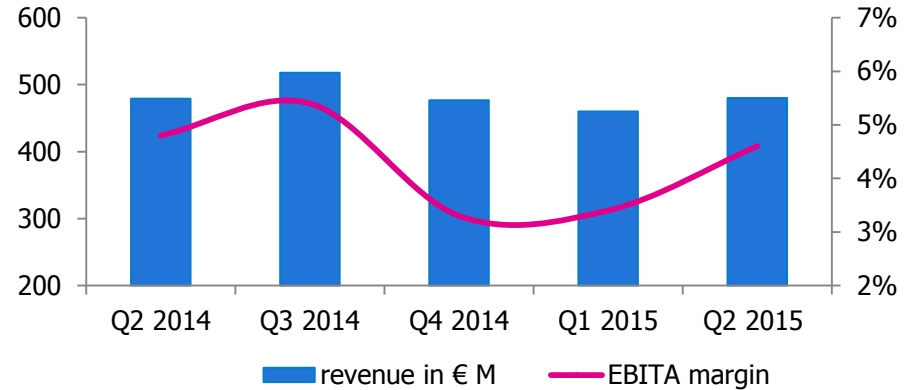
€ 3.8 million restructuring charge

- lowering cost levels further

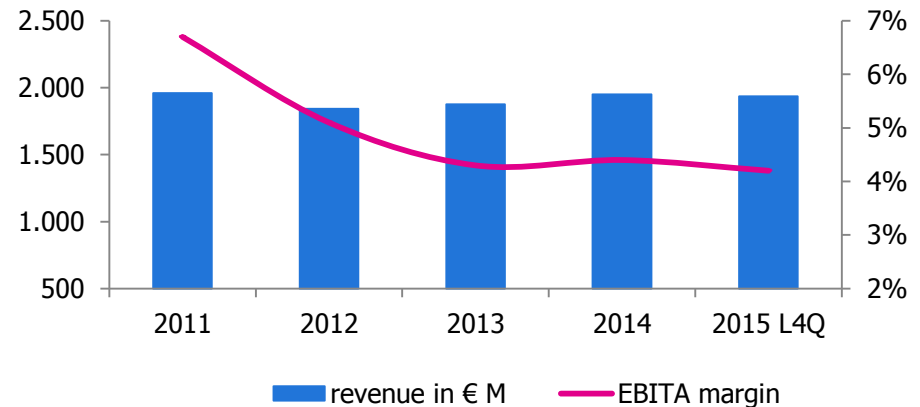
EBITA margin at 4.6% vs. 4.8% LY

- LY benefited from some favorable payroll-related items

performance Germany - quarterly



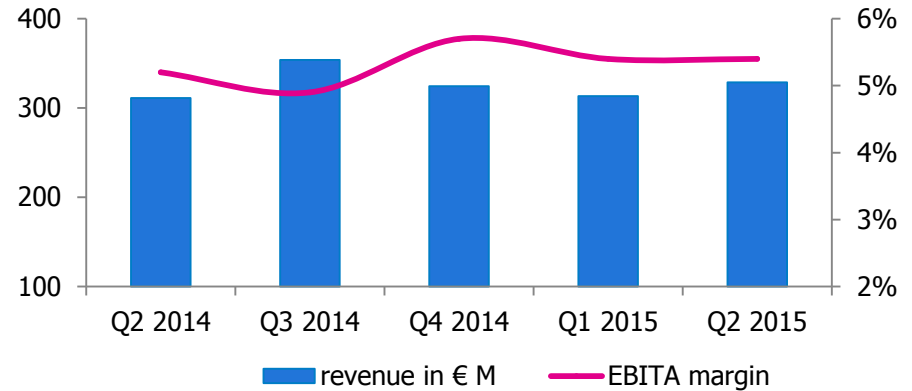
performance Germany - annually



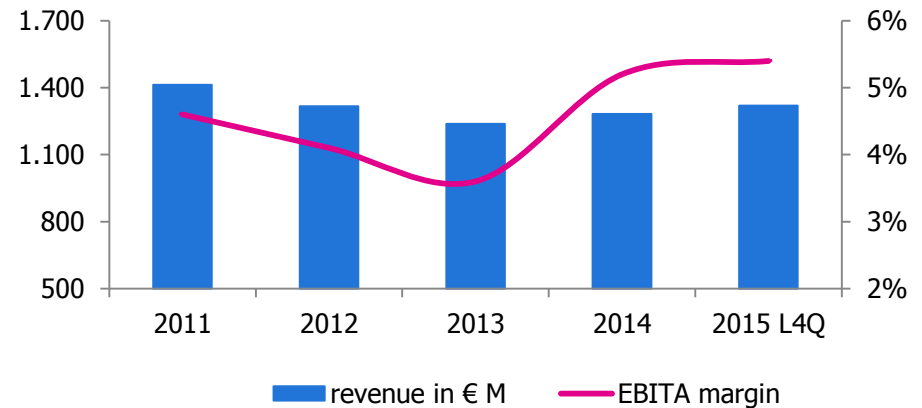
Belgium: stable growth

- revenue +6% (Q1: +7%)
 - Staffing and Inhouse growth at +7% (Q1: +6%)
 - narrowing the gap to market
- gross profit up 5% YoY (Q1: +9%)
- EBITA margin up to 5.4% vs. 5.2% LY
 - solid operating leverage maintained

performance Belgium - quarterly



performance Belgium - annually



Iberia: Spain growth continues

▸ Iberia revenue up 8%

▸ Spain

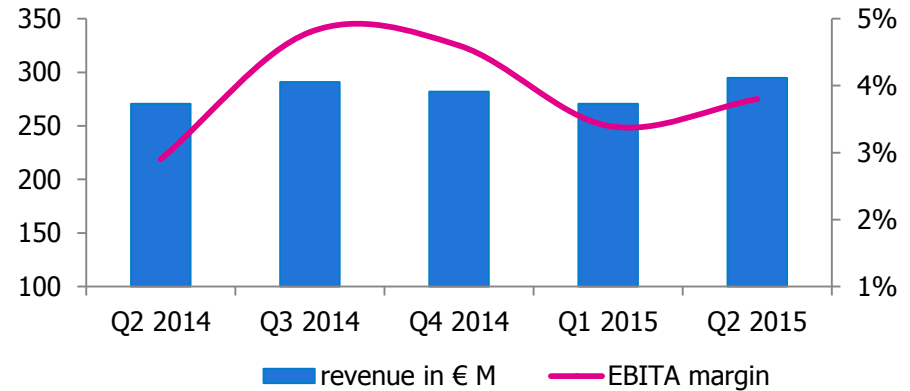
- revenue growth +14% (Q1: +16%)
- Professionals grew 54% despite tough comparables
- perm growth +22%
- strong operating leverage

