randstad

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

3rd quarter results 2010

continued strong growth; revenue up 19% in Q3 2010

Robert-Jan van de Kraats, CFO

Randstad Holding nv
October 28, 2010

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.

(underlying) EBITA: operating profit before amortization and impairment acquisition-related intangible assets and goodwill, integration costs and one-offs

organic growth is measured excluding the impact of currency effects, acquisitions, disposals and reclassifications and French business tax

diluted EPS is measured before amortization and impairment acquisition-related intangible assets and goodwill, integration costs and one-offs

agenda

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

- performance
- financial results & outlook
- Q&A

performance

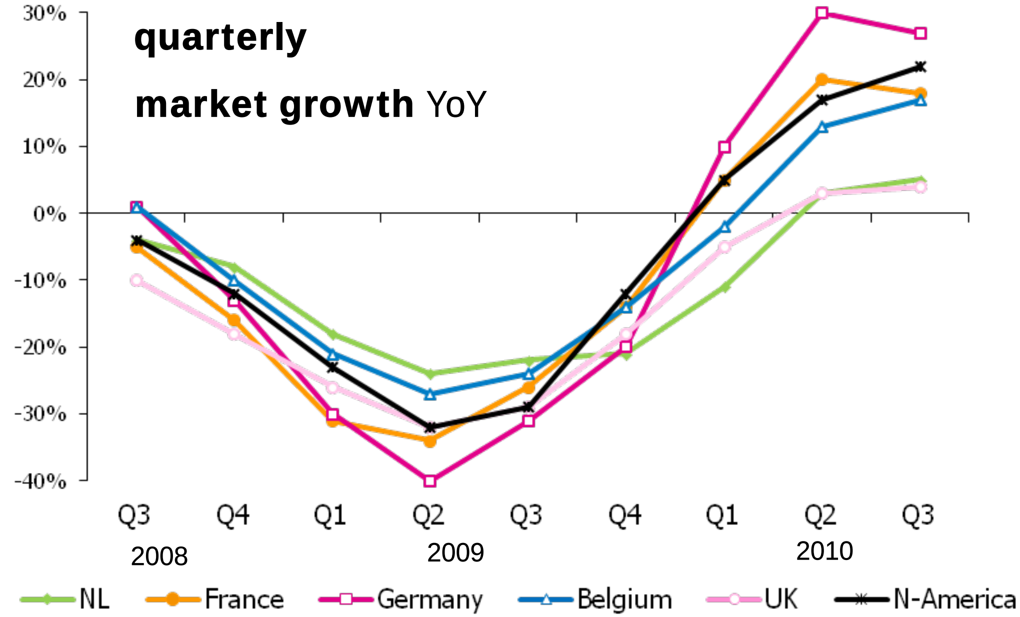
growth stabilization in our markets

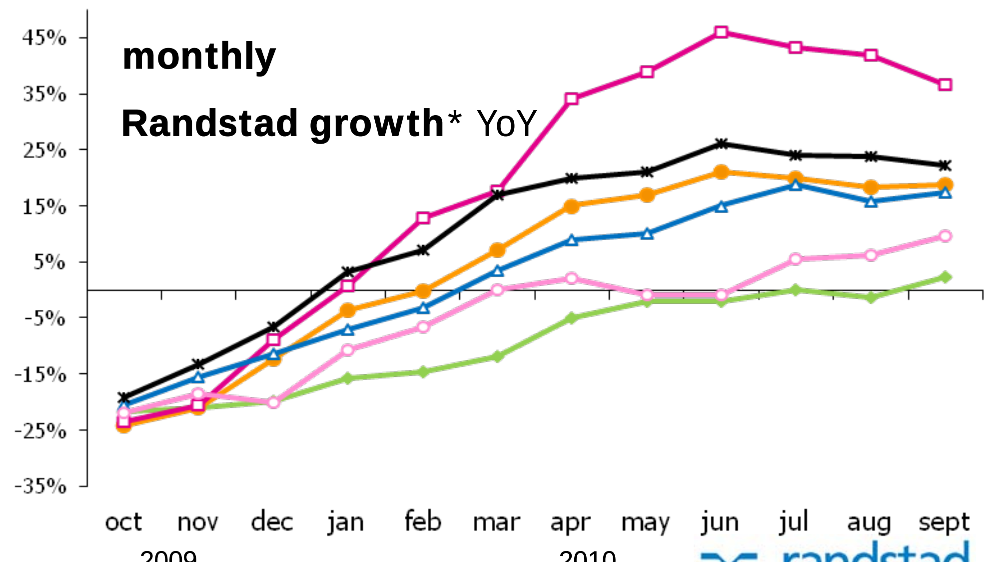
- market growth stabilized on average

- continued high growth in markets that moved early

- slow but steady improvement in lagging markets such as NL and UK

- administrative and professionals segments start to improve





* organic growth per working day

randstad

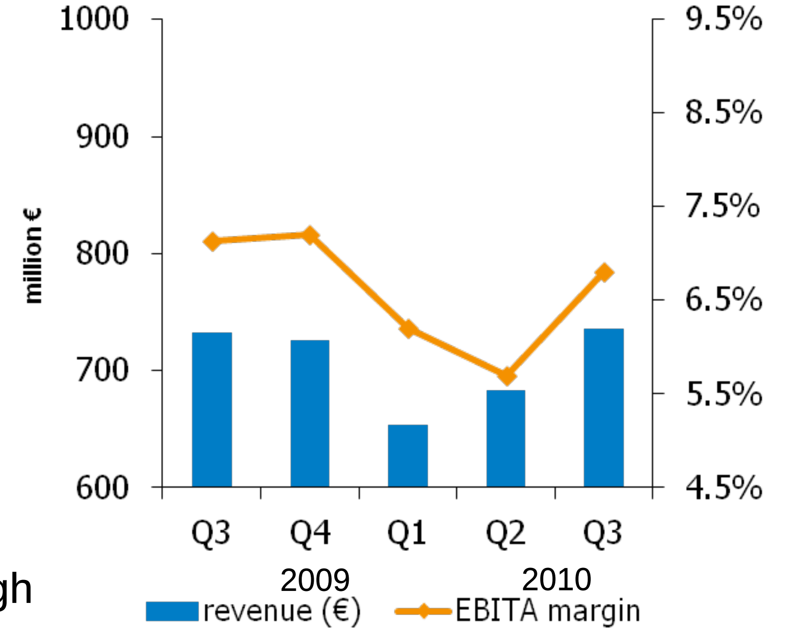
Q3 2010: continued strong growth

- revenue amounted to € 3,781 (+16% YoY organically)
  - organic growth per working day stable through the quarter on stronger comparables
  - growth in inhouse (from 50% to 55%) and professionals (from 1% to 8%) improving
  - growth in staffing (13%) unchanged; clerical segments start to improve
  - perm fees up 24% organically vs. +16% in previous quarter
- gross margin relatively flat since Q4 2009
  - commercial pressure bottomed-out
  - impact perm fees positive in Q3 -> 8.5% of gross profit vs. 7.3% in Q3 2009
