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Staffing | Professionals | Search & Selection | HR Solutions | Inhouse Services

Press release Fourth quarter and annual results 2010

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Strong final quarter of the year; revenue up 22% and EBITA up 52%
Full year 2010 revenue up 14% and EBITA up 61%

Key points Q4 2010
- Revenue up 22% to € 3,891 million; organic growth[1] per working day 17%
- Underlying[2] EBITA[3] reached € 161.5 million (+52%), with the EBITA margin[4] reaching 4.2% (vs. 3.3% in Q4 2009)
- Adjusted net income[5] attributable to holders of ordinary shares € 109.5 million; diluted EPS[6] € 0.64 (+36%)
- Leverage ratio (net debt/EBITDA) improved to 1.5

Key points full year 2010
- Markets recovered with strengthening growth throughout the year in almost all markets
- Revenue of € 14.2 billion compared to € 12.4 billion in 2009; organic growth per working day 12%
- Clear improvement in EBITA margin from 2.5% to 3.6%
- Adjusted net income attributable to holders of ordinary shares € 336 million (+62%); diluted EPS € 1.96 (+62%)
- Strong footprint in Japan established by the acquisition of FujiStaff
- Proposal to pay dividend of € 1.18 per ordinary share

"Growth has accelerated throughout the year", says Ben Noteboom, CEO of Randstad. *"Not only did we see our inhouse and staffing services perform very strongly, in many markets the professionals segment has started to improve as well. We have gained market share through the year in many important regions due to the continuing efforts of our people. I would like to thank them for their contribution in the special year of Randstad's 50th anniversary. Market prospects look bright, we see good growth opportunities. At the same time, we will maintain our focus on efficiency. It is very satisfying to be able to propose to pay our shareholders dividend again. We are looking forward to a great year in the world of work, delivering value to our clients, candidates, employees and other stakeholders."*

In € million (unaudited)	**Q4 2010**	Q4 2009	*change*	**FY 2010**	FY 2009	*change*
Revenue	**3,891.1**	3,179.7	*22%*	**14,179.3**	12,399.9	*14%*
Underlying EBITA	**161.5**	106.1	*52%*	**509.6**	315.7	*61%*
EBITA	**161.5**	96.1	*68%*	**513.6**	252.4	*103%*
Net income	**138.5**	47.7	*190%*	**288.5**	67.6	*327%*
Adjusted net income attr. to holders ord. shares	**109.5**	79.9	*37%*	**335.9**	207.2	*62%*
Diluted EPS	**0.64**	0.47	*36%*	**1.96**	1.21	*62%*
Proposed dividend on ordinary shares				**1.18**	--	*nm*

1) organic growth is measured excluding the impact of currencies, acquisitions, disposals, reclassifications and French business tax
2) underlying: before integration costs and one-offs
3) operating profit before amortization/impairment acquisition-related intangible assets and goodwill
4) following a change in French tax law an amount of € 10.4 million is now recorded as income tax instead of cost of services; this has a positive effect on Q4 gross profit and EBITA of € 10.4 million or 0.3% on the respective margins; the new classification has no impact on net income or EPS. The 2009 figures have not been adjusted
5) before amortization and impairment acquisition-related intangible assets and goodwill, integration costs and one-offs
6) diluted EPS before amortization and impairment acquisition-related intangible assets and goodwill, integration costs and one-offs

Significant progress towards our targets

In 2010, Randstad achieved significant progress towards its operational and financial targets. After focusing on the integration of Vedior and weathering the economic downturn in 2008 and 2009, the year 2010 was all about recovery and profitable growth.

Strong commercial focus, backed by enhanced marketing campaigns in several countries enabled market share gains in almost all regions, especially in Germany, North America, Iberia, Italy and the Nordics. In France we gained momentum throughout the year, resulting in growth ahead of the market in the second half of the year. The only region where we were below the market is the Netherlands, partly based on margin protection and business mix.

Increased focus on field steering, copy-pasting specialties, the rollout of the professionals concept and improved cross-selling should all help to drive outperformance against our markets in 2011.

Operating leverage in the business was strong, resulting in solid profitability improvements. The EBITA margin rose to 3.6%, compared to 2.5% in 2009. We continue to strive for a 5-6% EBITA margin through the cycle and we are fully committed to realize enhanced returns in 2011.

Our financial position further strengthened. The net debt position improved to € 899.3 million. In combination with increased profitability, the leverage ratio improved to 1.5, well within our target range of 0 to 2. This enables us to pay dividend on ordinary shares. We propose a dividend of € 1.18 per share, in line with our dividend policy.

Summary of Group financial performance

Revenue

In Q4 2010, revenue increased by 22% to € 3,891.1 million. Organic revenue growth was 17%, the net addition of acquisitions/disposals (primarily the € 105 million revenue contribution from FujiStaff) was 3%, while currencies added the remainder. In October and November growth per working day was 17%, while it was 16% in December. Permanent placement fees increased by 20% organically. Perm fees made up 1.5% of revenue and 7.6% of gross profit (7.1% in Q4 2009).

In 2010 revenue improved by 14% to € 14.2 billion. Organic growth amounted to 12%, strengthening from a 1% decline in Q1 to 17% growth in Q4. Recovery followed a classical pattern. Our combined inhouse businesses returned to growth in Q1 2010. Our staffing businesses grew as of Q2 2010, whereas professionals turned the corner in the same quarter and showed clear growth as of Q3 2010. Our US staffing and inhouse businesses started to recover first, followed by the more industrial oriented countries in continental Europe such as Germany, France, Belgium and Poland. The more white collar and public sector geared markets in the UK and the Netherlands returned to growth later in the year.

Gross profit

In Q4 2010, gross profit amounted to € 736.7 million. The gross margin amounted to 18.9% compared to 19.1% in Q4 2009. The temp margin declined 0.3% YoY, including mix effects. Sequentially the temp margin is stable. The growth in perm fees added 0.1%. Mix changes in HRS (strong growth in the relatively lower gross margin parts of our HRS offering) had a negative impact of 0.2%. A change in French tax law (see note 4 on the front page) added 0.3%.