▸ Portugal

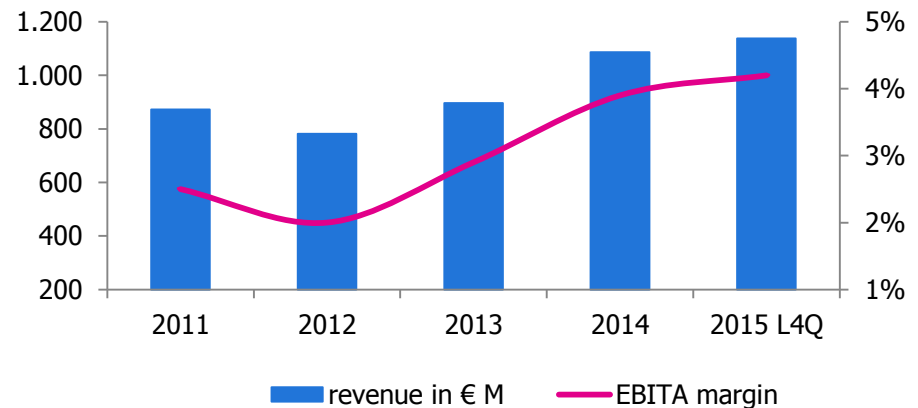
- revenue down 3%, with focus on client profitability
- continued growth in call center business

▸ EBITA margin up to 3.8% vs. 2.9% LY

performance Iberia - quarterly

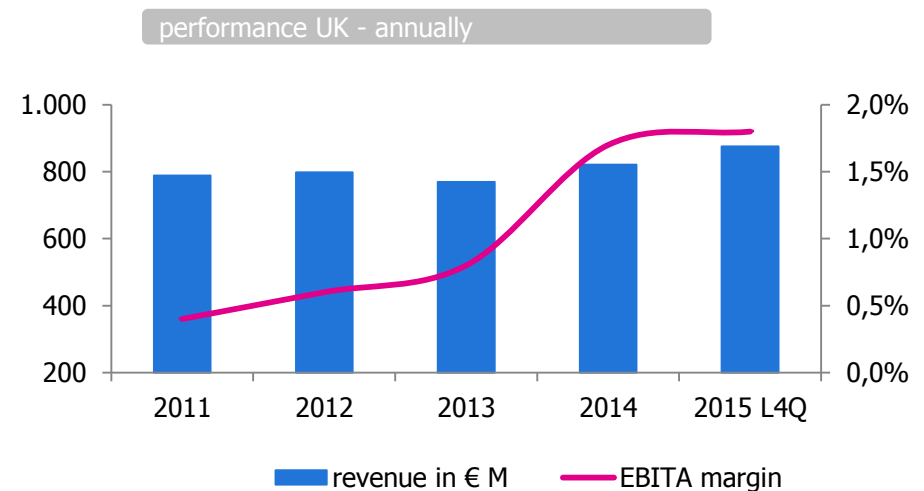
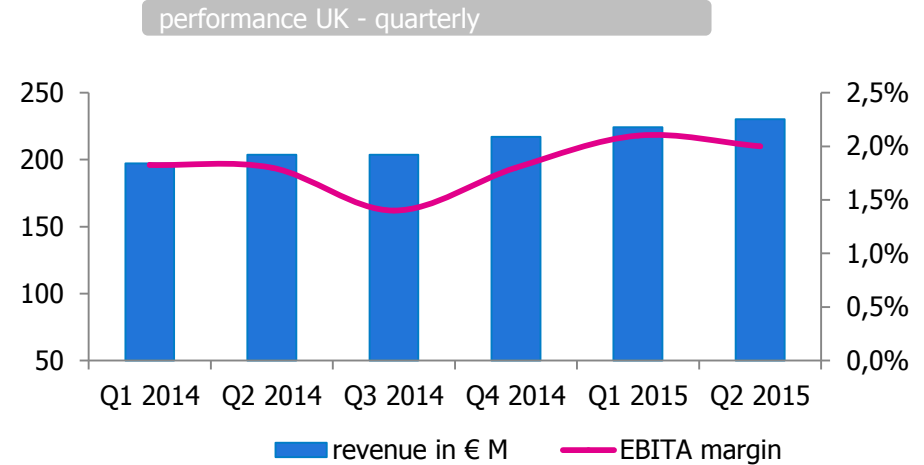


performance Iberia - annually



UK: improving profitability

- revenue flat YoY (Q1: +3%)
 - gross profit stable at +5% (Q1: +5%)
 - strong performance in construction continues
 - perm fees up 5% (Q1: +15%)
- EBITA margin up to 2.0% vs. 1.8% LY



Other European countries: growth continues

overall revenue growth +9%

Italy

- revenue growth accelerated to +16% (Q1: 12%)
- focus on specialties and perm (+49%) paying off

Switzerland

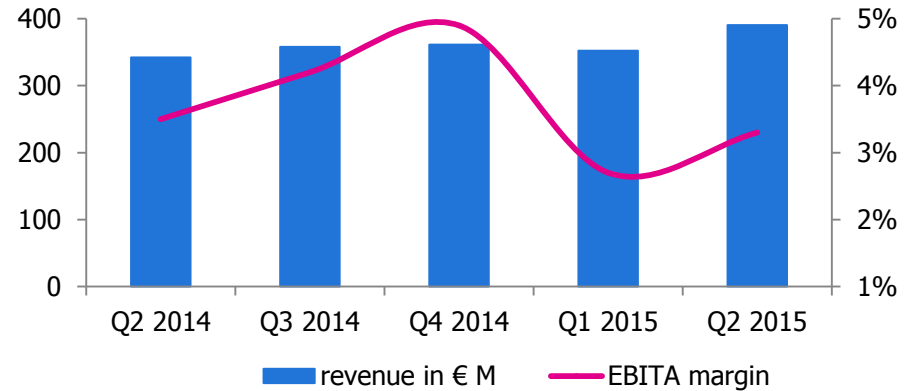
- growth eased to +2% (Q1: +9%)
- ahead of a difficult market

Poland

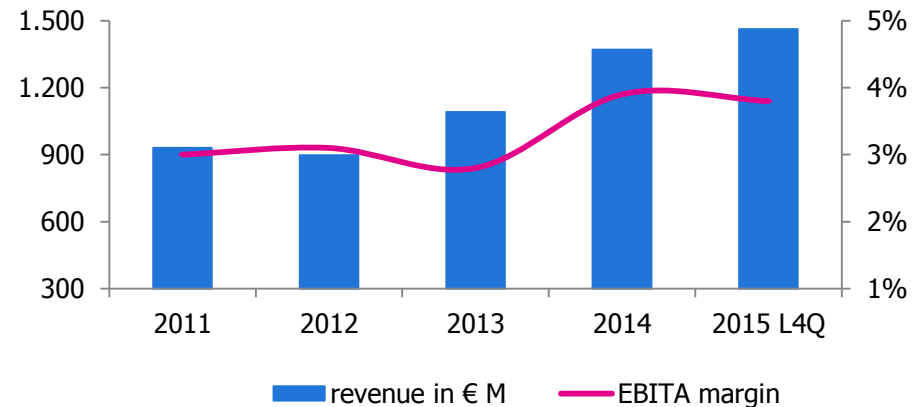
- growth at +2% impacted by increasing candidate scarcity & tough comparison base
- continue to invest in growth; FTEs up 1% sequentially