- operating expenses up 3% vs. Q2 2010 to € 545 million
  - limited investments in FTE in fast growing countries; infrastructure remains in place in lagging countries
  - up 8% compared to Q3 2009 (+7% organically)
- EBITA reached € 153 million vs. € 93 million in Q3 2009
  - EBITA margin amounted to 4.0% vs. 2.9% in Q3 2009

the Netherlands: late cyclical market recovering

- organic revenue 0% (vs -5% in Q2 2010)
  - market growth improved slightly in Q3
  - late cyclical due to service oriented economy
  - growth, as in Q2, driven by industrial segment
  - Randstad and Tempo-Team below market, however strong improvement during the quarter
  - Yacht (not in ABU) gradually recovering, albeit still materially down for the quarter
- gross margin sequentially slightly up
  - stabilization of commercial pressure
  - improving idle time development at Yacht through the quarter
- EBITA margin 6.8% versus 7.1% LY
  - improved profitability at Randstad and Tempo-Team

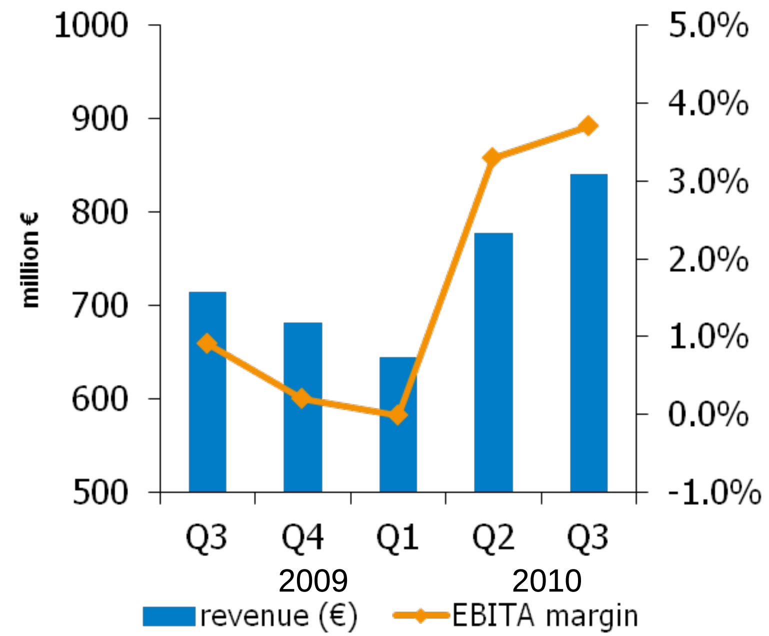
revenue and EBITA margin



France: beating the market in September

- organic revenue +19% in Q3 2010
  - performed at market for the quarter, however strong outperformance visible in September
  - growth broad based; manufacturing main driver
  - permanent placement up 18% (YoY)
  - professionals segment strenghtened
  - 2 inhouse locations added and 5 transfers
- gross margin sequentially down
  - due to commercial pressure
- continued focus on cost structure
  - spread of growth across country requires rise in corporate employees
- EBITA margin 3.7% versus 0.9% LY
  - impact of French business tax is € 10.6 mln for Q3 (EBITA-margin excluded reclassification amounts to 2.5%)
- French subsidy system will change; impact still unknown