For the full year underlying gross profit amounted to € 2,658.7 million, with the gross margin coming down from 19.5% to 18.8%. During the year pressure on the temp margin eased, while growth in perm fees started to add to gross margin. The negative mix effects in HRS have become smaller during the year as well. The French tax impact was stable throughout the year.

Operating expenses

In Q4 2010, operating expenses amounted to € 575.2 million, up 15% compared to Q4 2009 and up 6% compared to the previous quarter. The consolidation of FujiStaff added 3% (approx. € 15 million) to the cost base. Organic growth in operating expenses was 10% YoY and 3% sequentially.

At the end of the quarter we operated a network of 4,195 outlets, 80 more than in the previous quarter, largely influenced by the consolidation of FujiStaff. Average headcount (measured by FTE) amounted to 26,970 for the quarter, up 5% YoY and up 4% sequentially. Organically the increase was 2% YoY and 1% sequentially. Growth in the number of FTEs has been significantly below revenue and gross profit growth, allowing for considerable productivity improvements.

For the full year underlying operating expenses amounted to € 2,149.1 million, compared to € 2,098.5 million in 2009. Whereas operating expenses were below last year in the first half of the year, the cost base began to increase in the second half to support the fast growth in our business.

In € million (unaudited)	**Q4 2010 underlying[1)]**	Q4 2009 underlying	*organic change*	FY 2010 underlying	FY 2009 underlying	*organic change*
Revenue	**3,891.1**	3,179.7	*17%*	14,179.3	12,399.9	*12%*
Gross profit	**736.7**	605.9	*15%*	2,658.7	2,414.2	*7%*
Operating expenses	**575.2**	499.8	*10%*	2,149.1	2,098.5	*1%*
EBITDA	**182.9**	128.7		594.7	406.0	
EBITA	**161.5**	106.1	*39%*	509.6	315.7	*39%*
Gross margin	**18.9%**	19.1%		18.8%	19.5%	
Operating expenses as % of revenue	**14.8%**	15.7%		15.2%	16.9%	
EBITA margin	**4.2%**	3.3%		3.6%	2.5%	

1) in Q4 2010 actual and underlying results are equal

EBITA

In Q4 2010 underlying EBITA increased by 52% to € 161.5 million, with the EBITA margin reaching 4.2% compared to 3.3% in Q4 2009. Organic EBITA growth was 39%. FujiStaff contributed € 5.4 million to EBITA in Q4 2010. For the full year underlying EBITA increased by 61% to 509.6 million. The EBITA margin improved to 3.6%, compared to 2.5% in 2009.

Net finance costs

In Q4 2010, net finance costs reached € 2.6 million versus € 9.8 million in Q4 2009. This amount is relatively low as net finance costs benefited from foreign currency effects and the quarterly adjustment of the valuation of minority stakes (referred to as deferred consideration business combinations on the balance sheet). Cash interest spend was € 3.6

million. For the full year, net finance costs amounted to € 23.8 million compared to € 48.9 million in 2009. The improvement is largely based on lower average net debt through the year and lower interest rates, especially in the first half of the year.

Tax

In Q4 2010, the effective tax rate before amortization of acquisition-related intangibles and one-offs amounted to 29%, equal to the rate of the previous quarter and in line with guidance. In addition, the improved profitability and good outlook for our US operations triggered a change in the valuation of deferred taxes of € 60 million. As a result we had a tax income of € 28 million in Q4. We expect the effective tax rate before amortization of acquisition-related intangibles to be in the range of 29-32% in 2011.

Net income and EPS

In Q4 2010, diluted EPS increased by 36% to € 0.64 (Q4 2009 € 0.47), following a 37% increase in adjusted net income attributable to holders of ordinary shares. For the full year 2010, net income amounted to € 288.5 million compared to € 67.6 million in 2009. Full year adjusted net income attributable to holders of ordinary shares increased by 62% to € 335.9 million (€ 207.2 million in 2009) and diluted EPS rose by the same percentage to € 1.96 (2009 € 1.21).

Cash flow

In Q4 2010 free cash flow amounted to € 202.6 million compared to € 167.5 million in Q4 2009. Cash flow remained strong on the back of improved operating results and tight working capital management. The moving average of DSO improved to 55 days compared to 56 days at the end of Q3 2010 and 58 days at the end of 2009. Quarterly free cash flow was larger than the cash amount of € 124.3 million spent on acquisitions (primarily FujiStaff), enabling a further net debt reduction. Over the full year free cash flow amounted to € 309.3 million compared to € 698.1 million in 2009. In 2009 cash flow was stimulated by fiscal items of € 232 million in total and by the unwinding of working capital related to the revenue decrease.

Balance sheet

At the end of Q4 2010 net debt amounted to € 899.3 million compared to € 1,014.7 million at the end of Q4 2009 and € 946.5 million at the end of Q3 2010. The leverage ratio (net debt end of period divided by the EBITDA of the past 12 months) improved to 1.5, compared to 1.8 at the end of Q3 2010 and 2.5 at the end of Q4 2009. The ratio is well within our target range of 0 to 2. The covenants of the syndicated facility allow a leverage ratio of up to 3.5.

Fourth quarter 2010 by geography

The Netherlands

Revenue was up 4% organically compared to flat revenue in the previous quarter. The Dutch market is more late cyclical than other markets due to the relatively higher weight of the services segment in the overall economy. The market gained some momentum during the quarter, with improved growth in staffing segments and a more limited decline in the professionals segment. Tempo-Team and Randstad continued to be somewhat behind market, lagging the growth in the industrial segment. However, both showed growth and solid profitability. The decline in revenue at Yacht, which is active in the more late cyclical and more public sector geared professionals segment, eased to a single digit figure, while gross margin improved sequentially because of reduced idle time. The EBITA margin reached 6.8%, compared to 7.2% in Q4 2009.

