

2nd quarter results 2022.



human forward.

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Q2 2022: record revenue & continued margin expansion.

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Q2 2022: record revenue & continued margin expansion.



Q2 2022 organic growth

9.1%

Q2 2022 underlying EBITA

€ 308m

Q2 2022 EBITA margin

4.5%

continued portfolio diversification and targeted investments leading to 17% YoY growth in gross profit.

gross margin of 21.2%, up 170 bp YoY; driven by business mix and pricing discipline.

EBITA margin up 20bp YoY.

strong performance in perm (+38% YoY) and RPO (+108% YoY), combined c.21% of gross profit.

acquisition of Side, a French specialist in online recruitment and digital staffing solutions.

in early July, trends broadly in line with Q2 2022, reflecting current market dynamics.

"We have delivered a strong performance in the second quarter, with group revenues reaching record levels with solid profitability." says CEO Sander van 't Noordende. "Revenue growth was broad based and particularly strong in our perm and RPO businesses, resulting in an excellent gross margin.

The global labor market remains dynamic with a combination of strong demand and talent scarcity. We continue to evolve our offering to talent and clients, with targeted growth investments and bolt-on M&A such as our acquisition of Side, the French digital staffing platform.

Although we remain cautious as visibility remains limited, Randstad is well positioned to respond quickly and effectively amidst an unprecedented macro environment, through our diverse portfolio, our scale and data insights, and high operational adaptability and flexibility.

We are also looking forward to welcoming Cees 't Hart to our Supervisory Board, pending shareholder approval."

financial performance.

core data

in millions of €, unless otherwise indicated - underlying	Q2 2022	Q2 2021	yoy change	% org.
Revenue	6,886	6,078	13%	9%
Gross profit	1,457	1,183	23%	17%
Operating expenses	1,149	923	24%	18%
EBITA, underlying ¹	308	260	18%	13%
Integration costs and one-offs	(43)	(10)		
EBITA	265	250	6%	
Amortization and impairment of intangible assets ²	(5)	(11)		
Operating profit	260	239		
Net finance income/(costs)	3	(5)		
Share of profit of associates	1	1		
Income before taxes	264	235	12%	
Taxes on income	(68)	(59)		
Net income	196	176	11%	
Adj. net income for holders of ordinary shares ³	230	190	21%	
Free cash flow	55	78	(29)%	
Net debt	746	436	71%	
Leverage ratio (net debt/12-month EBITDA) ⁴	0.5	0.4		
Leverage ratio (net debt/12-month EBITDA) excluding IFRS 16 ⁵	0.1	(0.2)		
DSO (Days Sales Outstanding), moving average	52.1	52.1		
Margins (in % of revenue)				
Gross margin	21.2%	19.5%		
Operating expenses margin	16.7%	15.2%		
EBITA margin, underlying	4.5%	4.3%		
Share data				
Basic earnings per ordinary share (in €)	1.06	0.95	12%	
Diluted earnings per ordinary share, underlying (in €) ³	1.25	1.03	21%	

1 EBITA adjusted for integration costs and one-offs.

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

3 Before amortization and impairment of acquisition-related intangible assets and goodwill, integration costs and one-offs. See table 'Earnings per share' on page 26.

4 Leverage ratio including IFRS 16.

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

revenue

Organic revenue per working day grew by 9.1% YoY in Q2 2022 resulting in revenue of € 6,886 million (Q1 2022: up 15.2%). Reported revenue was up 13.3% YoY, of which working days had a negative impact of 0.1% effect while FX had a positive effect of 3.3%. M&A positively contributed 1.0%.

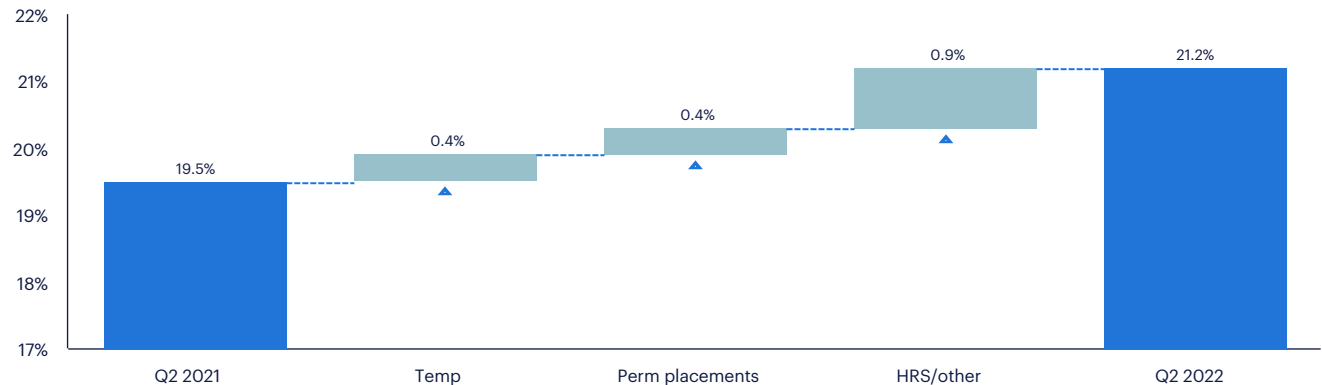
In North America, revenue per working day was up 10% (Q1 2022: up 13%). Growth in the US was up 10% (Q1 2022: up 11%), while Canada was up 16% YoY (Q1 2022: up 28%). In Europe, revenue per working day grew by 7% (Q1 2022: up 15%). Revenue in France was up 7% (Q1 2022: up 12%), while the Netherlands was up 1% (Q1 2022: up 13%). Germany was up 4% (Q1 2022: up 12%), while sales growth in Belgium was up 4% (Q1 2022: up 12%). Revenue in Italy was up 20% (Q1 2022: up 26%), while revenue in Iberia was up 13% (Q1 2022: up 17%). In the 'Rest of the world' region, revenue was up by 12% (Q1 2022: up 15%); Japan increased by 11% (Q1 2022: up 13%), while Australia & New Zealand rose by 16% (Q1 2022: up 23%).