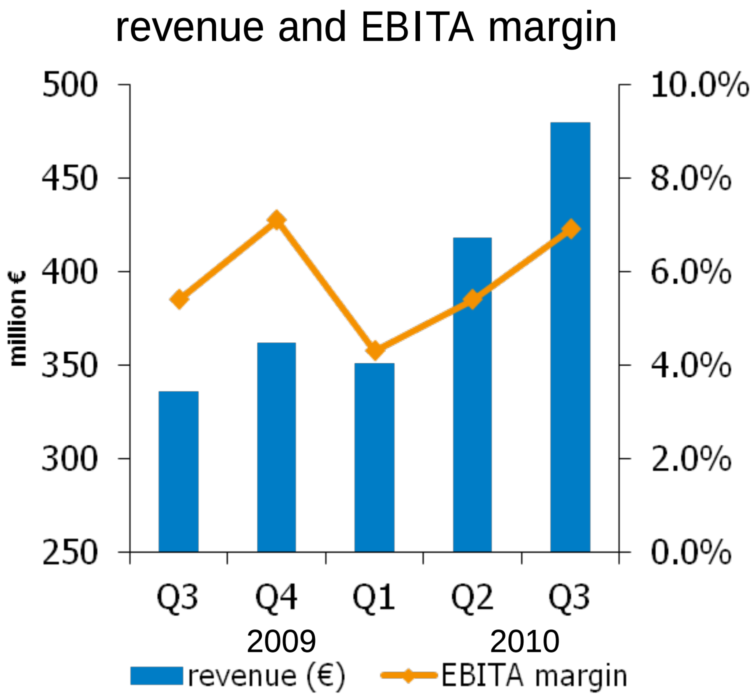
revenue and EBITA margin



randstad

Germany: persisting strong outperformance

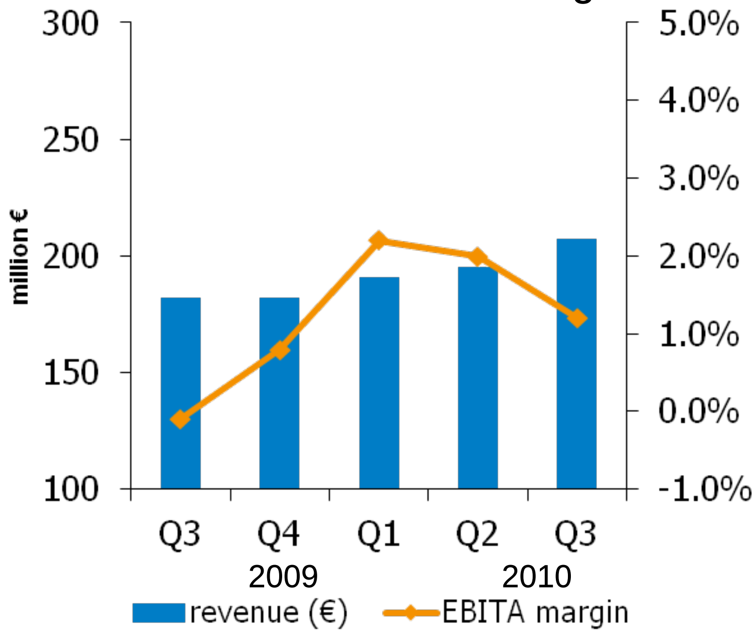
- organic revenue +40% in Q3 2010
  - strong outperformance of the market
  - slightly easing growth trend throughout the quarter due to seasonal pattern
- gross margin sequentially improved
  - price increase CLA accepted
  - idle time improvement in professionals
- mixed performance professionals
  - growth in IT accelerated further
  - engineering somewhat improved, aerospace still difficult; together stable during the quarter
- EBITA margin up to 6.9% (vs. 5.4% LY)
  - strong operating leverage
  - investments in people in high growth areas



UK: continued growth despite challenging conditions

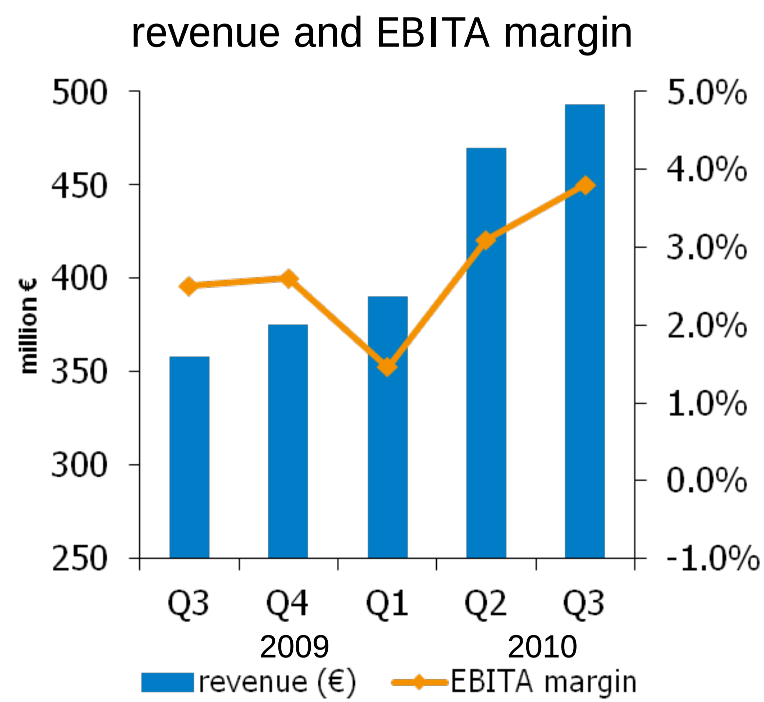
- organic revenue +9% in Q3 2010 (vs. +1% in Q2 2010)
- inhouse continued to gain market share
  - strong pipeline new clients
  - increased share at existing clients
- professionals performance reflection of diversified end markets
  - continued gross profit growth in Engineering, Finance, ICT, Media and HR
  - Healthcare and Education effected by reduction public sector spending
- perm fees up +34% (YoY) vs. +15% in Q2
- EBITA margin up to 1.2% vs. -0.1% LY

revenue and EBITA margin



North America: firing on all cylinders

- organic revenue +23% in Q3 2010
  - extended outperformance of US & Canadian market
  - growth US staffing & inhouse strong at +30% (YoY)
  - US professionals growth 17% (YoY) driven by ICT and Finance
  - Canada up (18%) in Q3
  - perm fees up 18% organically (YoY)
- gross margin sequentially improved
  - change in business mix staffing
  - claimed subsidies under the HIRE Act
- continued good cost management
  - increase in people, bonuses and commissions
- EBITA margin 3.8% vs. 2.5% LY
  - productivity strongly improved (YoY)
  - continuing strong operating leverage



randstad

revenue development per industry segment

Q3 2010 vs Q3 2009	USA	Germany	France	Netherlands*
Manufacturing	++	++	++	++
Automotive	++	++	++	++
Food	++	++	++	o
Transport	++	++	+	+
Business services	++	+	++	o
Financial services	++	++	++	-
Public administration	o	n/a	n/a	--
Health & social work	++	-	o	--