France
Revenue increased organically by 21%, compared to 19% in the previous quarter. Strong momentum was maintained and we were ahead of the market. Manufacturing continued to act as a main growth driver but improvements can be witnessed now in all sectors, including white collar. Inhouse revenue more than doubled. We now have approximately 100 inhouse locations. Over the past quarters more than 250 specialty units have been created in existing branches, improving our exposure to this part of the market as well. Growth in professionals was double digit. Perm fees were up 18% organically. The EBITA margin amounted to 2.9% (or 1.6% excluding the € 10.4 million business tax reclassification) compared to 0.1% in Q4 2009. The changes in the French subsidy system regarding low wage labor have been applicable to the December payroll which was processed in January. This had a negative impact on the December gross margin of approximately 1 full percent as this could not yet be passed on to clients.

Germany
Organic growth reached 32%, compared to 40% in the previous quarter. Growth continued to be strong against a more challenging comparison base, as the recovery started in Q4 2009. A continued strong pickup across all industrial segments helped to drive growth in staffing and inhouse. In professionals, the aerospace segment remained slow while engineering showed some growth. Results of Yacht Teccon further improved. Growth in the IT business remained very strong. The combined EBITA margin reached 7.5%, compared to 7.1% in Q4 2009.

Belgium/Luxembourg
Revenue increased by 17% organically, equal to growth in the previous quarter. Randstad outperformed market growth, beating the market in the industrial segment especially through inhouse. Tempo-Team was still somewhat below the market, as it is less exposed to the fastest growing automotive and industrial segments. For both Randstad and Tempo-Team growth in white collar gained momentum, whilst non-staffing services such as service checks and HR Solutions lagged. The EBITA margin improved to 6.3% (5.1% in Q4 2009).

UK
On an organic basis revenue increased by 9%, equal to growth in the previous quarter. Revenue in inhouse maintained solid momentum, whilst staffing revenue was under pressure based on slow demand from the public sector. Revenue in the professionals segment still contracted YoY based on reduced temp revenue. However, backed by growth in perm fees, gross profit increased in finance, ICT, HR and media. For the whole UK permanent placement fees were up 5%, as improvements in aforementioned segments were partly offset by reduced placement fees in education and healthcare. Costs were relatively high and included restructuring and integration charges of approximately € 3 million and costs for the national marketing campaign above the regular marketing budget of approximately € 1 million. The EBITA margin was -2.0%, compared to 0.8% in Q4 2009.

Iberia
Revenue increased by 9%, compared to 6% in the previous quarter. Economic circumstances remain challenging in the region. In Spain we performed better than the market. Inhouse showed strength towards the end of the year. The Portuguese business grew at about 10%, with solid demand in automotive. Based on strong execution Portuguese DSO

was reduced within a difficult climate. Quarterly operating expenses included rebranding costs of a little over € 1 million. The rebranding program is now finalized. The EBITA margin reached 3.3% compared to 4.1% in Q4 2009.

Other European countries

The other European countries showed solid growth across the board. In Italy, revenue was up over 30%, clearly ahead of market. Our Polish and Scandinavian businesses continued to show strong growth, while this was also the case in Turkey, Hungary, and Greece. The Swiss business generated double digit growth as well. The integration of recently acquired businesses in Hungary and the Czech Republic is well ahead of schedule. For the combined region the EBITA margin reached 3.3%, compared to 3.0% in Q4 2009.

North America

Revenue increased by 21% on an organic basis, compared to 23% growth in the previous quarter. The mix improved as our combined US staffing and inhouse business, our professionals business and our Canadian business all had about the same growth rate. In the US, we performed better than the market as demand for temporary labor remained strong. Growth in the US professionals business continued to accelerate. IT, finance & accounting and life sciences were the main drivers while US managed services also showed strong growth due to new customer wins and an increase in volumes in existing accounts. The Canadian business strengthened during the quarter, with a strong performance from both staffing and professionals. North American perm fees were up 34% organically. The North American EBITA margin improved to 4.6% compared to 2.6% in Q4 2009.

Rest of the world

The Australian business grew 11% with perm fees growing over 40%. In Latin America, the Argentinean, Brazilian and Chilean businesses showed growth well ahead of 20%. Mexican revenue declined in Q4 due to phasing of revenue at a large client. India and China showed solid growth. Our Japanese business showed a single digit increase of revenue over the full quarter. FujiStaff was consolidated as of 20 October 2010. FujiStaff revenue increased by 4% over the full quarter, while the EBITA margin was approximately 5%. For the combined region, the EBITA margin reached 1.4%, compared to -0.2% in Q4 2009.

Fourth quarter 2010 by revenue category

Staffing

Staffing revenue increased by 13%, equal to the growth rate in the previous quarter. Increased demand is still largely driven by demand from industrial clients. However, administrative segments are gaining momentum in several regions.

Inhouse

Inhouse services showed the strongest improvement, with organic growth reaching a level of 51%, compared to 55% in Q3 2010. Growth is primarily driven by a pickup in demand from our client base in the industrial and logistical segments. Growth also includes client gains and transfers from staffing to inhouse, for example in France, where we are transferring clients from the former Vediorbis network.

Professionals

In line with classical patterns, the professionals segment is lagging the other segments but after recovering in Q2 2010, growth is gradually strengthening. Revenue improved by 9% organically, compared to an 8% increase in Q3 2010. The US professionals business turned in solid growth, based on a strong performance in IT, finance & accounting and life sciences. The Canadian business also improved, driven by IT and engineering. The UK and Dutch professionals businesses both still declined, impacted by the late cyclical nature of the services based economies they operate in, as well as by the relatively large dependency on the lagging government sector.