Perm fees increased by 38% YoY (Q1 2022: up 63%), with Europe up 38% YoY (Q1 2022: up 49%) and North America up 46% YoY (Q1 2022: up 87%). In the 'Rest of the world' region, perm fees increased by 23% (Q1 2022: up 62%). Perm fees made up 12.8% of gross profit.

gross profit

In Q2 2022, gross profit amounted to € 1,457 million. Organic growth was 16.9% YoY (Q1 2022: up 22.1%). Currency effects had a positive € 51 million impact on gross profit compared to Q2 2021.

year-on-year gross margin development (%)

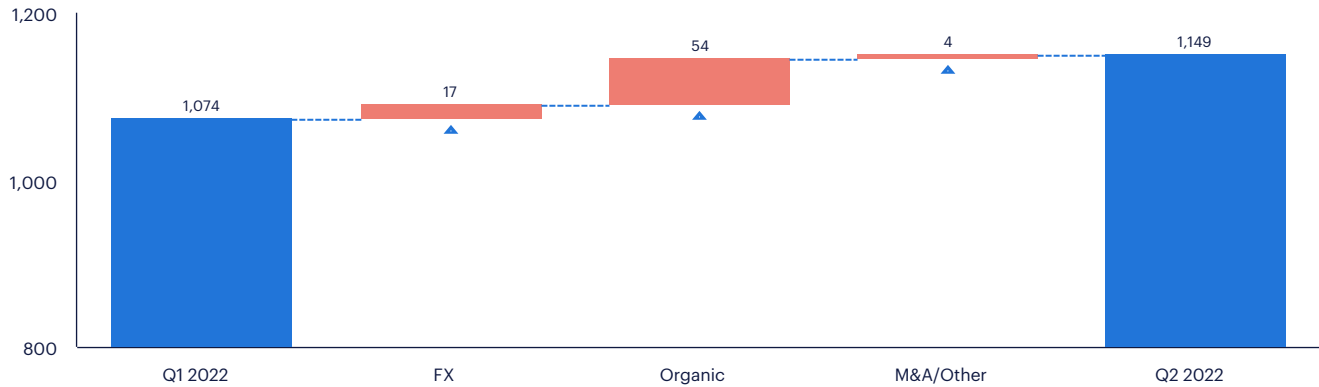


Gross margin was 21.2% in the quarter, 170bp above Q2 2021 (as shown in the graph above). Temporary placements had a 40bp positive impact on gross margin (Q1 2022: 10bp positive impact). Permanent placements had a 40bp positive impact, while HRS/other had a 90bp positive impact.

operating expenses

On an organic basis, operating expenses increased by € 54 million sequentially to € 1,149 million. This includes selective investments in growth and digital initiatives. Compared to last year, operating expenses were up 18% organically (Q1 2022: up 21%), while currency effects had a € 42 million negative impact.

sequential OPEX development Q1-> Q2 in € M



Personnel expenses were up 5% sequentially. Average headcount (in FTE) amounted to 46,230 for the quarter, organically up 19% YoY and up 4% sequentially (net addition of 1,860 FTE excl. M&A). Productivity (measured as gross profit per FTE) was down 3% YoY (Q1 2022: stable). We operated a network of 4,934 outlets end of period (Q1 2022: 4,889).

Operating expenses in Q2 2022 were adjusted for a total of € 42 million of integration costs and one-offs (Q2 2021: € 10 million). This mainly reflects IT related costs, restructurings in a few countries and integration costs for our recent acquisitions.

EBITA

Underlying EBITA increased organically by 13% YoY to € 308 million. Currency effects had a € 9 million positive impact YoY. EBITA margin reached 4.5% in the quarter, 20bp above Q2 2021. Overall, we achieved a 28% organic incremental conversion on a last four quarter basis in Q2 2022.

net finance costs

In Q2 2022, net finance income were €3 million, compared to € 5 million net finance costs in Q2 2021. Interest expenses on our net debt position were € 2 million (Q2 2021: € 0 million), and interest expenses related to lease liabilities were € 3 million (Q2 2021: € 4 million). Foreign currency and other effects had a positive impact of € 8 million (Q2 2021: negative €1 million).

tax

The underlying effective tax rate before amortization and impairment of acquisition-related intangibles and goodwill, integration costs and one-offs amounted to 25.7% in the first six months (H1 2021: 26.0%), and is based on the estimated effective tax rate for whole year 2022. For FY 2022, we expect an effective tax rate before amortization and impairment of acquisition-related intangibles and goodwill, integration costs and one-offs of between 24% and 26%.