* Netherlands: based on combined revenue of Randstad and Tempo-Team

financial results & outlook

Q3 2010: financial key points (1)

- stable growth trend throughout the quarter

- underlying gross margin sequentially flat since Q4 2009
  - gross profit amounted to € 698 million, up 17% YoY

- underlying operating expenses sequentially 3% up to € 545 million
  - limited investments in FTE in fast growing countries

- EBITA improved by 64% and reached € 153 million vs. € 93 million LY
  - change in French tax law has a positive effect of € 10.6 million (0.3% on gross margin & EBITA-margin)

- effective tax rate* amounted to 29%

- diluted EPS up 40% from € 0.42 in Q3 2009 to € 0.59 in Q3 2010

* before amortization of acquisition-related intangibles

Q3 2010: financial key points (2)

- moving average DSO improved by 1 day to 56 days (YoY)

- free cash flow in Q3 2010 € 173 million vs. € 359 million in Q3 2009
  - € 232 million tax one-off included in cash flow Q3 2009
  - underlying improvement based on lower DSO and higher operating result

- net debt amounted to € 947 million vs. € 1.142 million in Q2 2010
  - leverage ratio at the end of Q3 2010 is 1.8 (vs. 2.4 in Q2 2010)
  - interest rate currently at 125 bps

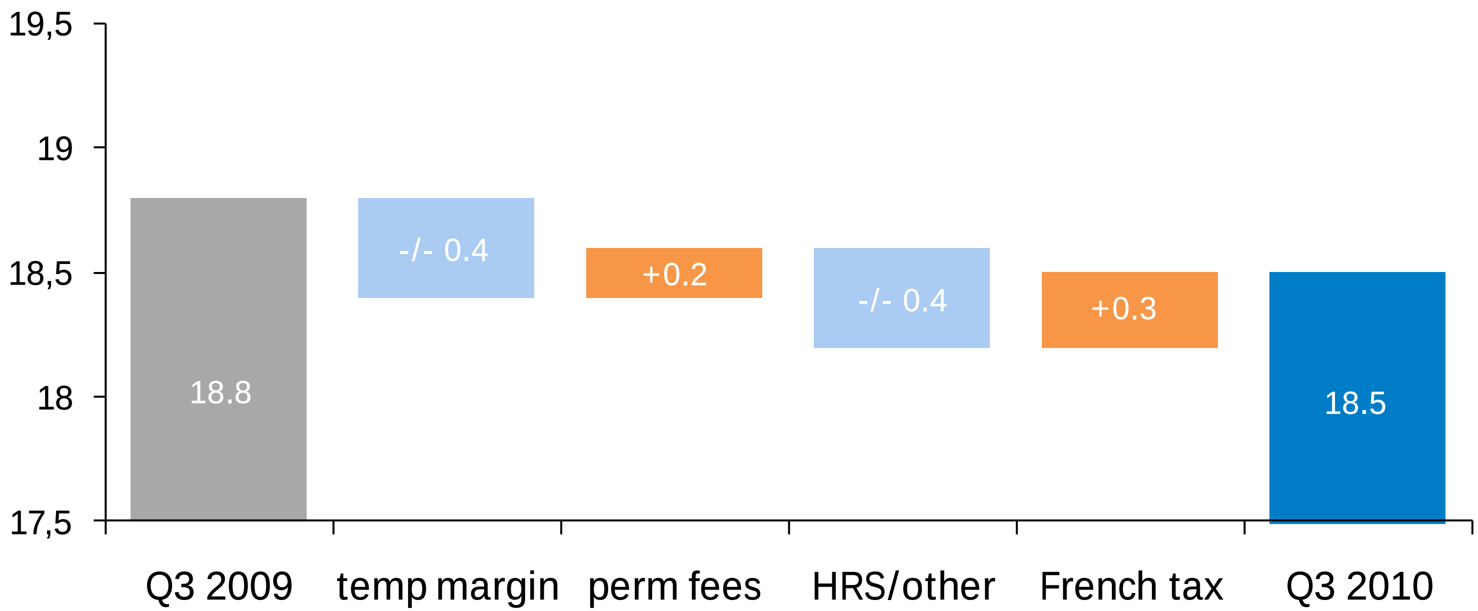
income statement Q3 2010

€ million	Q3 2010	Q3 2009	% change	% organic
revenue	3,781	3,178	*19%*	*16%*
gross profit	698	596	*17%*	*14%*
gross margin	*18.5%*	*18.8%*		
operating expenses*	545	503	*8%*	*7%*
opex as % of revenue	*14.4%*	*15.8%*		
underlying EBITA	153	93	*64%*	*46%*
underlying EBITA margin	*4.0%*	*2.9%*		
actual EBITA	153	108		
amortization	-45	-40		
net finance costs	-8	-7		
income before taxes	100	61		
tax	-28	0		
net income	72	61		
adjusted net income**	102	73		
diluted EPS	0.59	0.42		

* before amortization/impairment acquisition-related intangible assets and goodwill & one-offs
** attributable to ordinary shareholders