EBITA margin at 3.3% vs. 3.5% LY

performance ROE - quarterly



performance ROE - annually



Rest of the world: improving profitability

- overall revenue growth stable at +12%

- Japan, growth at +6% YoY (Q1: +2%)
 - perm grew 25% (Q1: +51%)

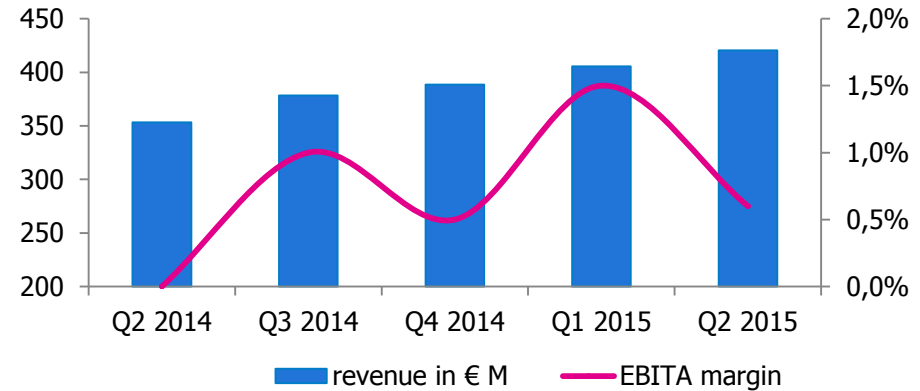
- Australia / New Zealand grew 16%
 - perm grew 31% (Q1: +25%)
 - divestment of Care business

- Asia, growth at +9% (Q1: +5%)
 - India growing 14%, China +20%
 - investing in growth across region

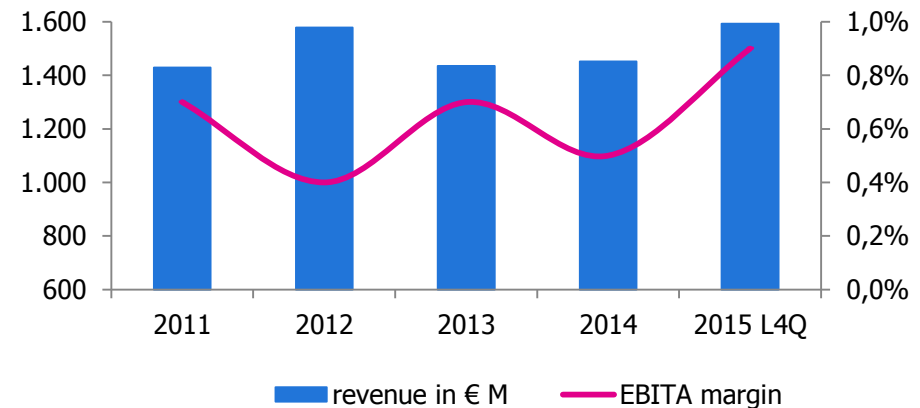
- Latin America, up 16% (Q1: +18%)

- focus shifting to growth and profitability
 - EBITA margin up to 0.6% from 0.0% LY

performance ROW - quarterly



performance ROW - annually



financial results & outlook

income statement Q2 2015

€ million	Q2 '15	Q2 '14	% Org.	L4Q '15	L4Q '14	% Org.
revenue	4,816	4,268	+7%	18,259	16,878	+5%
gross profit	903	787	+7%	3,394	3,085	+6%
<i>gross margin</i>	<i>18.7%</i>	<i>18.4%</i>		<i>18.6%</i>	<i>18.3%</i>	
operating expenses*	-/- 688	-/- 613	+4%	-/- 2,617	-/- 2,447	+3%
<i>opex margin</i>	<i>14.3%</i>	<i>14.4%</i>		<i>14.3%</i>	<i>14.5%</i>	
EBITA*	215	174	+16%	777	638	+19%
<i>EBITA margin*</i>	<i>4.5%</i>	<i>4.1%</i>		<i>4.3%</i>	<i>3.8%</i>	
integration costs & one-offs	-/- 2	-/- 1		-/- 51	-/- 47	
reported EBITA	213	173		726	591	
amortization & impairment	-/- 34	-/- 36		-/- 148	-/- 154	
net finance costs	-/- 4	-/- 4		-/- 50	-/- 13	
income before taxes	175	133		529	424	
tax	-/- 45	-/- 39		-/- 148	-/- 137	
net income	130	94		381	287	
<i>adjusted*** net income**</i>	<i>152</i>	<i>116</i>		<i>507</i>	<i>416</i>	
<i>diluted EPS***</i>	<i>0.83</i>	<i>0.64</i>		<i>2.78</i>	<i>2.32</i>	

* Before integration costs and one-offs.

** Attributable to holders of ordinary shares.

*** Before amortization and impairment acquisition-related intangible assets and goodwill, badwill, integration costs and one-offs.

Figures stated in table are rounded

segment performance

Staffing in € M	Q2 2015	Q2 2014	*% organic	L4Q 2015	L4Q 2014	*% organic
revenue	2,800	2,525	6%	10,696	10,104	4%
EBITA	129	103	25%	456	387	18%
<i>EBITA margin</i>	<i>4.6%</i>	<i>4.1%</i>		<i>4.3%</i>	<i>3.8%</i>	

- strong execution with improving productivity
- French recovery gaining momentum

Inhouse in € M	Q2 2015	Q2 2014	*% organic	L4Q 2015	L4Q 2014	*% organic
revenue	1,056	897	12%	3,916	3,461	10%
EBITA	56	46	16%	209	174	14%
<i>EBITA margin</i>	<i>5.3%</i>	<i>5.1%</i>		<i>5.3%</i>	<i>5.0%</i>	

- continued transfer of clients from staffing to ensure right delivery model is offered
- good growth continues across our industrial and logistics clients