net income, earnings per share

In Q2 2022, adjusted net income was up 21% YoY to € 230 million. Diluted underlying EPS amounted to € 1.25 (Q2 2021: € 1.03). The average number of diluted ordinary shares outstanding for the quarter was 183.7 million (Q2 2021: 185.0 million).

invested capital

in millions of €, unless otherwise indicated	jun 30 2022	mar 31 2022	dec 31 2021	sep 30 2021	jun 30 2021	mar 31 2021
Goodwill and acquisition-related intangible assets	3,180	3,112	3,088	3,053	2,951	2,970
Operating working capital (OWC) ¹	1,238	1,102	997	857	897	795
Net tax assets ²	630	608	615	651	690	692
All other assets/(liabilities) ³	95	(299)	617	336	338	(6)
Employed capital	5,143	4,523	5,317	4,897	4,876	4,451
Financed by						
Total equity	4,397	4,162	4,902	4,663	4,440	4,265
(Net Cash)/Net debt excl. lease liabilities	147	(240)	(179)	(346)	(160)	(387)
Lease liabilities	599	601	594	580	596	573
Net debt incl. lease liabilities	746	361	415	234	436	186
Invested capital	5,143	4,523	5,317	4,897	4,876	4,451
Ratios						
DSO (Days Sales Outstanding), moving average	52.1	51.8	51.6	51.6	52.1	52.6
OWC as % of revenue over last 12 months	4.7%	4.3%	4.0%	3.6%	4.0%	3.8%
Leverage ratio (net debt/12-month EBITDA)	0.5	0.2	0.3	0.2	0.4	0.2
Return on invested capital ⁴	19.2%	21.6%	16.8%	16.1%	14.0%	12.9%

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

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

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

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

Return on invested capital (ROIC) amounted to 19.2%, an increase of 520bp YoY. This is mainly a reflection of an improvement of our 12-month rolling EBITA.

The moving average of Days Sales Outstanding (DSO) was 52.1 (Q1 2022: 51.8).

At the end of Q2 2022, net debt including lease liabilities was € 746 million, compared to € 436 million at the end of Q2 2021. A further analysis of the cash flow is provided in the next section.

cash flow summary

in millions of €	Q2 2022	Q2 2021
EBITA	265	250
Depreciation, amortization and impairment of property, plant, equipment, right-of-use assets, and software	76	72
EBITDA	341	322
Operating working capital	(128)	(115)
Provisions and employee benefit obligations	6	(5)
All other items	13	18
Income taxes	(99)	(59)
Net cash flow from operating activities	133	161
Net capital expenditures	(26)	(38)
Repayments of lease liabilities	(52)	(45)
Free cash flow	55	78
Net (acquisitions)/disposals	(25)	(2)
Dividends on ordinary and preference shares	(408)	(306)
Net finance costs paid	(2)	-
Translation and other effects	(5)	(20)
Net increase of net debt	(385)	(250)

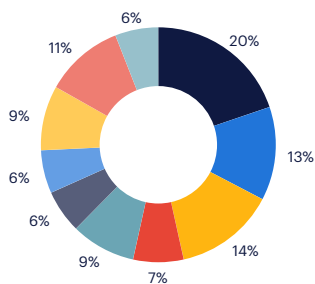
In the quarter, free cash flow amounted to € 55 million, down € 23 million YoY (Q2 2021: € 78 million). Free cash flow mainly reflects the YoY improvement in EBITA partly offset by the effect of working capital movements and timing of tax payments.

performance.

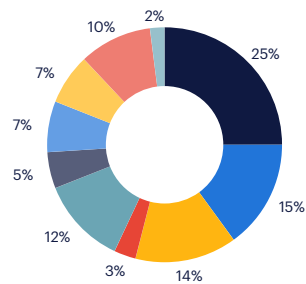
performance by geography

split by geography

Q2 2022: revenue € 6,886 million



Q2 2022: EBITA € 308 million



revenue in millions of €	Q2 2022	Q2 2021	organic Δ% ¹	6M 2022	6M 2021	organic Δ% ¹
North America	1,367	1,074	10%	2,669	2,107	12%
France	997	927	7%	1,938	1,760	9%
Netherlands	879	870	1%	1,765	1,646	6%
Germany	496	478	4%	984	906	8%
Italy	593	501	20%	1,136	924	23%
Belgium & Luxembourg	414	393	4%	829	745	8%
Iberia	404	363	13%	796	691	15%
Other European countries	614	576	6%	1,229	1,103	10%
Rest of the world	724	602	12%	1,406	1,173	14%
Global businesses	398	294	25%	755	551	27%
Revenue	6,886	6,078	9%	13,507	11,606	12%

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

EBITA in millions of €, underlying	Q2 2022	EBITA margin ¹	Q2 2021	EBITA margin ¹	organic Δ% ²	6M 2022	EBITA margin ¹	6M 2021	EBITA margin ¹	organic Δ% ²
North America	86	6.2%	50	4.7%	46%	168	6.3%	89	4.2%	64%
France	50	4.9%	52	5.7%	(6)%	99	5.1%	92	5.2%	7%
Netherlands	51	5.8%	58	6.7%	(13)%	109	6.2%	108	6.6%	1%
Germany	11	2.3%	9	1.7%	42%	17	1.8%	13	1.4%	41%
Italy	40	6.8%	31	6.3%	28%	81	7.1%	53	5.8%	52%
Belgium & Luxembourg	19	4.6%	21	5.5%	(17)%	39	4.7%	37	5.0%	(3)%
Iberia	24	6.1%	21	5.5%	24%	43	5.4%	35	5.0%	26%
Other European countries	23	3.6%	15	2.7%	43%	40	3.1%	25	2.3%	54%
Rest of the world	36	4.9%	30	4.9%	13%	72	5.1%	61	5.2%	14%
Global businesses	7	1.8%	2	0.6%	227%	6	0.8%	-	(0.1)%	1208%
Corporate	(39)		(29)			(80)		(51)		
EBITA before integration costs and one-offs ³	308	4.5%	260	4.3%	13%	594	4.4%	462	4.0%	23%
Integration costs and one-offs	(43)		(10)			(49)		17		
EBITA	265		250			545		479		