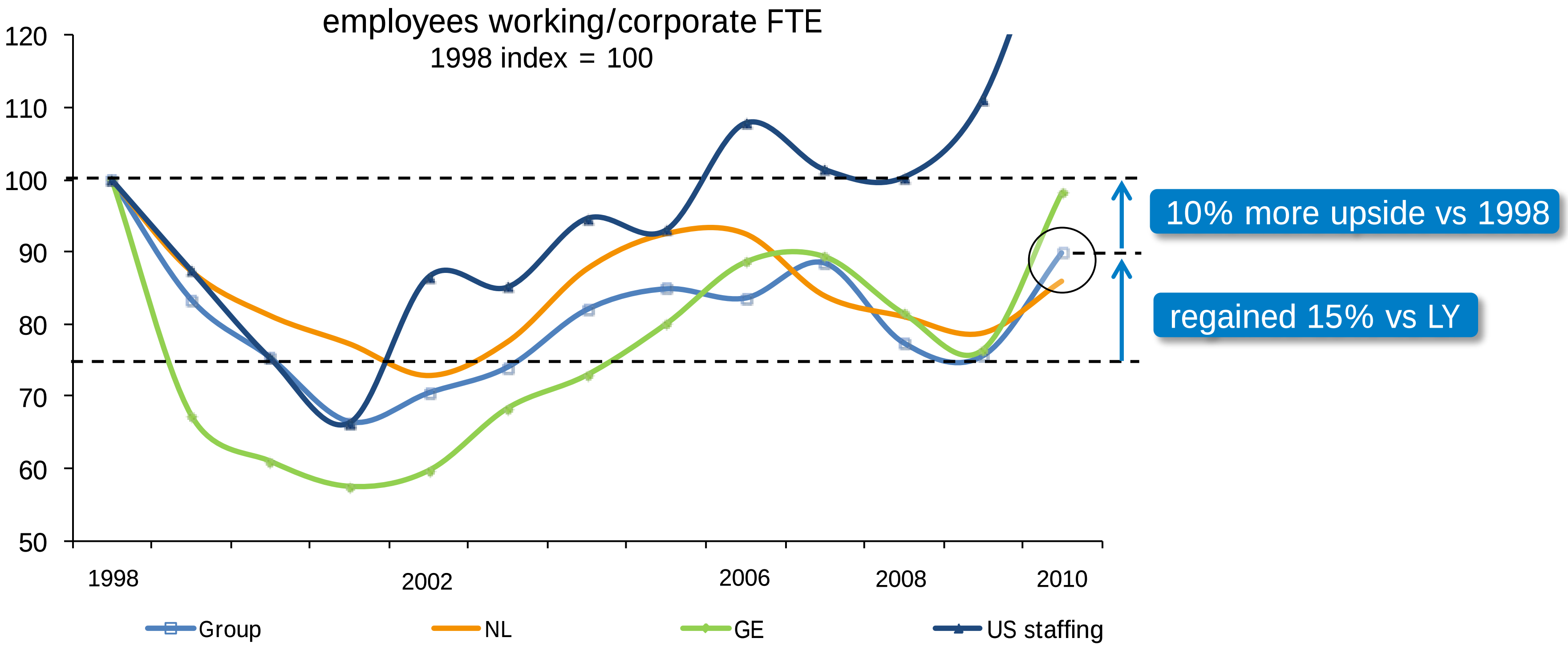
randstad

gross margin development Q3 2010



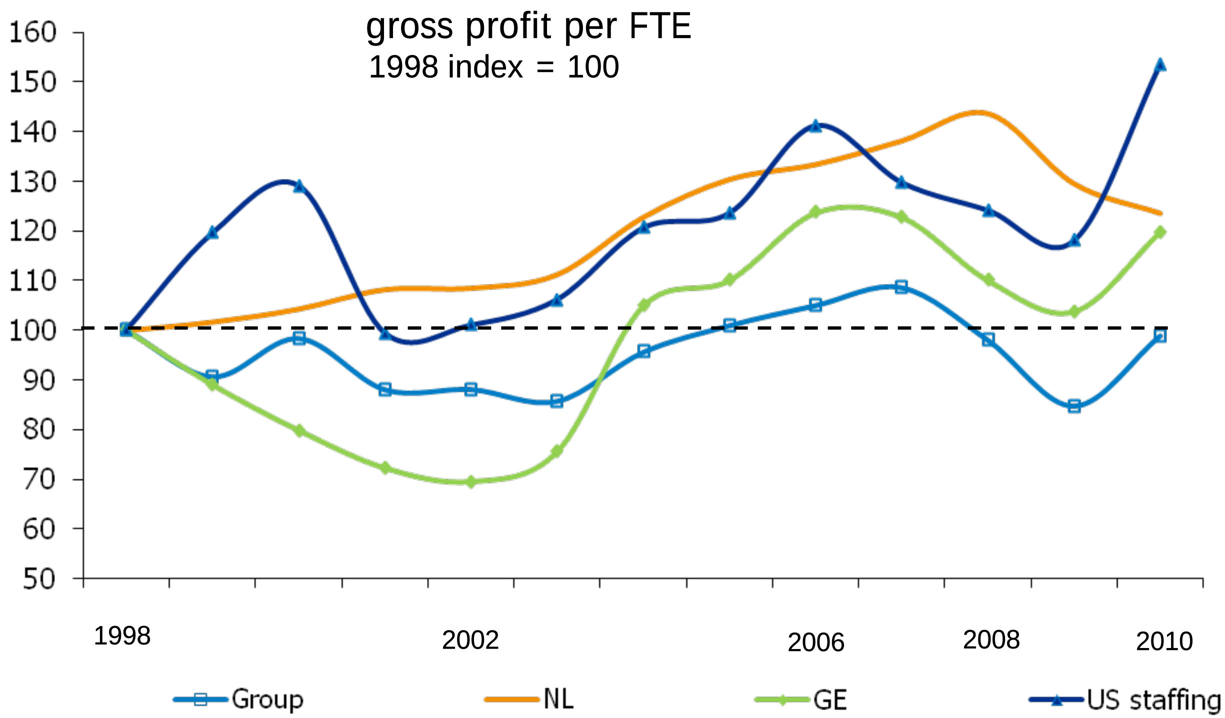
- commercial pressure on temp margins stabilized
  - geographical & segmental mix shifts and renewed contracts
- perm fees increased by 24% organically (YoY)
  - perm fees are now 8.5% of gross profit (vs. 7.3% Q3 2009)
- mix shift to lower margin business within HRS