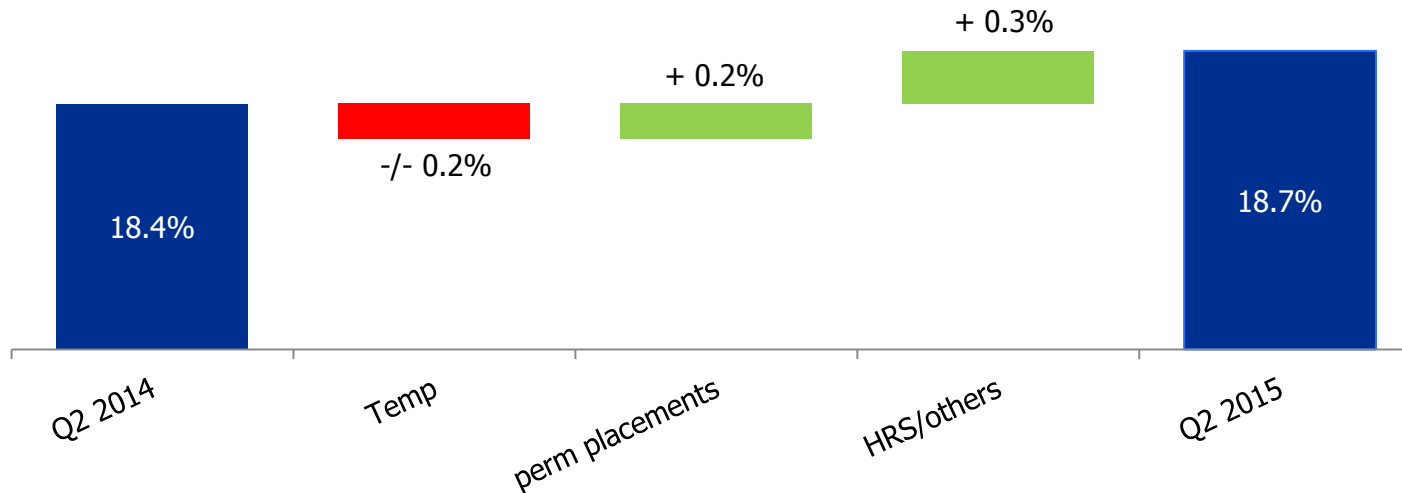
Professionals in € M	Q2 2015	Q2 2014	*% organic	L4Q 2015	L4Q 2014	*% organic
revenue	960	847	3%	3,647	3,313	4%
EBITA	46	40	2%	175	133	25%
<i>EBITA margin</i>	<i>4.8%</i>	<i>4.8%</i>		<i>4.8%</i>	<i>4.0%</i>	

- improving US Professionals
- restructuring of Dutch Professionals completed

* Organic change in revenue is per working day.

gross margin bridge

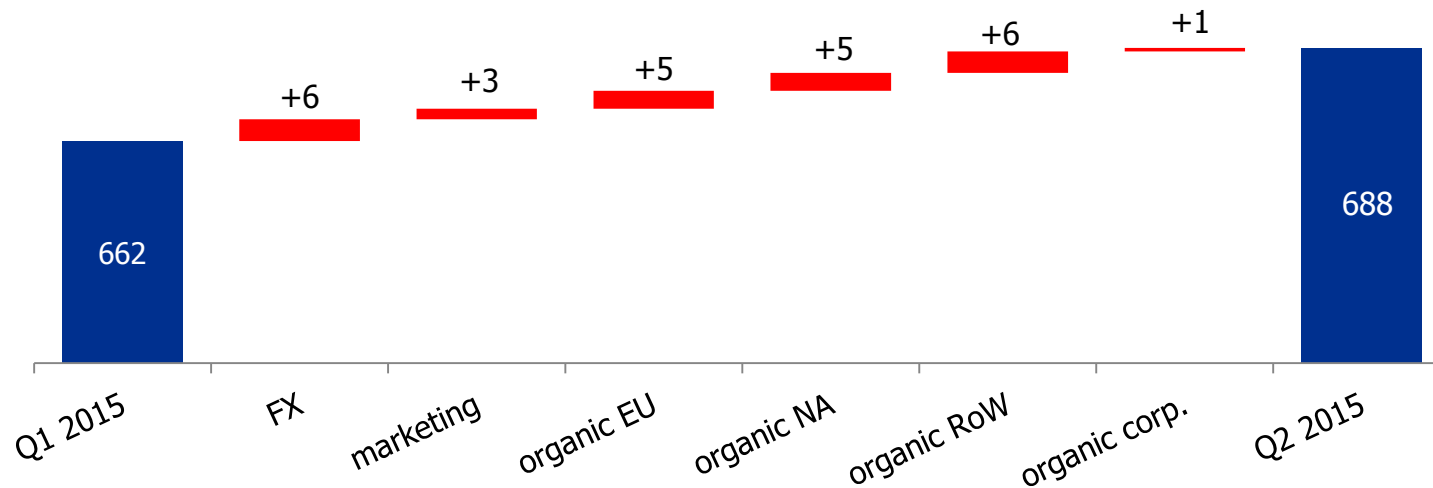
YoY gross margin development



- temp margin impacted by mix and price
- perm fees grew 13% YoY organically
 - 10.9% of GP (up from 10.0% LY)
- HRS/others improvement driven by growth of MSP/RPO (Sourceright)

operating expenses bridge

sequential OPEX development in € M



- OPEX up 3% organically (sequentially)
- negative FX impact; driven by the weak euro

- FTE growth in North America, Iberia and Italy
- continued investment in emerging markets

net debt at € 575M

leverage ratio at 0.7

€ million	June 30, 2015	June 30, 2014
goodwill and intangible assets	2,592	2,609
operating working capital	762	670
net tax assets	597	487
other assets and liabilities	177	109
invested capital	4,128	3,874
equity	3,553	2,996
net debt	575	878
invested capital	4,128	3,874
<i>DSO, Days Sales Outstanding**</i>	<i>51.2</i>	<i>51.9</i>
<i>working capital as % of revenue</i>	<i>4.2%</i>	<i>4.0%</i>
<i>leverage ratio</i>	<i>0.7</i>	<i>1.3</i>
<i>return on invested capital*</i>	<i>15.1%</i>	<i>13.3%</i>

*Based on underlying EBITA (last 12 months) less income taxes paid (last 12 months) as a percentage of invested capital. For June 30, 2014, ROIC calculation income taxes paid in Q4 2013 have been adjusted for the payment of a liability of € 131M to the Dutch tax authority.