M&A

In October, 2010, we successfully completed the offer for Japanese FujiStaff, by obtaining a 95% stake. FujiStaff has been consolidated as of October 20, 2010. Delisting occurred in January 2011, resulting in full ownership.
In October, 2010, we used our option to increase our stake in Indian Ma Foi from 83% to 100%. In January, 2011, we sold Hughes Castell Hong Kong. The financial impact of the latter two transactions is immaterial.

Dividend

The past two years we did not pay dividend on ordinary shares as our financial policy did not allow for it. At the end of 2010 our leverage ratio (net debt/EBITDA) amounted to 1.5, well within our target range of in between 0 and 2. We therefore propose to pay a dividend on ordinary shares of € 1.18, in line with our dividend policy. The dividend amount is based on the maximum pay out of 60% of net profit attributable to holders of ordinary shares before amortization of acquisition-related intangible assets and goodwill and one-offs.

Changes to the Supervisory Board

After serving the statutory maximum of three four-year periods, Frits Goldschmeding will step down from the Supervisory Board at the next AGM in March. Randstad Beheer, the vehicle holding the shares of Frits Goldschmeding and his relatives, has nominated Jaap Winter as a member of the Supervisory Board. Jaap Winter is a partner of the Amsterdam based law firm De Brauw Blackstone Westbroek N.V. He is a professor of corporate governance at the Duisenberg school of finance in Amsterdam and professor of international company law at the University of Amsterdam. He was a member of the Dutch corporate governance committee and is currently a member of the European Corporate Governance Forum. Jaap Winter is a member of the supervisory board of the Mauritshuis and a board member of Stichting Comité voor het Concertgebouw.
In accordance with its profile and by-laws, the Supervisory Board proposes to appoint Jaap Winter as a member of the Supervisory Board for a four-year term, taking his extensive experience, notably in the field of corporate law and governance into consideration. Further information about the nomination right of Randstad Beheer can be found on page 76 of the annual report 2010 (PDF on the corporate website as of today).

Outlook

The trends as witnessed in Q4 2010 have so far continued into 2011. In January, revenue per working day increased by 14%. Recovery in our businesses remains robust, even against a more challenging comparison base. We continue to see solid growth rates in all our inhouse businesses, based on recovery in manufacturing and logistics. Staffing shows healthy growth across our markets, including recovery in administrative segments in various regions. Growth in the more late cyclical professionals business is gradually strengthening, despite the still lagging UK and Dutch professionals businesses. Increased focus on field steering, copy-pasting of specialties, the rollout of the professionals concept and improved cross-selling should all help to drive outperformance against our markets in 2011. We will continue to invest in people and outlets to support our growth. Based on seasonal patterns we expect operating expenses in Q1 2011 to be in line with the level of Q4 2010. We are fully committed to realize enhanced returns in 2011 and face the near future with confidence.

Digital version of the annual report online as of today

The full year figures or interim financial statements included in this press release are derived from the financial statements 2010. On the financial statements 2010 of Randstad Holding nv an unqualified auditor's opinion was issued, dated February 15, 2011. The digital version of the annual report 2010, including the financial statements 2010, will be published today and can be retrieved through our corporate website or direct through the link www.randstadannualreport.com.

Financial calendar

Annual General Meeting of Shareholders	March 31, 2011
Publication first quarter results 2011	April 28, 2011
Publication second quarter results 2011	July 28, 2011
Publication third quarter results 2011	October 27, 2011
Analyst & Investor Days	December 1 and 2, 2011
Publication fourth quarter and annual results 2011	February 16, 2012

Press conference and analyst meeting

Today, at 10.00 CET, Randstad Holding will host a press conference at its head office in Diemen. At 13.00 CET, Randstad Holding will host an analyst presentation and conference call. The Dutch dial in number is +31 20 796 5213 while the international dial in number is +44 20 8 817 9301. The pass code is: 4188131. You can watch the analyst conference through real time video web cast. A replay of the presentation and the Q&A will also be available on our website as of today 18.00 CET. The link is: http://www.ir.randstad.com/presentations.cfm

Certain statements in this document concern prognoses about the future financial condition and the results of operations of Randstad Holding 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 general economic conditions, a shortage on the job market, changes in the demand for (flexible) personnel, changes in employment legislation, future currency and interest fluctuations, future takeovers, acquisitions and disposals and the rate of technological developments. These prognoses therefore apply only on the date on which the document was compiled.

Randstad specializes in solutions in the field of flexible work and human resources services. Our services range from regular temporary staffing and permanent placement to inhouse, professionals, search & selection, and HR Solutions. Since acquiring Vedior in 2008, the Randstad Group is one of the leading HR services providers in the world with top three positions in Argentina, Belgium & Luxembourg, Canada, Chile, France, Germany, Greece, India, Mexico, the Netherlands, Poland, Portugal, Spain, Switzerland and the UK, as well as major positions in Australia and the United States. End 2010 Randstad had approximately 27,500 employees working from close to 4,200 branches and inhouse locations in 43 countries around the world.
Randstad generated a revenue of € 14.2 billion in 2010. Randstad was founded in 1960 and is headquartered in Diemen, the Netherlands. Randstad Holding nv is listed on the NYSE Euronext Amsterdam, where options for stocks in Randstad are also traded. For more information see www.randstad.com

Interim financial statements

Consolidated income statement

(unaudited)

Underlying performance

In millions of €	Three months ended December 31 2010	2009	Change 2010/2009	Twelve months ended December 31 2010	2009	Change 2010/2009
Revenue	**3,891.1**	3,179.7	22%	**14,179.3**	12,399.9	14%
Cost of services	**3,154.4**	2,573.8	23%	**11,520.6**	9,985.7	15%
Gross profit	**736.7**	605.9	22%	**2,658.7**	2,414.2	10%
Selling expenses	**394.9**	344.1	15%	**1,468.1**	1,439.7	2%
General and administrative expenses	**180.3**	155.7	16%	**681.0**	658.8	3%
Operating expenses	**575.2**	499.8	15%	**2,149.1**	2,098.5	2%
EBITA*	**161.5**	106.1	52%	**509.6**	315.7	61%
Margins						
Gross margin	**18.9%**	19.1%		**18.8%**	19.5%	
EBITDA margin	**4.7%**	4.0%		**4.2%**	3.3%	
EBITA margin	**4.2%**	3.3%		**3.6%**	2.5%	