1 EBITA in % of total revenue per segment.

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

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

north america

In North America, revenue was up 10% YoY (Q1 2022: up 13%). Perm fees were up 46% YoY (Q1 2022: up 87%). In Q2 2022, revenue of our combined US businesses was up 10% YoY (Q1 2022: up 11%). US Staffing/Inhouse Services grew by 8% YoY (Q1 2022: up 9%). US Professionals revenue was up 13% YoY (Q1 2022: up 16%). In Canada, revenue was up 16% YoY (Q1 2022: up 28%). EBITA margin for the region came in at 6.2% for the quarter, compared to 4.7% last year.

france

In France, revenue was up 7% YoY (Q1 2022: up 12%). Perm fees were up 20% compared to last year (Q1 2022: up 18%). Staffing/Inhouse Services revenue was up 5% YoY (Q1 2022: up 11%), while our Professionals business was up 14% YoY (Q1 2022: up 14%). EBITA margin was 4.9% compared to 5.7% last year.

netherlands

In the Netherlands, revenue was up 1% YoY (Q1 2022: up 13%). Overall perm fees were up 65% YoY (Q1 2022: up 55%). Our combined Staffing and Inhouse Services business was down 1% YoY (Q1 2022: up 14%), while our Professionals business was up 12% YoY (Q1 2022: up 8%). EBITA margin in the Netherlands was 5.8%, compared to 6.7% last year.

germany

In Germany, revenue per working day was up 4% YoY (Q1 2022: up 12%). Perm fees were up 52% compared to last year (Q1 2022: up 83%). Our combined Staffing/Inhouse Services business was up 4% YoY (Q1 2022: up 15%), while Professionals was up 3% YoY (Q1 2022: down 1%). EBITA margin in Germany was 2.3%, compared to 1.7% last year.

italy

Revenue per working day in Italy was up 20% YoY (Q1 2022: up 26%). Overall perm fees were up 50% YoY (Q1 2022: up 73%). EBITA margin was 6.8%, compared to 6.3% last year.

belgium & luxembourg

In Belgium & Luxembourg, revenue was up 4% YoY (Q1 2022: up 12%). Our Staffing/Inhouse Services business was up 6% (Q1 2022: 13%). Our EBITA margin was 4.6%, compared to 5.5% last year.

iberia

In Iberia, revenue per working day was up 13% YoY (Q1 2022: up 17%). Perm fees were up 75% compared to last year (Q1 2022: up 81%). Staffing/Inhouse Services combined was up 13% YoY (Q1 2022: up 16%). Spain was up 15% YoY (Q1 2022: up 23%), while in Portugal revenue was up 9% YoY (Q1 2022: stable). Overall EBITA margin was 6.1%, compared to 5.5% last year.

other european countries

Across 'Other European countries', revenue per working day was up 6% YoY (Q1 2022: up 14%). In the UK, revenue was up 5% YoY (Q1 2022: up 19%), while in the Nordics, revenue was up 14% YoY on an organic basis (Q1 2022: up 19%). Revenue in our Swiss business was up 10% YoY (Q1 2022: up 16%). Overall EBITA margin for the 'Other European countries' region was 3.6% compared to 2.7% last year.

rest of the world

Total revenue in the 'Rest of the world' region increased by 12% organically YoY (Q1 2022: up 15%). In Japan, revenue grew 11% YoY (Q1 2022: up 13%). Revenue in Australia/New Zealand was up 16% YoY (Q1 2022: up 23%), while revenue in China increased by 4% YoY (Q1 2022: up 15%). Our business in India was up 16% YoY (Q1 2022: up 14%), while in Latin America revenue was stable (Q1 2022: up 5%). Overall EBITA margin in this region was 4.9%, compared to 4.9% last year.

global businesses

Total organic revenue growth per working day was up 25% YoY (Q1 2022: up 30%). Randstad Sourceright revenue increased by 32% YoY (Q1 2022: up 40%), while Monster revenue was up 1% YoY (Q1 2022: up 9%). Overall EBITA margin came in at 1.8% compared to 0.6% last year.

performance by revenue category

revenue in millions of €	Q2 2022	Q2 2021	organic Δ% ¹
Staffing	3,276	3,055	6%
Inhouse Services	1,671	1,439	13%
Professionals	1,541	1,290	12%
Global Businesses	398	294	25%
Revenue	6,886	6,078	9%

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

Total revenue of permanent placements in the revenue categories 'Staffing', 'Inhouse', and 'Professionals', amounted to € 192 million in Q2 2022 (Q2 2021: € 134 million). Revenue of recruitment process outsourcing within Global businesses amounted to € 119 million in Q2 2022 (Q2 2021: € 52 million).

other information.

outlook

Organic revenue per working day increased by 9.1% YoY in Q2 2022. Demand for talent was strong in the second quarter amidst dynamic market circumstances, such as supply chain disruptions and covid-related challenges. This trend was similar in early July, where we saw the number of employees placed on a temporary basis broadly in line with the second quarter and strong demand for perm and RPO.