** DSO, (Days Sales Outstanding), moving average

Q2 '15 free cashflow

normal seasonal pattern; impacted by holiday allowances and working capital requirements

€ million	Q2 '15	Q2 '14	L4Q '15	L4Q '14
EBITDA	229	189	792	657
change in OWC	-/- 192	-/- 187	-/- 33	91
income taxes	-/- 53	-/- 44	-/- 153	-/- 255
Provisions & employee benefit obl.	-/- 9	-/- 6	5	-/- 53
net additions in PPE and software	-/- 14	-/- 16	-/- 63	-/- 61
other items	-/- 21	-/- 19	-/- 70	-/- 49
financial receivables	-	-	-/- 7	-/- 7
free cash flow	-/- 59	-/- 82	472	323
net acquisitions/disposals/buyouts	0	-/- 0	-/- 3	-/- 0
net issue/purchase of ordinary shares	2	-	-/- 19	-/- 19
net finance	-/- 1	-/- 7	-/- 22	-/- 16
dividend paid	-/- 94	-/- 68	-/- 94	-/- 68
translation effects and other items	2	-/- 6	-/- 31	15
net debt (decrease) / increase	-/- 150	-/- 164	303	235

☞ L4Q '14 free cash flow of € 454 M (when adjusted for the payment of a liability of € 131M to the Dutch tax authority)

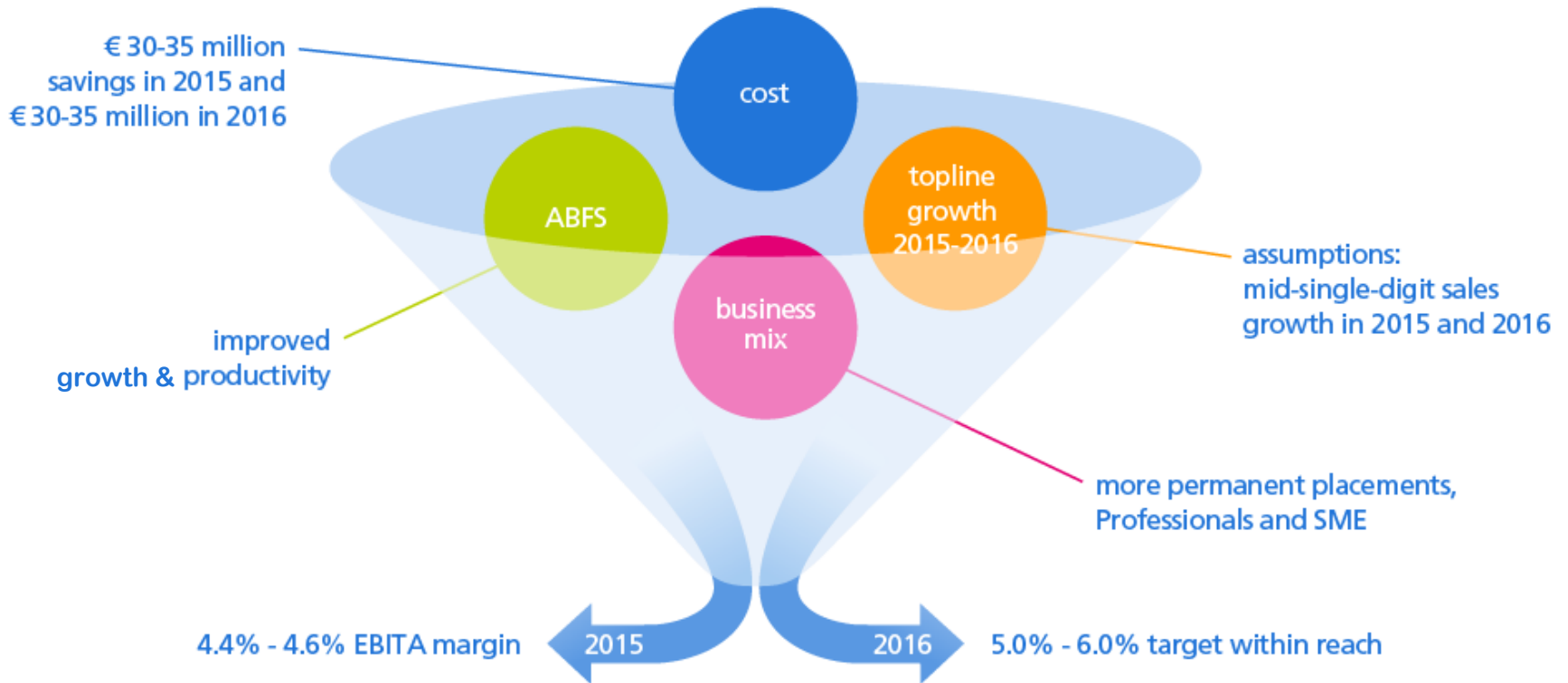
Figures stated in table are rounded

outlook

- ↪ organic revenue grew by 6.7% in Q2, June was up more than 6%
 - the positive volume trend has continued into July, which, so far, appears to be at least in line with the quarter average
 - continued significant FX impact (YoY) in Q3
- ↪ remain on track to achieve cost reductions/efficiencies as previously announced
- ↪ similar number of workings days as last year
- ↪ Q3 gross margin seasonally impacted
 - increased holiday work
- ↪ cost base will increase modestly sequentially:
 - operating expenses to be moderately up on an organic basis in Q3
 - targeted investment in headcount in selected growth markets
 - sequential FX impact expected to be negligible
- ↪ for 2015, we expect the effective tax rate to come down to between 26-28% (from 27-30%)

on track

Targets within reach



Q&A

Q2: Solid execution; Europe gaining momentum

Revenue of € 4,816 million;
organic growth +6.7%;
gross profit up 7.2%

Topline accelerated in
Europe (the Netherlands
and France); North
America stable growth

Gross margin up 30 bp to
18.7%; Perm fees up 13%,
now 10.9% of gross profit
(vs. 10.0% last year)

Underlying EBITA of € 215
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Adjusted net income up
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DSO improved to 51.2
(from 51.9 in Q2 2014);
leverage ratio of 0.7
compared to 1.3 last year

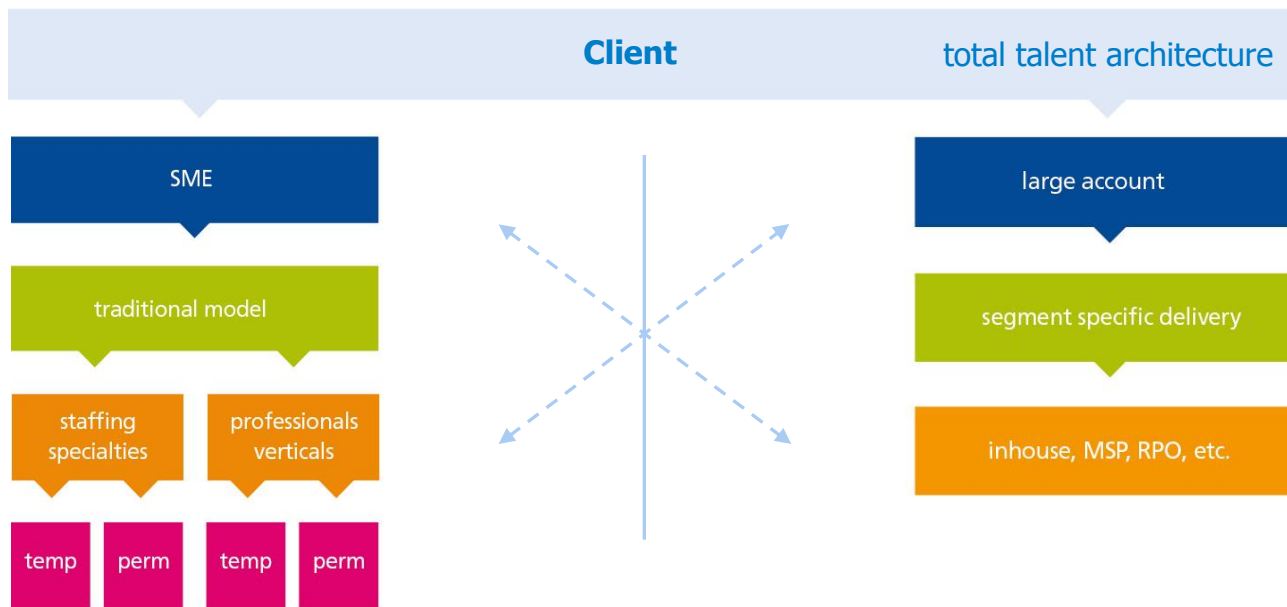
Global MSP spend under
management up 57%, RPO
revenue up 36%