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

Information by geographical area
(unaudited)

Underlying performance

Three months ended December 31

In millions of €	**2010**	2009	change 2010/2009	organic * change	**EBITA margins 2010**	EBITA margins 2009
Revenue						
Netherlands	**753.9**	725.7	4%	4%		
France	**805.9**	681.6	18%	21%		
Germany	**479.6**	362.1	32%	32%		
Belgium/Luxembourg	**357.6**	306.8	17%	17%		
United Kingdom	**209.3**	181.9	15%	9%		
Iberia	**231.3**	213.1	9%	9%		
Other European countries	**221.7**	164.0	35%	28%		
North America	**495.6**	375.0	32%	21%		
Rest of the world	**336.2**	169.5	98%	19%		
Total revenue	**3,891.1**	3,179.7	22%	17%		
EBITA**						
Netherlands	**51.4**	52.0	-1%	0%	**6.8%**	7.2%
France	**23.2**	0.7	>1,000%	>1000%	**2.9%**	0.1%
Germany	**35.8**	25.8	39%	39%	**7.5%**	7.1%
Belgium/Luxembourg	**22.6**	15.5	46%	81%	**6.3%**	5.1%
United Kingdom	**-4.2**	1.4	-400%	-350%	**-2.0%**	0.8%
Iberia	**7.6**	8.8	-14%	-14%	**3.3%**	4.1%
Other European countries	**7.4**	4.9	51%	50%	**3.3%**	3.0%
North America	**23.0**	9.9	132%	120%	**4.6%**	2.6%
Rest of the world	**4.6**	-0.4	>1,000%	-14%	**1.4%**	-0.2%
Corporate	**-9.9**	-12.5				
Total EBITA	**161.5**	106.1	52%	39%	**4.2%**	3.3%

Twelve months ended December 31

In millions of €	**2010**	2009	change 2010/2009	organic * change	**EBITA margins 2010**	EBITA margins 2009
Revenue						
Netherlands	**2,826.7**	2,962.9	-5%	-4%		
France	**3,067.3**	2,691.6	14%	15%		
Germany	**1,728.6**	1,320.7	31%	31%		
Belgium/Luxembourg	**1,327.8**	1,191.4	11%	11%		
United Kingdom	**802.3**	753.3	7%	3%		
Iberia	**861.0**	796.4	8%	8%		
Other European countries	**761.4**	603.5	26%	21%		
North America	**1,848.2**	1,450.3	27%	19%		
Rest of the world	**956.0**	629.8	52%	19%		
Total revenue	**14,179.3**	12,399.9	14%	12%		
EBITA**						
Netherlands	**180.7**	201.1	-10%	-18%	**6.4%**	6.8%
France	**90.0**	11.8	663%	416%	**2.9%**	0.4%
Germany	**106.5**	55.2	93%	93%	**6.2%**	4.2%
Belgium/Luxembourg	**62.9**	52.5	20%	20%	**4.7%**	4.4%
United Kingdom	**6.5**	5.7	14%	-12%	**0.8%**	0.8%
Iberia	**18.0**	14.2	27%	27%	**2.1%**	1.8%
Other European countries	**19.2**	0.7	>1,000%	>1,000%	**2.5%**	0.1%
North America	**62.0**	22.3	178%	154%	**3.4%**	1.5%
Rest of the world	**8.8**	-4.2	310%	155%	**0.9%**	-0.7%
Corporate	**-45.0**	-43.6				
Total EBITA	**509.6**	315.7	61%	39%	**3.6%**	2.5%

* Organic change is measured excluding the impact of currency effects, acquisitions and disposals (and for France adjusted for impact business tax).
** EBITA: operating profit before amortization and impairment acquisition-related intangible assets and goodwill, integration costs and one-offs.

Consolidated income statement
(Q4 unaudited)

In millions of €	Three months ended December 31 **2010**	2009	Twelve months ended December 31 **2010**	2009
Revenue	**3,891.1**	3,179.7	**14,179.3**	12,399.9
Cost of services	**3,154.4**	2,573.8	**11,510.0**	9,978.6
Gross profit	**736.7**	605.9	**2,669.3**	2,421.3
Selling expenses	**394.9**	352.0	**1,471.1**	1,497.2
General and administrative expenses	**180.3**	161.2	**684.6**	695.2
Operating expenses	**575.2**	513.2	**2,155.7**	2,192.4
Amortization and impairment acquisition-related intangible assets and goodwill	**48.4**	39.4	**172.4**	158.6
Total operating expenses	**623.6**	552.6	**2,328.1**	2,351.0
Other income	**-**	3.4	**0.0**	23.5
Operating profit	**113.1**	56.7	**341.2**	93.8
Net finance cost	**-2.6**	-9.8	**-23.8**	-48.9
Share of profit of associates	**0.0**	0.0	**0.6**	-0.5
Income before taxes	**110.5**	46.9	**318.0**	44.4
Taxes on income	**28.0**	0.8	**-29.5**	23.2
Net income	**138.5**	47.7	**288.5**	67.6
Attributable to:				
Holders of ordinary equity Randstad Holding nv	**136.6**	46.0	**280.8**	61.1
Holders of preferred equity Randstad Holding nv	**1.8**	1.8	**7.2**	7.2
Equity holders	**138.4**	47.8	**288.0**	68.3
Non-controlling interests	**0.1**	-0.1	**0.5**	-0.7
Net income	**138.5**	47.7	**288.5**	67.6
Earnings per share				
Earnings per share attributable to the holders of ordinary shares of Randstad Holding nv (expressed in € per ordinary share):				
- basic earnings per ordinary share	**0.80**	0.27	**1.65**	0.36
- diluted earnings per ordinary share	**0.79**	0.27	**1.63**	0.36
- diluted earnings per ordinary share before amortization and impairment acquisition-related intangible assets and goodwill, integration costs and one-offs	**0.64**	0.47	**1.96**	1.21
Margins				
Gross margin	**18.9%**	19.1%	**18.8%**	19.5%
EBITDA margin	**4.7%**	3.8%	**4.2%**	2.8%
EBITA margin	**4.2%**	3.0%	**3.6%**	2.0%
Operating margin	**2.9%**	1.8%	**2.4%**	0.8%
Net margin	**3.6%**	1.5%	**2.0%**	0.5%