productivity development



- large variation in productivity developments per country
- solid improvement potential across the board

productivity development



- ongoing improvements in various countries
- limited growth when corrected for inflation
- group performance influenced by geographic mix shifts

consolidated balance sheet

€ million	September 30, 2010	September 30, 2009
property, plant & equipment	132	159
intangible assets	3,064	3,246
deferred tax assets	461	460
other assets	3,119	3,118
total equity	2,697	2,481
non-current liabilities	1,675	2,226
current liabilities	2,403	2,275
balance sheet total	6,775	6,982
moving average DSO (days)	56	57
net debt position	947	1,167

consolidated cash flow statement

€ million	Q3 2010	Q3 2009
cash flow from operations before OWC	128	214
release of OWC	62	157
additions of PPE and software	-/- 18	-/- 14
financial receivables	-	-
dividend	-	-
disposals of PPE	1	2
free cash flow	173	359

€ million	Q3 2010
free cash flow	**173**
net (acquisition)/ disposals	11
issue ordinary shares	1
interest	-/- 5
dividend	-
translation & other on net debt	15
net debt reduction Q2 2010 –> Q3 2010	**195**

randstad

managing through the cycle

growth phase	decline phase	stabilization phase	growth phase
• market share gains • productivity mgt through unit steering • incremental conversion ratio ≥ 50% • EBITA target 5-6% • prepare for EBITA not below 4%	• market share gains • productivity mgt through unit steering • recovery ratio ≥ 50% • in normal down-turn EBITA not below 4%	• market share gains • productivity levels allow for growth, but no excessive overcapacity • in normal downturn return to 5-6% EBITA target ASAP • in abnormal downturn return to 4% EBITA ASAP	• market share gains • productivity mgt through unit steering • incremental conversion ratio ≥ 50% • EBITA target 5-6% • prepare for EBITA not below 4%

randstad

outlook

In Q3 we saw:

- stable organic growth rate of 16% during the quarter
- inhouse & staffing showing robust growth
- professionals strenghtened

- positive trends persisted in October
- we expect healthy growth in all segments based on solid trends