Although we remain cautious as visibility remains limited, Randstad is well positioned to respond quickly and effectively amidst an unprecedented macro environment, through our diverse portfolio, our scale and data insights, and high operational adaptability and flexibility.

Q3 2022 gross margin and operating expenses are both expected to be broadly in line sequentially.

There will be an adverse 0.3 working day impact in Q3 2022.

acquisition of side

On May 16, 2022, Randstad finalized the acquisition of Side, a leading end to end digital staffing platform in France. Founded in 2016, Side are specialists in online recruitment, offering digital staffing solutions to over 2,000 customers, with 300,000 active candidates, primarily in the logistics, trade, and service sectors. This acquisition enables Randstad to strengthen its market position in the growing digital staffing market and lead to a strong extension of Randstad's current portfolio as well as offer access to new opportunities for existing and potential clients. By doing so, Randstad takes another step forward in supporting more people and organizations in realizing their true potential by combining the power of today's technology with our passion for people.

other items

The Supervisory Board proposes that Cees 't Hart be appointed as member of the Supervisory Board upon nomination by Randstad Beheer (the private shareholding company of Frits Goldschmeding, Randstad's founder and leading shareholder). Cees 't Hart has been CEO of Carlsberg Group since 2015. Prior to joining Carlsberg, he was CEO of Royal FrieslandCampina since 2008. Prior to which, he spent 25 years with Unilever. Cees 't Hart is Chairman of the Supervisory Board of KLM and member of the Supervisory board of Air France KLM. A General Meeting of Shareholders to approve his proposed appointment will be held early October 2022.

working days

	Q1	Q2	Q3	Q4
2022	63.2	62.1	64.8	62.7
2021	62.4	62.2	65.1	63.9
2020	63.6	61.6	65.1	63.7

financial calendar

Publication of second quarter results 2022	July 26, 2022
Ex-dividend date of special dividend	September 29, 2022
Record date of special dividend	September 30, 2022
Special dividend ordinary shares available for payment	October 4, 2022
Publication of third quarter results 2022	October 25, 2022

analyst and press conference call

Today (July 26, 2022), at 09.00 AM CET, Randstad N.V. will be hosting an analyst conference call. The dial-in numbers are:

- International: +44 33 0551 0200

- Netherlands: +31 20 708 5073

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

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

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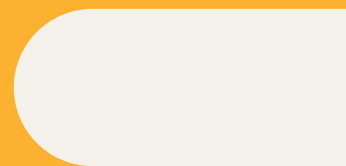
disclaimer

Certain statements in this document concern prognoses about the future financial condition, risks, investment plans, and the results of operations of Randstad N.V. and its operating companies, as well as certain plans and objectives. Obviously, such prognoses involve risks and a degree of uncertainty, since they concern future events and depend on circumstances that will apply then. Many factors may contribute to the actual results and developments differing from the prognoses made in this document. These factors include, but are not limited to, general economic conditions, shortages on the job market, changes in the demand for personnel (including flexible personnel), achievement of cost savings, changes in the business mix, changes in legislation (particularly in relation to employment, staffing and tax laws), the role of industry regulators, future currency and interest fluctuations, availability of credit on financially acceptable terms, the successful completion of company acquisitions and their subsequent integration, successful disposals of companies, the rate of technological developments, the impact of pandemics and our ability to identify other relevant risks and mitigate their impact. These prognoses therefore apply only on the date on which this document was compiled. The quarterly results as presented in this press release are unaudited.

randstad profile

Randstad is the world's largest HR services provider and is driven to become the world's most valued 'working life partner', supporting as many people as possible in realizing their true potential throughout their working life. We provide companies with the high quality, diverse, and agile workforces they need while helping people get rewarding jobs and stay relevant in the ever-changing world of work. In 2021, we helped more than two million people find a job that is right for them, advised 235,000 clients on their HR needs, from talent acquisition to total workforce management, and delivered training to over 450,000 people. We use data and technology to provide the right advice at the right moment at scale, while our consultants across almost 5,000 locations in 38 markets give talent and clients personal, dedicated human attention. It is this combination of Tech and Touch that makes our offer unique. Randstad was founded in 1960 and is headquartered in Diemen, the Netherlands. Randstad N.V. is listed on the Euronext Amsterdam (symbol: RAND). For more information, see www.randstad.com

half-year report 2022.



key financials

key financials

in millions of €, unless otherwise indicated - underlying	6M 2022	6M 2021	% org.
Revenue	13,507	11,606	12%
Gross profit	2,817	2,243	19%
Operating expenses	2,223	1,781	19%
Underlying EBITA	594	462	23%
Margins (in % of revenue)			
Gross margin	20.9%	19.3%	
Operating expenses margin	16.5%	15.3%	
Underlying EBITA margin	4.4%	4.0%	

revenue

Organic revenue per working day increased by 12.0% YoY in H1 2022 resulting in revenue of € 13,507 million. Revenue per working day grew by 15.2% YoY in the first quarter and 9.1% YoY in the second quarter.

gross profit

Gross margin was 20.9%, 160bp above H1 2021. Temporary staffing had a 30bp positive effect on gross margin. Permanent placements had a 50bp positive effect on gross margin, while HRS/other had a 80bp positive impact.

operating expenses

Operating expenses increased by 19% organically YoY. This includes selective investments in growth and digital investments. Average headcount (in FTE) is up 21% compared to the prior year.