Based on volume trends,
growth in July is at least in
line with Q2

Expected FY 2015 effective
tax rate of between 26%
and 28% (previous
guidance 27 – 30%)

appendices

our priorities



Staffing

- ☞ leverage our expertise in specialty staffing
- ☞ focus on permanent placements
- ☞ SME

Professionals

- ☞ implementing global concept per segment
- ☞ focus on permanent placements
- ☞ SME

Inhouse

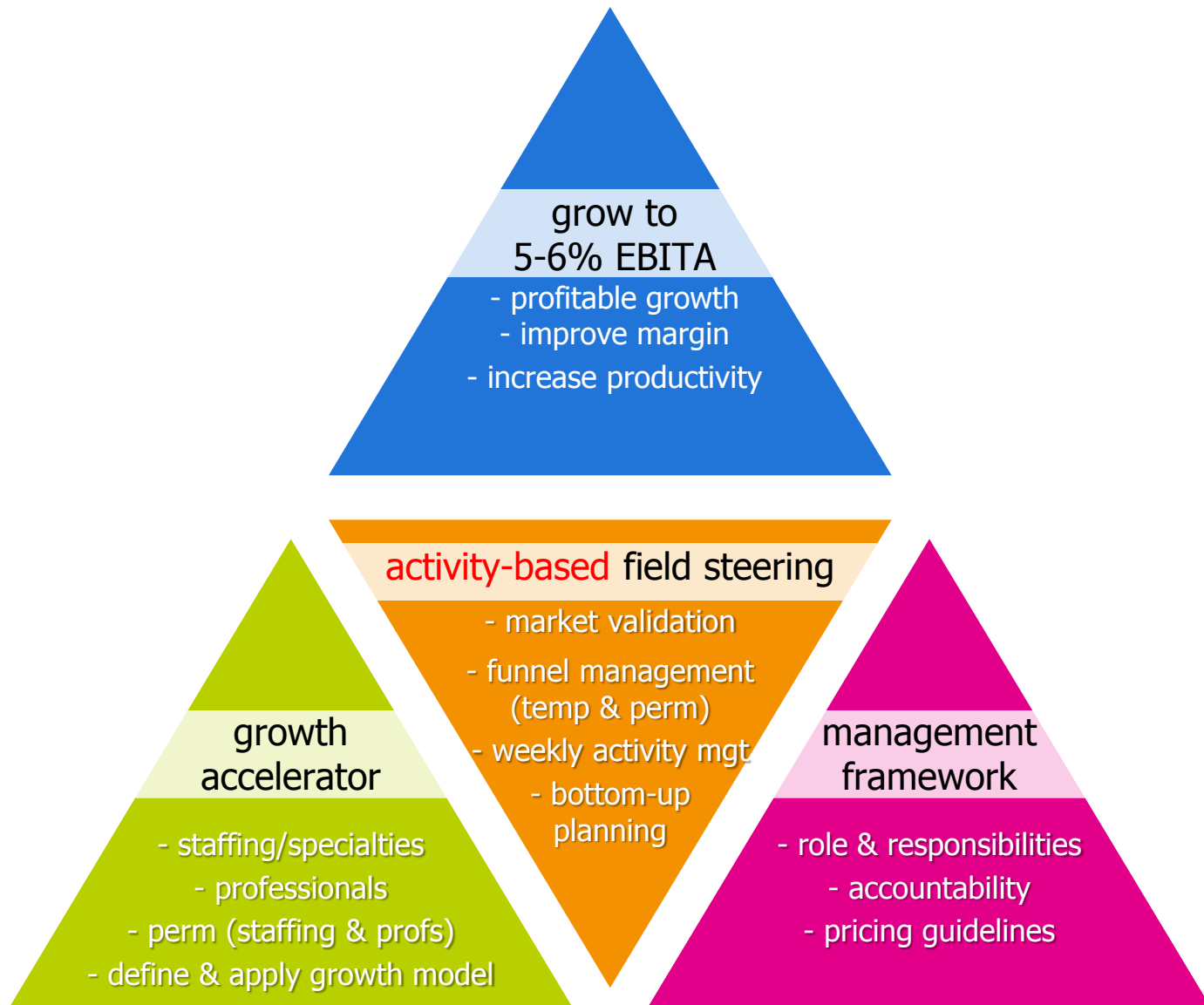
- ☞ expand in white-collar and professionals
- ☞ increase share of wallet

HRS

- ☞ grow in MSP and RPO
- ☞ support TTA approach:
 - ☞ payrolling
 - ☞ outplacement
 - ☞ outsourcing

setting the ambition

profitable organic growth through **activity-based** field steering



integrated approach of line management & all functional disciplines

strategic roadmap

driven by best people, strong concepts, excellent execution and superior brands

Our strategy

Randstad core values: to know, serve and trust, striving for perfection and the simultaneous promotion of all interests

structural growth drivers

- flexibility & outsourcing
- demographics
- clients look for a total offering
- regulation