Information by geographical area
(Q4 unaudited)

In millions of €	Three months ended December 31 **2010**	2009
Revenue		
Netherlands	**753.9**	725.7
France	**805.9**	681.6
Germany	**479.6**	362.1
Belgium/Luxembourg	**357.6**	306.8
United Kingdom	**209.3**	181.9
Iberia	**231.3**	213.1
Other European counties	**221.7**	164.0
North America	**495.6**	375.0
Rest of the world	**336.2**	169.5
Total revenue	**3,891.1**	3,179.7
EBITA*		
Netherlands	**51.4**	42.8
France	**23.2**	4.5
Germany	**35.8**	26.2
Belgium/Luxembourg	**22.6**	15.5
United Kingdom	**-4.2**	-2.0
Iberia	**7.6**	8.8
Other European countries	**7.4**	4.9
North America	**23.0**	9.9
Rest of the world	**4.6**	-2.0
Corporate	**-9.9**	-12.5
	161.5	96.1
Integration costs	**-**	-
Total EBITA	**161.5**	96.1

In millions of €	Twelve months ended December 31 **2010**	2009
Revenue		
Netherlands	**2,826.7**	2,962.9
France	**3,067.3**	2,691.6
Germany	**1,728.6**	1,320.7
Belgium/Luxembourg	**1,327.8**	1,191.4
United Kingdom	**802.3**	753.3
Iberia	**861.0**	796.4
Other European counties	**761.4**	603.5
North America	**1,848.2**	1,450.3
Rest of the world	**956.0**	629.8
Total revenue	**14,179.3**	12,399.9
EBITA*		
Netherlands	**188.7**	187.6
France	**88.4**	-9.8
Germany	**106.5**	60.9
Belgium/Luxembourg	**61.6**	53.8
United Kingdom	**5.4**	0.1
Iberia	**18.0**	11.9
Other European countries	**19.2**	-2.0
North America	**62.0**	16.9
Rest of the world	**8.8**	-12.6
Corporate	**-45.0**	-38.5
	513.6	268.3
Integration costs	**-**	-15.9
Total EBITA	**513.6**	252.4

* EBITA for geographical areas: operating profit before amortization and impairment acquisition-related intangible assets and goodwill and integration costs.

Information by revenue category
(unaudited)

In millions of €	Three months ended December 31			
	2010	2009	change 2010/2009	organic change *
Revenue				
Staffing	**2,597.0**	2,219.5	17%	13%
Inhouse services	**627.6**	374.4	68%	51%
Professionals	**666.5**	585.8	14%	9%
Total revenue	**3,891.1**	3,179.7	22%	17%

In millions of €	Twelve months ended December 31			
	2010	2009	change 2010/2009	organic change *
Revenue				
Staffing	**9,582.1**	8,614.7	11%	10%
Inhouse services	**2,002.5**	1,311.1	53%	45%
Professionals	**2,594.7**	2,474.1	5%	1%
Total revenue	**14,179.3**	12,399.9	14%	12%

* Organic change is measured excluding the impact of currency effects, acquisitions and disposals.

Consolidated balance sheet

In millions of €	**December 31, 2010**	December 31, 2009
Assets		
Property, plant and equipment	**155.6**	150.5
Intangible assets	**3,162.1**	3,158.1
Deferred income tax assets	**520.4**	465.3
Financial assets and associates	**75.5**	83.2
Non-current assets	**3,913.6**	3,857.1
Trade and other receivables	**2,788.3**	2,266.3
Income tax receivables	**51.7**	64.6
Cash and cash equivalents	**285.3**	270.1
Current assets	**3,125.3**	2,601.0
Total assets	**7,038.9**	6,458.1
Equity and liabilities		
Issued capital	**19.5**	19.5
Share premium	**2,031.3**	2,014.3
Reserves	**800.0**	457.2
Shareholders' equity	**2,850.8**	2,491.0
Non-controlling interests	**1.6**	1.5
Total equity	**2,852.4**	2,492.5
Borrowings	**1,108.5**	1,244.2
Deferred income tax liabilities	**444.4**	474.7
Provisions and employee benefit obligations	**79.0**	72.6
Other liabilities	**56.8**	73.7
Non-current liabilities	**1,688.7**	1,865.2
Borrowings	**76.1**	40.6
Trade and other payables	**2,261.0**	1,869.9
Income tax liabilities	**37.4**	22.5
Other liabilities	**123.3**	167.4
Current liabilities	**2,497.8**	2,100.4
Total equity and liabilities	**7,038.9**	6,458.1

Consolidated statement of cash flows
(Q4 unaudited)