EBITA

Underlying EBITA equalled to € 594 million in H1 2022. EBITA margin reached 4.4%, up 40bp compared to H1 2021.

key financials, actual

in millions of €, unless otherwise indicated	6M 2022	6M 2021	change
Underlying EBITA	594	462	29%
Integration costs and one-offs	(49)	17	
EBITA	545	479	14%
Amortization and impairment of intangible assets	(9)	(25)	
Operating profit	536	454	
Net finance costs	8	(10)	
Share of profit of associates	1	1	
Income before taxes	545	445	22%
Taxes on income	(140)	(116)	
Net income	405	329	23%

net finance income/(costs)

Net finance income amounted to € 8 million, compared to € 10 million net finance costs in the first half of 2021. Interest expenses on our net debt position were € 4 million, compared to € 2 million in the first half of 2021; interest expenses related to lease liabilities were € 6 million (H1 2021: € 7 million). Foreign currency and other effects had a positive impact of € 18 million (H1 2021: € negative 1 million).

net income

Adjusted net income attributable to holders of ordinary shares amounted to € 444 million, compared to € 331 million in the first six months of 2021. As a result, diluted underlying EPS increased from € 1.79 to € 2.42.

cash flow

In the first six months of 2022, free cash flow amounted to € 188 million compared to €82 million in H1 2021.

cash flow summary

cash flow summary			
in millions of €	6M 2022	6M 2021	change
EBITA	545	479	14%
Depreciation, amortization and impairment of property, plant, equipment, right-of-use assets, and software	149	150	
EBITDA	694	629	10%
Operating working capital	(216)	(229)	
Provisions and employee benefit obligations	10	(2)	
All other items	23	(7)	
Income taxes	(168)	(131)	
Net cash flow from operating activities	343	260	32%
Net capital expenditures	(51)	(83)	
Repayments of lease liabilities	(104)	(95)	
Free cash flow	188	82	129%
Net (acquisitions)/disposals	(25)	51	
Net purchase of own ordinary shares	(71)	-	
Dividends on ordinary and preference shares	(408)	(306)	
Net finance costs	(5)	(3)	
Translation and other effects	(10)	(5)	
Net increase of net debt	(331)	(181)	

risk profile

Our company's risk profile as presented in our 2021 annual report is impacted by the unpredictability of the geopolitical and economic developments in different ways. We also continue to see impacts from supply chain disruptions, talent shortages, changes in extreme weather & climate events and pandemics. These factors can influence areas such as: talent retention and turnover, workplace health & safety (including work from home), changing regulatory and economical environment, contract liability & delivery, credit risk, information technology & cyber security and tax & labour law compliance. We are continuously implementing and updating processes and procedures to deal with these

increased uncertainties to the extent possible under the current circumstances. For example, procedures around our: talent & employee satisfaction; health & safety and related mental health for all our staff; pricing, credit management; and information security, are now constantly evaluated based on developing risks and are continuously being upgraded where needed. These evaluations and adjustments are part of our continuous monitoring processes and operational flexibility, which include international exchange of protocols and good practices between our operating companies in all mentioned areas. The unpredictability and volatility has also brought opportunities for acceleration of our digital transformation, where for example clients have been working with us over the past months to further digitalize exchange of data and to improve workforce management and employee retention.

We continue to closely monitor the key risks and opportunities, and will respond appropriately to any emerging risk. We have a wide geographical coverage, which spreads our exposure across mature and emerging markets, which are experiencing different economic conditions. Since it remains difficult to predict future economic developments, we focus on responding to actual performance in each of our local markets. Our business model, processes and weekly indicators help to ensure that we are flexible enough to respond to these economic conditions. To protect our working capital positions, we keep the cash levels in our countries to a minimum. More information on how we manage risk can be found on pages 106-120 of our 2021 annual report.

auditor's involvement

The consolidated interim financial statements and the Interim Directors' Report have not been audited or reviewed by an external auditor.

conclusion

In conjunction with the EU Transparency Directive as incorporated in the Dutch Financial Markets Supervision Act ('Wet op het financieel toezicht'), the Executive Board declares that, to the best of its knowledge:

- The consolidated interim financial statements as at June 30, 2022 and for the six month period ended at June 30, 2022 (as set out on pp. 18-27) have been prepared in accordance with IFRS (IAS 34) as adopted by the European Union, and give a true and fair view of the assets, liabilities, financial position and results of Randstad N.V. and its consolidated Group companies taken as a whole; and
- This Interim Directors' Report (as set out on pp. 1-17) gives a fair view of the information required pursuant to section 5:25d (8)/(9) of the Dutch Financial Markets Supervision Act (Wet op het financieel toezicht).

Diemen, the Netherlands, July 26, 2022 The Executive Board,

Sander van 't Noordende

Henry Schirmer

Karen Fichuk

Rebecca Henderson

Chris Heutink

René Steenvoorden

interim
financial
statements.