strategic building blocks

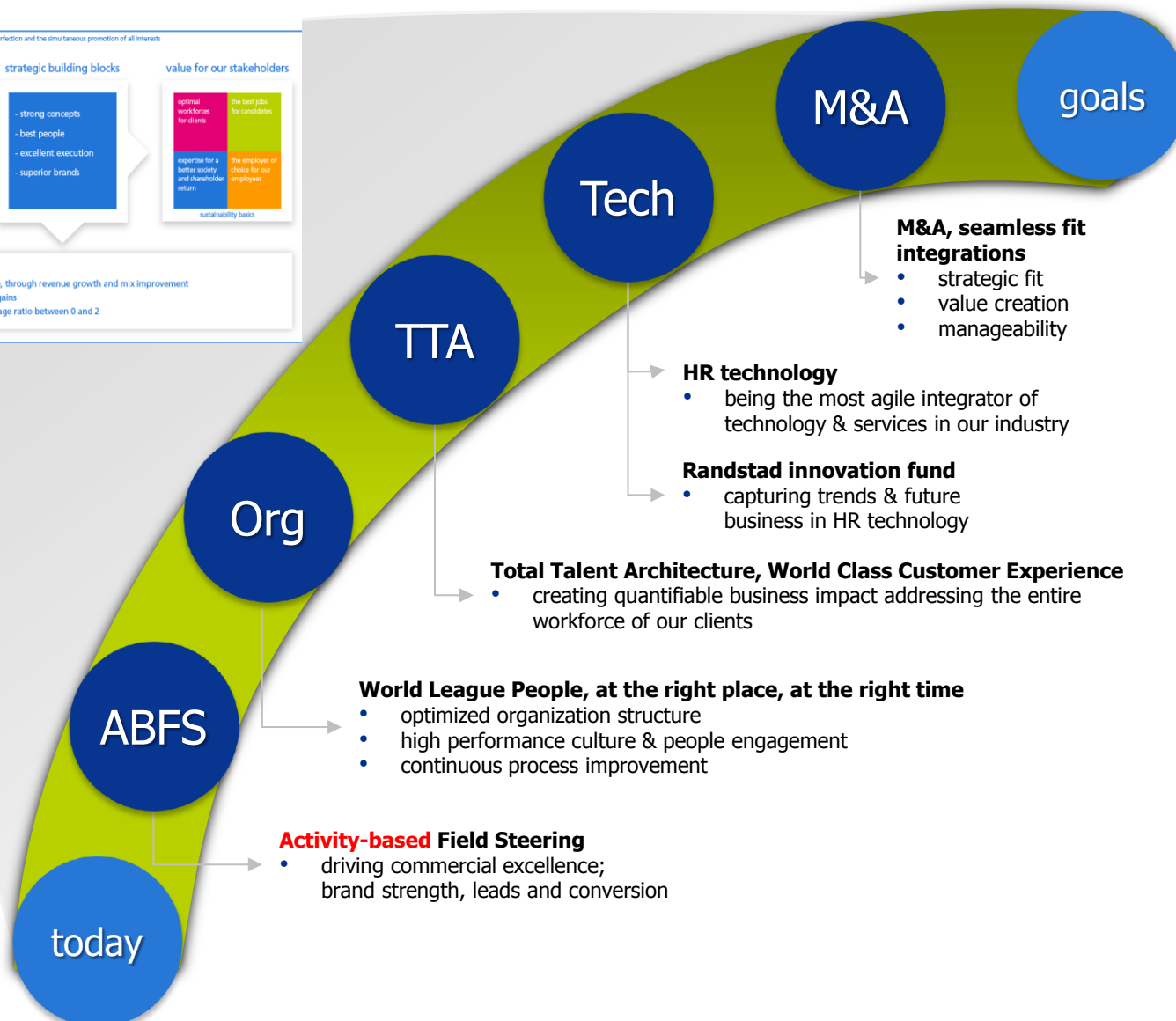
- strong concepts
- best people
- excellent execution
- superior brands

value for our stakeholders

- | | |
|---|--|
| optimal workforce for clients | the best jobs for candidates |
| expertise for a better society and shareholder return | the employer of choice for our employees |
- sustainability basis

financial targets

- EBITA margin of 5% to 6% over time, through revenue growth and mix improvement
- continuous profitable market share gains
- sound financial position with a leverage ratio between 0 and 2



today

ABFS

Org

TTA

Tech

M&A

goals

Activity-based Field Steering

- driving commercial excellence; brand strength, leads and conversion

World League People, at the right place, at the right time

- optimized organization structure
- high performance culture & people engagement
- continuous process improvement

Total Talent Architecture, World Class Customer Experience

- creating quantifiable business impact addressing the entire workforce of our clients

Randstad innovation fund

- capturing trends & future business in HR technology

HR technology

- being the most agile integrator of technology & services in our industry

M&A, seamless fit integrations

- strategic fit
- value creation
- manageability

Shape the world of work

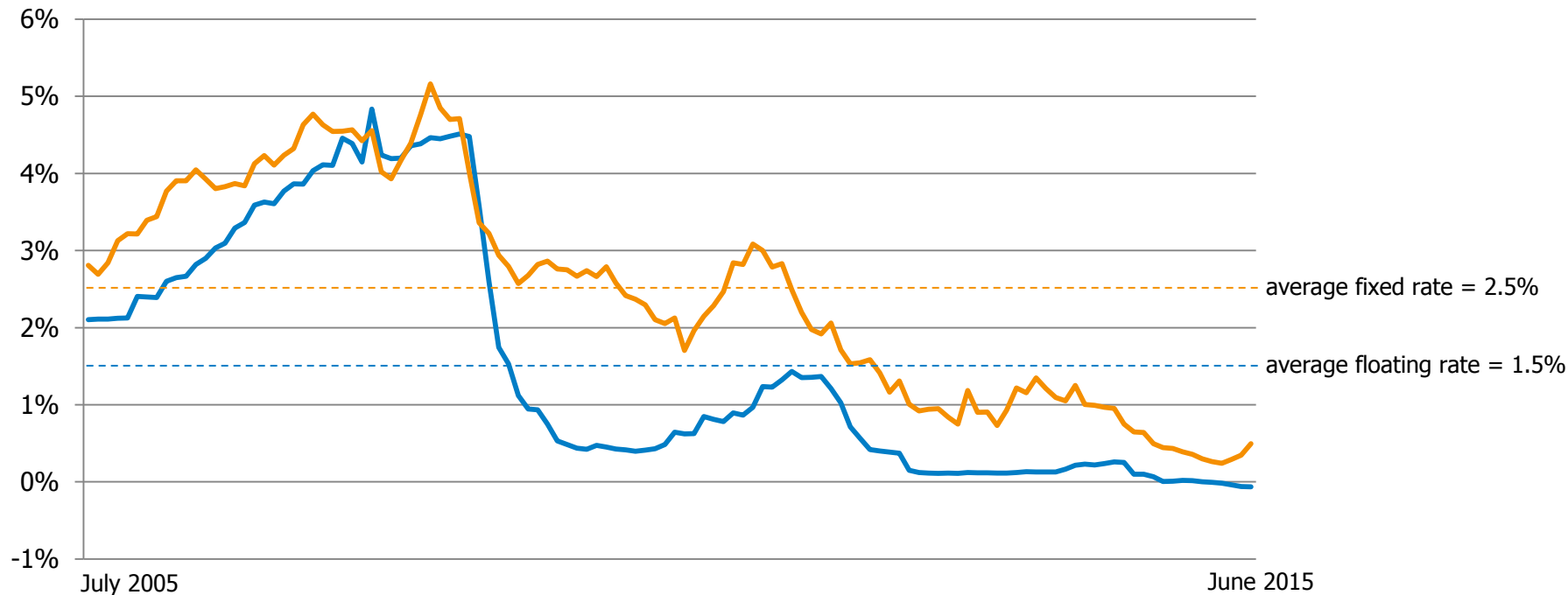
- optimal workforces for clients
- the best jobs for candidates