In millions of €	Three months ended December 31 **2010**	2009	Twelve months ended December 31 **2010**	2009
Operating profit	**113.1**	56.7	**341.2**	93.8
Depreciation property, plant and equipment	**14.1**	16.2	**55.6**	66.5
Amortization and impairment software	**7.3**	7.6	**29.7**	27.1
Amortization and impairment acquisition-related intangible assets	**48.4**	39.4	**172.4**	158.6
Gain on disposal of subsidiaries	**-**	-3.4	**0.0**	-23.5
Share-based payments	**2.3**	3.8	**9.3**	14.4
Provisions and employee benefit obligations	**-12.8**	0.0	**-46.1**	6.7
Loss/(Gain) on disposals of property, plant and equipment	**0.3**	-1.7	**0.6**	-1.3
Other non-cash items	**3.5**	5.8	**3.5**	5.8
Cash flow from operations before operating working capital and income taxes	**176.2**	124.4	**566.2**	348.1
Trade and other receivables	**19.8**	136.4	**-409.0**	563.5
Trade and other payables	**74.7**	-84.2	**314.9**	-254.5
Operating working capital	**94.5**	52.2	**-94.1**	309.0
Income taxes (paid)/received	**-46.4**	4.8	**-102.9**	85.6
Net cash flow from operating activities	**224.3**	181.4	**369.2**	742.7
Additions in property, plant and equipment	**-16.3**	-10.3	**-39.3**	-33.9
Additions in software	**-3.1**	-0.4	**-21.4**	-14.6
Acquisition of subsidiaries and associates	**-124.3**	-23.3	**-143.4**	-42.3
Held-to-maturity investments	**-5.5**	-8.7	**-5.5**	-8.7
Financial receivables	**0.2**	0.8	**0.6**	2.4
Dividend received from associates	**-**	0.2	**0.6**	0.3
Disposals of property, plant and equipment	**3.0**	4.5	**5.1**	9.9
Disposal of subsidiaries	**0.0**	24.1	**16.1**	31.8
Net cash flow from investing activities	**-146.0**	-13.1	**-187.2**	-55.1
Issue of ordinary shares	**0.9**	0.1	**4.9**	0.2
Repayments of non-current borrowings, net	**-8.4**	-370.0	**-187.4**	-1,176.1
Net financing	**-7.5**	-369.9	**-182.5**	-1,175.9
Net finance costs paid	**-3.6**	-5.9	**-17.3**	-40.7
Dividend paid on preferred shares B	**-**	-	**-7.2**	-7.2
Dividend paid to non-controlling interests	**-**	-	**-**	-0.2
Net reimbursement to financiers	**-3.6**	-5.9	**-24.5**	-48.1
Net cash flow from financing activities	**-11.1**	-375.8	**-207.0**	-1,224.0
Net increase/(decrease) in cash, cash equivalents and current borrowings	**67.2**	-207.5	**-25.0**	-536.4
Cash, cash equivalents and current borrowings at begin of period	**139.2**	437.5	**229.5**	760.9
Net increase/(decrease) in cash, cash equivalents and current borrowings	**67.2**	-207.5	**-25.0**	-536.4
Translation gains/(losses)	**2.8**	-0.5	**4.7**	5.0
Cash, cash equivalents and current borrowings at end of period	**209.2**	229.5	**209.2**	229.5
Free cash flow	**202.6**	167.5	**309.3**	698.1

Consolidated statement of comprehensive income
(Q4 unaudited)

In millions of €	**Three months ended December 31, 2010**	Three months ended December 31, 2009
Net income for the period	**138.5**	47.7
Other comprehensive income		
- translation differences	**18.1**	-40.1
- other	**0.2**	-
Total comprehensive income	**156.8**	7.6
Attributable to:		
- equity holders of the company	**156.5**	7.6
- non-controlling interests	**0.3**	0.0

In millions of €	**Twelve months ended December 31, 2010**	Twelve months ended December 31, 2009
Net income for the period	**288.5**	67.6
Other comprehensive income		
- translation differences	**68.8**	-1.4
- other	**0.2**	-
Total comprehensive income	**357.5**	66.2
Attributable to:		
- equity holders of the company	**356.7**	66.7
- non-controlling interests	**0.8**	-0.5

Consolidated statement of changes in equity
(Q4 unaudited)

	Three months ended December 31, 2010			Three months ended December 31, 2009		
In millions of €	**Shareholders' equity**	**Non-controlling interests**	**Total equity**	Shareholders' equity	Non-controlling interests	Total equity
Value at October 1	**2,695.0**	**2.0**	**2,697.0**	2,479.5	1.5	2,481.0
Total comprehensive income	**156.5**	**0.3**	**156.8**	7.6	0.0	7.6
Share-based payments	**2.3**	**-**	**2.3**	3.8	-	3.8
Issue of ordinary shares	**0.9**	**-**	**0.9**	0.1	-	0.1
Acquisition/disposal of minorities	**-3.9**	**-0.7**	**-4.6**	-	-	-
Value at December 31	**2,850.8**	**1.6**	**2,852.4**	2,491.0	1.5	2,492.5

	Twelve months ended December 31, 2010			Twelve months ended December 31, 2009		
In millions of €	**Shareholders' equity**	**Non-controlling interests**	**Total equity**	Shareholders' equity	Non-controlling interests	Total equity
Value at January 1	**2,491.0**	**1.5**	**2,492.5**	2,416.9	4.0	2,420.9
Total comprehensive income	**356.7**	**0.8**	**357.5**	66.7	-0.5	66.2
Dividend on ordinary shares	**-**	**-**	**-**	-	-	-
Dividend preferred shares	**-7.2**	**-**	**-7.2**	-7.2	-	-7.2
Share-based payments	**9.3**	**-**	**9.3**	14.4	-	14.4
Issue of ordinary shares	**4.9**	**-**	**4.9**	0.2	-	0.2
Acquisition/disposal of minorities	**-3.9**	**-0.7**	**-4.6**	-	-1.8	-1.8
Dividend minorities	**-**	**-**	**-**	-	-0.2	-0.2
Value at December 31	**2,850.8**	**1.6**	**2,852.4**	2,491.0	1.5	2,492.5

Core data
(Q4 unaudited)

In millions of €

Balance sheet	**December 31, 2010**	December 31, 2009
Operating working capital *	**525.5**	395.2
Borrowings	**1,184.6**	1,284.8
Net debt	**899.3**	1,014.7

* Operating working capital is defined as trade and other receivables minus current part financial fixed assets and minus trade and other payables.