Q2 2022.

actuals

consolidated income statement

in millions of €, unless otherwise indicated	Q2 2022	Q2 2021	6M 2022	6M 2021
Revenue	6,886	6,078	13,507	11,606
Cost of services	5,430	4,896	10,691	9,365
Gross profit	1,456	1,182	2,816	2,241
Selling expenses	800	621	1,534	1,194
General and administrative expenses	391	311	737	603
Other income	-	-	-	(35)
Operating expenses	1,191	932	2,271	1,762
Amortization and impairment of acquisition-related intangible assets and goodwill	5	11	9	25
Total operating expenses	1,196	943	2,280	1,787
Operating profit	260	239	536	454
Net finance income/(costs)	3	(5)	8	(10)
Share of profit of associates	1	1	1	1
Income before taxes	264	235	545	445
Taxes on income	(68)	(59)	(140)	(116)
Net income	196	176	405	329
Net income attributable to:				
Holders of ordinary shares Randstad N.V.	194	174	401	325
Holders of preference shares Randstad N.V.	2	2	4	4
Equity holders	196	176	405	329
Non-controlling interests	-	-	-	-
Net Income	196	176	405	329
Earnings per share attributable to the holders of ordinary shares of Randstad N.V. (in € per share):				
Basic earnings per share	1.06	0.95	2.19	1.77
Diluted earnings per share	1.06	0.94	2.18	1.76
Diluted earnings per share before amortization and impairment of acquisition-related intangible assets and goodwill, integration costs and one-offs	1.25	1.03	2.42	1.79

information by geographical area and revenue category

revenue by geographical area

in millions of €	Q2 2022	Q2 2021	6M 2022	6M 2021
North America	1,367	1,075	2,669	2,108
France	997	927	1,938	1,760
Netherlands	881	871	1,769	1,648
Germany	496	478	984	906
Italy	593	501	1,136	924
Belgium & Luxembourg	415	393	831	749
Iberia	405	364	798	692
Other European countries	619	581	1,239	1,113
Rest of the world	725	602	1,408	1,174
Global Businesses	401	297	762	557
Elimination of intersegment revenue	(13)	(11)	(27)	(25)
Revenue	6,886	6,078	13,507	11,606

EBITA by geographical area

in millions of €	Q2 2022	Q2 2021	6M 2022	6M 2021
North America	83	49	164	88
France	48	50	97	88
Netherlands	51	58	109	108
Germany	9	9	14	12
Italy	40	31	81	53
Belgium & Luxembourg	17	21	36	37
Iberia	24	21	43	35
Other European countries	22	15	38	25
Rest of the world	34	30	70	61
Global Businesses	3	(5)	1	23
Corporate	(66)	(29)	(108)	(51)
EBITA¹	265	250	545	479

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

revenue by revenue category

in millions of €	Q2 2022	Q2 2021	6M 2022	6M 2021
Staffing	3,286	3,063	6,463	5,807
Inhouse	1,671	1,439	3,283	2,783
Professionals	1,541	1,290	3,026	2,484
Global businesses	401	297	762	557
Elimination of intersegment revenue	(13)	(11)	(27)	(25)
Revenue	6,886	6,078	13,507	11,606

Total revenue of permanent placements in the revenue categories 'Staffing', 'Inhouse', and 'Professionals', amounted to € 192 million in Q2 2022 (Q2 2021: € 134 million). Revenue of recruitment process outsourcing within Global businesses amounted to € 119 million in Q2 2022 (Q2 2021: € 52 million).

consolidated balance sheet

in millions of €

june 30, 2022

december 31, 2021

june 30, 2021

assets

Property, plant and equipment	148	151	144
Right-of-use assets	517	507	516
Intangible assets	3,296	3,200	3,097
Deferred income tax assets	590	619	656
Financial assets and associates	194	195	181
Non-current assets	4,745	4,672	4,594
Trade and other receivables	5,735	5,432	4,907
Income tax receivables	124	77	145
Cash and cash equivalents	411	859	302
Current assets	6,270	6,368	5,354
Total assets	11,015	11,040	9,948

equity and liabilities

Issued capital	26	26	26
Share premium	2,323	2,323	2,323
Reserves	2,047	2,552	2,090
Shareholders' equity	4,396	4,901	4,439
Non-controlling interests	1	1	1
Total equity	4,397	4,902	4,440
Borrowings (including lease liabilities)	894	1,071	412
Deferred income tax liabilities	22	18	42
Provisions and employee benefit obligations	276	256	248
Other liabilities	7	-	2
Non-current liabilities	1,199	1,345	704
Borrowings (including lease liabilities)	263	203	326
Trade and other payables	4,484	4,426	4,000
Dividend	514	-	298
Income tax liabilities	62	63	69
Provisions and employee benefit obligations	91	97	109
Other liabilities	5	4	2
Current liabilities	5,419	4,793	4,804
Total liabilities	6,618	6,138	5,508
Total equity and liabilities	11,015	11,040	9,948