Grow to 5-6% EBITA

- profitable growth
- improve margin
- increase productivity

financing: fixed vs. floating interest rates

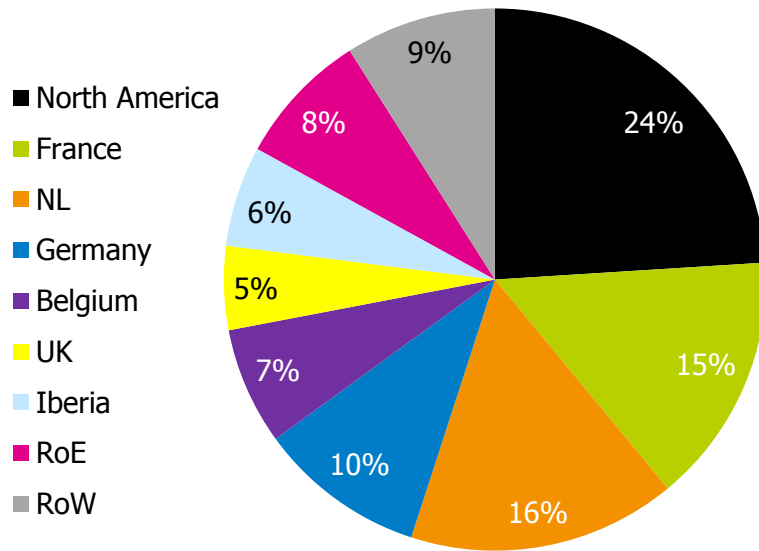
10 year historic interest rates comparison 1M vs. 5Y



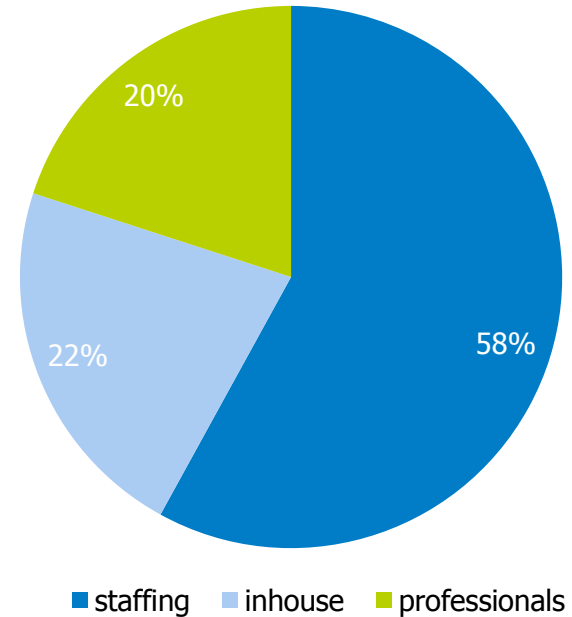
we use floating interest rates as a natural hedge
- spread above Euribor of 50-115 bps

revenue split Q2 2015

geographical areas

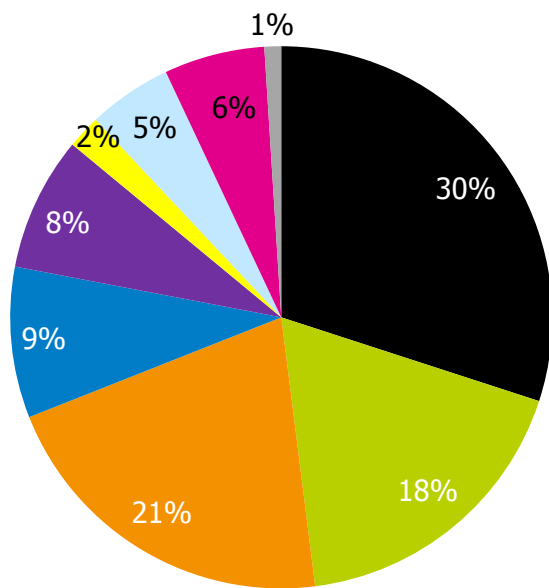


revenue categories

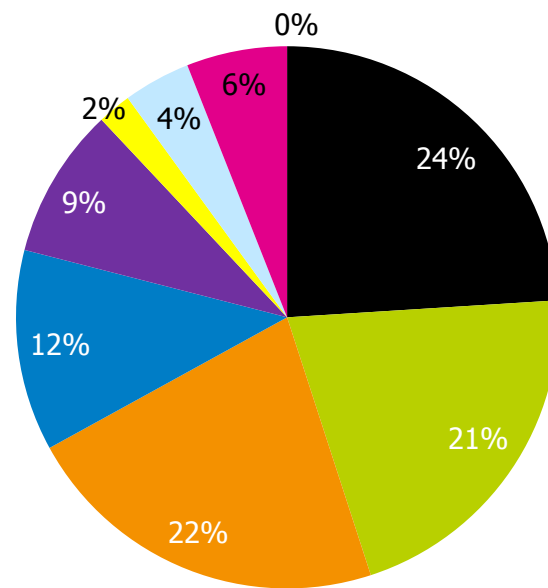


EBITA breakdown by geography

Q2 2015



Q2 2014



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

outlets* by region

end of period	Q2 2015	Q1 2015	Q4 2014	Q3 2014	Q2 2014
North America	1,084	1,065	1,084	1,074	1,087
France	741	739	741	743	766
the Netherlands	644	659	689	666	675
Germany	547	556	555	548	551
Belgium/Lux	303	306	310	314	313
United Kingdom	134	131	140	141	141
Iberia	302	295	292	288	290
Rest of Europe	389	389	391	389	381
Rest of the world	272	271	209	213	215
total	4,416	4,411	4,411	4,376	4,419

* Branches and inhouse locations.

corporate staff by region

average	Q2 2015	Q1 2015	Q4 2014	Q3 2014	Q2 2014
North America	6,410	6,250	6,230	6,160	6,250
France	3,410	3,390	3,430	3,410	3,370
the Netherlands	4,050	4,120	4,430	4,420	4,320
Germany	2,560	2,570	2,620	2,610	2,600
Belgium/Lux	1,870	1,880	1,780	1,790	1,720
United Kingdom	1,530	1,510	1,550	1,530	1,510
Iberia	1,720	1,650	1,630	1,600	1,530
Rest of Europe	2,740	2,650	2,570	2,480	2,400
Rest of the world	4,780	4,690	4,680	4,720	4,660
Corporate	190	190	200	200	190
total	29,260	28,900	29,120	28,920	28,550

staffing employees by region

average	Q2 2015	Q2 2014
North America	106,800	105,300
France	77,600	74,300
the Netherlands	79,000	75,800
Germany	45,700	47,500
Belgium/Lux	39,800	39,400
United Kingdom	16,200	17,600
Iberia	60,200	58,800
Rest of Europe	58,200	53,700
Rest of the world	112,600	109,000
total	596,100	581,400