Break down operating expenses	**Three months ended December 31**		**Twelve months ended December 31**	
	2010	2009	**2010**	2009
Personnel expenses	**402.5**	349.8	**1,515.8**	1,471.6
Other operating expenses	**172.7**	163.4	**639.9**	720.8
Operating expenses	**575.2**	513.2	**2,155.7**	2,192.4
Depreciation and amortization/impairment software				
Depreciation property, plant and equipment	**14.1**	16.2	**55.6**	66.5
Amortization and impairment software	**7.3**	7.6	**29.7**	27.1
Total depreciation and amortization/impairment software	**21.4**	23.8	**85.3**	93.6
EPS calculation				
Net income for holders of ordinary shares	**136.6**	46.0	**280.8**	61.1
Amortization and impairment acquisition-related intangible assets and impairment goodwill	**48.4**	39.4	**172.4**	158.6
Integration costs	**-**	-	**-**	15.9
One-offs	**-60.0**	10.0	**-64.0**	47.4
Tax-effect on amortization and impairment acquisition-related intangible assets and goodwill, integration costs and one-offs	**-15.5**	-15.5	**-53.3**	-75.8
Net income for holders of ordinary shares before amortization and impairment acquisition-related intangible assets and goodwill, integration costs and one-offs	**109.5**	79.9	**335.9**	207.2
Basic EPS (in €)	**0.80**	0.27	**1.65**	0.36
Diluted EPS (in €)	**0.79**	0.27	**1.63**	0.36
Diluted EPS before amortization and impairment acquisition-related intangible assets and goodwill, integration costs and one-offs (in €)	**0.64**	0.47	**1.96**	1.21
Average number of ordinary shares outstanding (mln)	**170.0**	169.6	**169.9**	169.6
Average number of diluted ordinary shares outstanding (mln)	**172.0**	171.4	**171.8**	171.1

Notes to the consolidated interim financial statements

Reporting entity
Randstad Holding nv is a public limited liability company incorporated and domiciled in the Netherlands and listed on Euronext Amsterdam.
The consolidated interim financial statements of Randstad Holding nv as at and for the three and twelve months' period ended December 31, 2010 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 endorsed by the European Union (hereafter: IFRS).
The accounting policies applied by the Group in these consolidated interim financial statements are unchanged compared to those applied by the Group in its consolidated financial statements as at and for the year ended December 31, 2009, with the exception of IFRS 3 (business combinations). The change from the revision of IFRS 3 that has impact on the income statement of these consolidated interim financial statements is the accounting for acquisition-related costs as expenses instead of capitalization as part of the consideration of the acquisition. The income statement YTD Q4, 2010 includes € 2.8 million acquisition-related expenses.

Basis of presentation
These consolidated interim financial statements are condensed and prepared in accordance with (IFRS) IAS 34 'Interim Financial Reporting'; they do not include all of the information required for full (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, 2009. The consolidated financial statements of the Group as at and for the year ended December 31, 2009 are available upon request at the Company's office or at www.ir.randstad.com.

The consolidated financial statements as at and for the year ended December 31, 2010 are available at www.ir.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, were the same as those applied to the consolidated financial statements as at and for the year ended December 31, 2009.

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

Effective tax rate
The effective tax rate YTD Q4 is 9.3% (Q4 only: -25.3%). The effective tax rate YTD Q4 is lower than YTD Q3 (27.7%), mainly due to a tax gain in the amount of € 60 million. Due to more favorable business conditions and outlook for our company and industry in the USA, we expect to be able to recover more net operating losses, resulting in this tax gain.

Acquisitions of Group companies

The total cash out for acquisitions in Q4 2010 is € 124.3 million, mainly related to the acquisition of an additional 75% of the shares of FujiStaff Holdings Inc (Japan), as well as payments in respect of arrangements with regard to acquired companies in preceding years (€ 7.2 million).

Together with acquisitions in previous quarters of this year of € 19.1 million, of which € 2.6 million relates to associates, € 2.7 million relates to the acquisition of small business in Czech Republic and Hungary and € 13.8 million relates to arrangements with regard to acquired companies in preceding years, the total cash out for acquisitions YTD Q4 2010 amounts to € 143.4 million. As the companies acquired in preceding years are already consolidated in full in 2010, no additional contribution to revenue and operating profit resulted from these acquisitions. The newly acquired companies in 2010 contributed € 105 million to the Group's revenue and € 5 million to the Group's EBITA.

Disposal of Group companies

In 2010 the Group disposed of businesses in the Netherlands, France and Oman, leading to a cash inflow of € 16.1 million (Q4 only: nil).

Shareholders' equity

The issued number of ordinary shares increased as follows:

Number of issued shares as at December 31, 2009	169,559,691
Share-based payments arrangements	489,064
Number of issued shares as at December 31, 2010	170,048,755

Net debt position

The net debt position as of December 31, 2010 (€ 899.3 million) is € 115.4 million lower compared to December 31, 2009 (€ 1,014.7 million) mainly due to a positive free cash flow in the amount of € 309.3 million; the latter mainly arises from a positive cash flow from operating activities.

Related-party transactions

There are no material changes in the nature, scope and (relative) scale in this reporting period compared to the disclosures in note 41 and 42 of the consolidated financial statements as at and for the year ended December 31, 2009.

Commitments

There are no material changes in the nature and scope compared to the disclosures in note 35 of the consolidated financial statements as at and for the year ended December 31, 2009.

Reconciliation between actual and underlying (in millions of €)

(unaudited)

	Three months ended December 31		**Twelve months ended December 31**	
	2010	2009	**2010**	2009
Actual EBITA	**161.5**	96.1	**513.6**	252.4
Integration costs	**-**	-	**-**	15.9
One-offs	**-**	10.0	**-4.0**	47.4
Underlying EBITA	**161.5**	106.1	**509.6**	315.7