save the dates: Randstad analyst & investor days

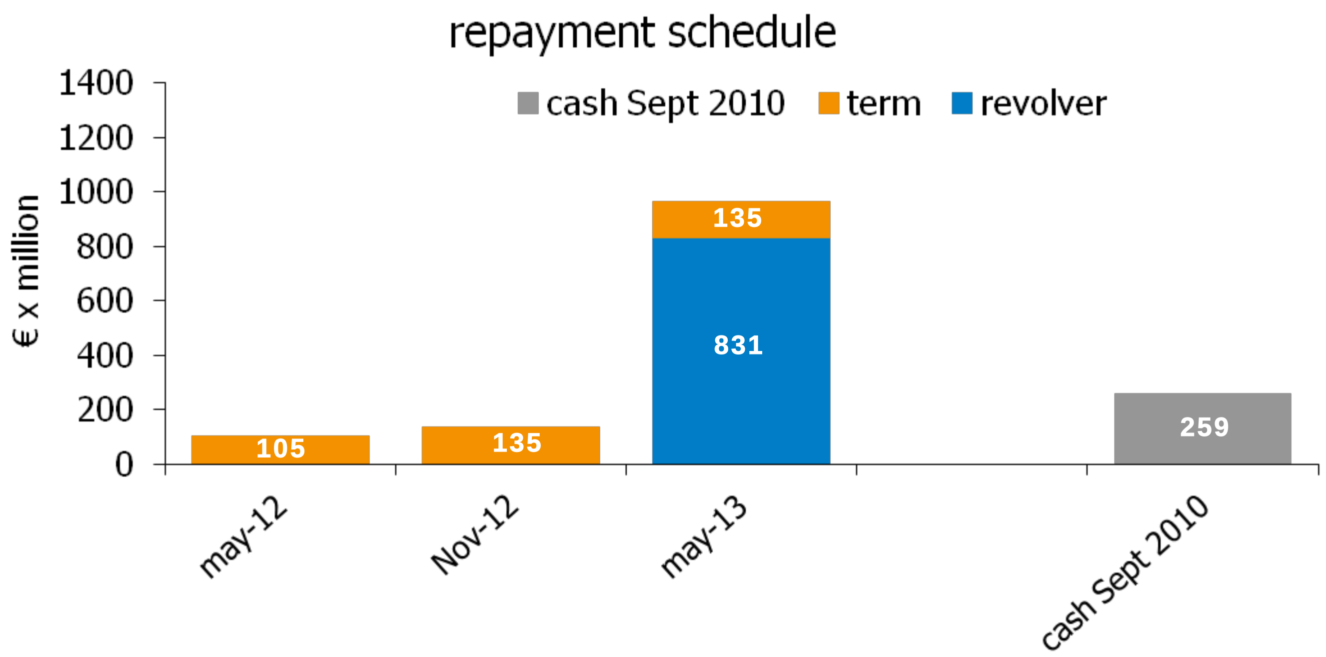
analyst & investor days 2010

dates: 24 & 25 November
venue: London City

Q&A

appendices

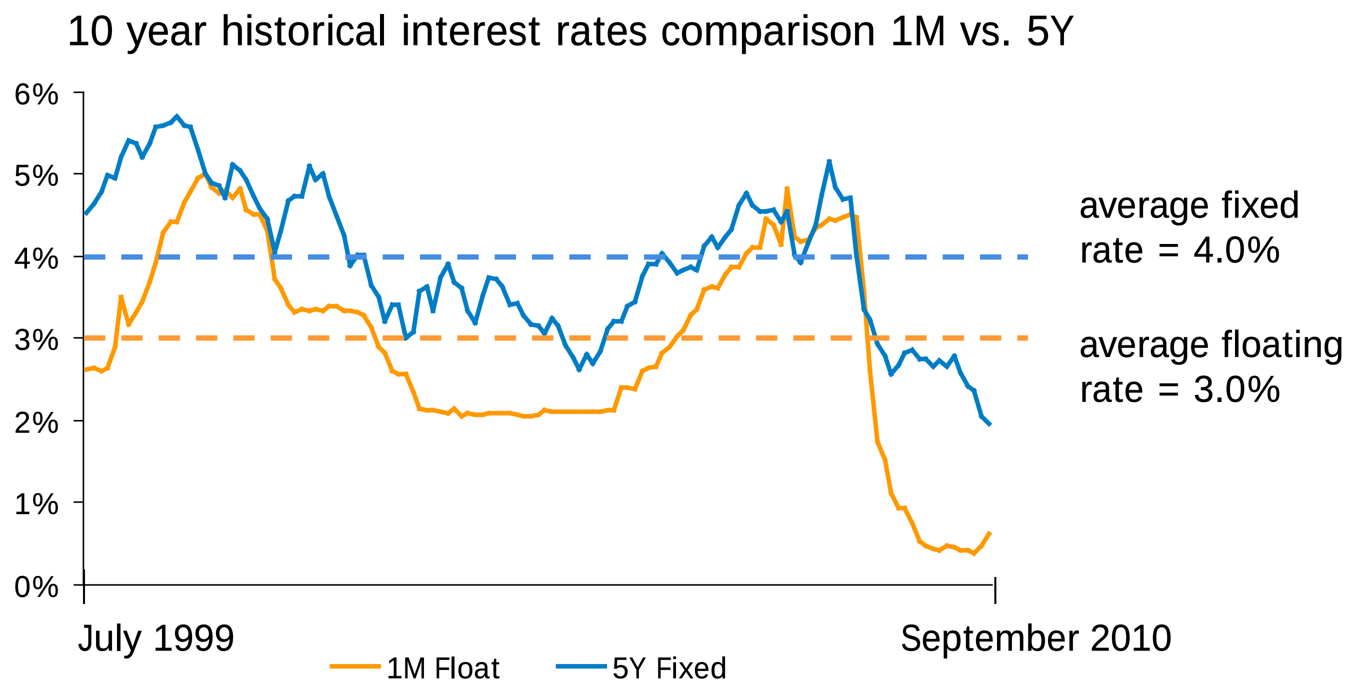
debt facilities & repayment schedule



- covenant; net debt/EBITDA* of max. 3.5
  - in Q3 2010 the net debt/EBITDA ratio was 1.8
- syndicated facility amounts to € 1,995 million

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

financing: fixed vs. floating interest rates



- we use floating interest rates as a natural hedge
  - spread above Euribor of 50-115 bps.
- decoupling of Euribor and money market in 2008 due to banking crisis
- trend normalizing again since Q4 2008

randstad

tax guidance unchanged

driver / impact	effective* tax rate	cash tax rate	explanation
growth operating companies	+	+	impact of permanent differences
growth opcos and mix effects	+	+	higher weight countries with high CIT rate
changes in corporate income tax (CIT) rate	+ or -/-	+ or -/-	dependent on direction of change
repayment € 150 m. (Dutch tax)		+	ultimately 2012
payment regarding recapture obligation		+	tax payment NL based on German profits
timing differences		+/-	dependent on changes in deferred taxes
reclassification French business tax	+	+	no impact on net income

expected tax rates (%)	effective* tax rate		cash tax rate (compared to the effective tax rate)	
2010	27-30	→	slightly above	estimated cash tax rate is excl. € 150 m. tax repayment
2011-2013	31-37	→	in line	

* tax rate on the underlying profit before tax (before amortization/impairment acquisition related intangibles)

randstad

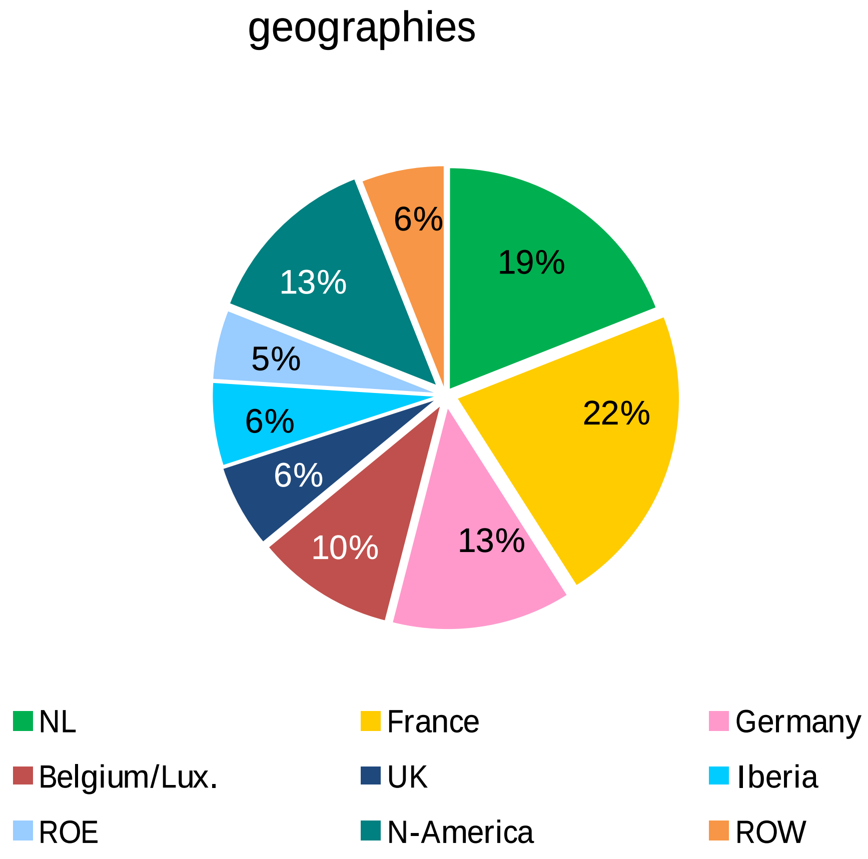
geographic performance

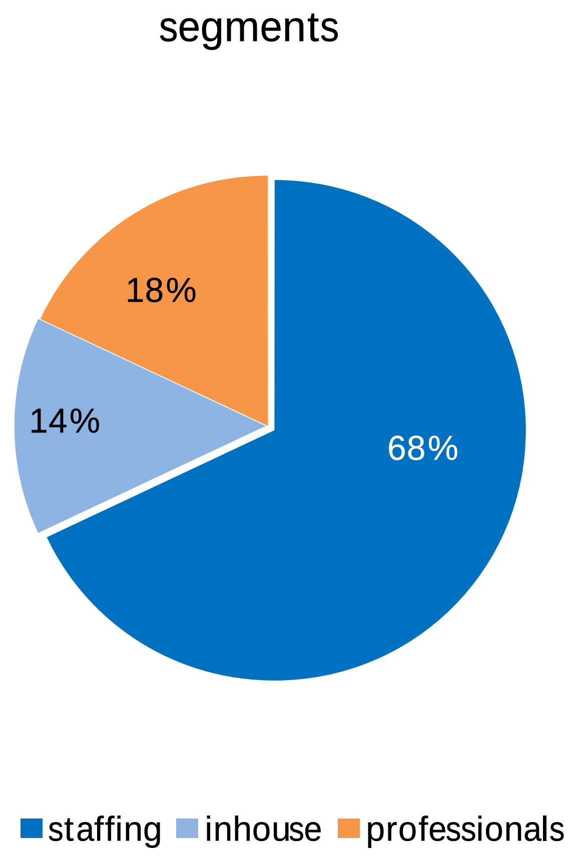
	revenue			EBITA margin	
€ million	Q3 2010	Q3 2009	oganic growth	Q3 2010	Q3 2009
the Netherlands	736	740	0%	6.8%	7.1%
France	840	714	19%	3.7%	0.9%
Germany	480	342	40%	6.9%	5.4%
Belgium/Lux	372	317	17%	4.2%	3.9%
United Kingdom	207	182	9%	1.2%	-0.1%
Iberia	227	215	6%	2.4%	2.8%
Other Europe	201	147	31%	3.6%	-1.3%
North America	493	358	23%	3.8%	2.5%
Rest of world	226	163	20%	0.5%	-0.7%
total	**3,781**	**3,178**	**16%**	**4.0%**	**2.9%**

segment performance

€ million	Q3 2010	Q3 2009	organic growth
revenue:			
staffing	2,571	2,222	*13%*
inhouse services	539	342	*55%*
professionals	671	614	*8%*

revenue split Q3 2010





randstad

outlets* by country

end of period	Q3 2010	Q2 2010	Q1 2010	Q4 2009	Q3 2009
the Netherlands	739	725	726	754	761
France	896	928	966	988	993
Germany	475	450	433	428	431
Belgium/Lux	387	388	392	329	332
United Kingdom	297	300	289	292	294
Iberia	266	264	261	265	266
Other Europe	351	346	340	340	341
North America	486	476	477	494	504
Rest of world	218	220	229	239	259
total	**4,115**	**4,097**	**4,113**	**4,129**	**4,181**

* branches and inhouse locations

corporate employees by country

average	Q3 2010	Q2 2010	Q1 2010	Q4 2009	Q3 2009
the Netherlands	5,300	5,210	5,260	5,610	5,870
France	3,940	3,870	3,870	4,000	4,270
Germany	2,740	2,430	2,370	2,320	2,290
Belgium/Lux.	2,150	2,030	2,020	2,050	2,010
United Kingdom	2,050	2,040	2,040	2,110	2,230
Iberia	1,470	1,460	1,470	1,500	1,530
Other Europe	1,570	1,490	1,460	1,460	1,480
North America	2,940	2,790	2,780	2,870	2,960
Rest of world	3,540	3,500	3,480	3,510	3,680
Holding	150	150	150	150	150
total	**25,850**	**24,970**	**24,900**	**25,580**	**26,470**

staffing employees by country

averages	Q3 2010	Q3 2009
the Netherlands	87,800	89,400
France	93,300	81,500
Germany	56,400	38,100
Belgium/Lux.	51,000	45,000
United Kingdom	22,400	19,100
Iberia	52,700	52,200
Other Europe	35,700	28,900
North America	55,700	44,700
Rest of world	87,300	74,600
total	**542,300**	**473,500**