consolidated statement of cash flows

in millions of €	Q2 2022	Q2 2021	6M 2022	6M 2021
Operating profit	260	239	536	454
Amortization and impairment of acquisition-related intangible assets and goodwill	5	11	9	25
EBITA	265	250	545	479
Depreciation, amortization and impairment of property, plant, equipment, right-of-use assets, and software	76	72	149	150
EBITDA	341	322	694	629
Provisions and employee benefit obligations	6	(5)	10	(2)
Share-based compensations	12	11	23	23
Gain on disposal of subsidiaries and associates	-	-	-	(35)
Other items	1	7	-	5
Cash flow from operations before operating working capital and income taxes	360	335	727	620
Operating working capital assets	(103)	(370)	(207)	(472)
Operating working capital liabilities	(25)	255	(9)	243
Operating working capital	(128)	(115)	(216)	(229)
Income taxes	(99)	(59)	(168)	(131)
Net cash flow from operating activities	133	161	343	260
Net additions in property, plant and equipment, and software	(26)	(38)	(51)	(83)
Acquisition of subsidiaries, associates and equity investments	(24)	(2)	(26)	(2)
Disposal of subsidiaries, associates and equity investments	(1)	-	1	53
Net cash flow from investing activities	(51)	(40)	(76)	(32)
Net purchase of own ordinary shares	-	-	(71)	-
Net increase/(decrease) of non-current borrowings	196	-	(204)	-
Net increase/(decrease) of current borrowings	40	(93)	62	1
Repayments of lease liabilities	(52)	(45)	(104)	(95)
Net financing	184	(138)	(317)	(94)
Net finance costs paid	(2)	-	(5)	(3)
Dividends	(408)	(306)	(408)	(306)
Net reimbursement to financiers	(410)	(306)	(413)	(309)
Net cash flow from financing activities	(226)	(444)	(730)	(403)
Net decrease in cash, and cash equivalents	(144)	(323)	(463)	(175)
Cash, and cash equivalents at beginning of period	548	622	859	474
Net movement	(144)	(323)	(463)	(175)
Translation and currency gains	7	3	15	3
Cash, and cash equivalents at end of period	411	302	411	302
Free cash flow	55	78	188	82

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

in millions of €	april 1 - june 30		january 1 - june 30	
	2022	2021	2022	2021
Begin of period				
Shareholders' equity	4,161	4,264	4,901	4,668
Non-controlling interests	1	1	1	1
Total equity	4,162	4,265	4,902	4,669
Net income for the period, equity shareholders	196	176	405	329
Non-controlling interest	-	-	-	-
Net income for the period	196	176	405	329
Items that subsequently may be reclassified to the income statement	27	(12)	56	23
Items that will never be reclassified to the income statement	-	-	-	(1)
Total other comprehensive income, net of taxes	27	(12)	56	22
Total comprehensive income	223	164	461	351
Other changes in period				
Dividend payable on ordinary shares	400	298	(514)	(298)
Dividend paid on ordinary shares	(400)	(298)	(400)	(298)
Dividend payable on preference shares	8	8	-	-
Dividend paid on preference shares	(8)	(8)	(8)	(8)
Share-based compensations	12	11	23	23
Tax on share-based compensations	-	-	4	1
Net purchase of ordinary shares	-	-	(71)	-
Total other changes in period	12	11	(966)	(580)
End of period	4,397	4,440	4,397	4,440
Shareholder's equity	4,396	4,439	4,396	4,439
Non-controlling interests ¹	1	1	1	1
Total equity	4,397	4,440	4,397	4,440

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

notes to the consolidated interim financial statements

reporting entity

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

The consolidated interim financial statements of Randstad N.V. as at and for the six month period ended June 30, 2022 include the company and its subsidiaries (together called 'the Group').

significant accounting policies

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

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

basis of presentation

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

The consolidated financial statements of the Group as at and for the year ended December 31, 2021 are available upon request at the Company's office or on www.randstad.com.

estimates

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

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

covid-19

The impact of the global outbreak of COVID-19 on our business was fairly limited in 2021 and remains limited in 2022. The impact on our cash flow in 2022 was limited as well (Q2 2021: negative impact of € 7 million due to postponed payments of government relief measures).

We are continuing to monitor and address the impacts of the COVID-19 outbreak in the next quarters although we currently expect limited impact on our business. However, we cannot predict with certainty what these impacts will be for the next quarters.

conflict in Ukraine

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

In Q2 2022, the impact on our business was fairly limited. Looking ahead, there continues to be a high degree of global macroeconomic and geopolitical uncertainty. We are continuously monitoring the situation, with the aim to respond as quickly and effectively as possible to the changing circumstances.

seasonality

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

effective tax rate

The effective tax rate for the six month period ended June 30, 2022 is 25.6% (H1 2021: 26.0%), and is based on the estimated tax rate for the whole year 2022 (actual FY 2021: 24.6%).

acquisition and disposal of group companies, equity investments and associates

In Q2 2022, we had a net cash outflow of € 25 million mainly relating to the acquisition of Side (France), an end to end digital staffing platform in France. Randstad completed the acquisition on May 16, 2022. The provisional purchase price allocation resulted in € 23 million of goodwill and € 19 million of acquisition related intangibles.

shareholders' equity

Issued number of ordinary shares	2022	2021
January 1	183,959,312	183,303,552
Share-based compensations	-	655,760
June 30	183,959,312	183,959,312

As at June 30, 2022, the Group held 1,120,061 treasury shares (June 30, 2021: 5,120). As at December 31, 2021 the Group held 907,723 treasury shares. The average number of (diluted) ordinary shares outstanding has been adjusted for these treasury shares.

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

earnings per share

in millions of €, unless otherwise indicated	Q2 2022	Q2 2021	6M 2022	6M 2021
Net income for holders of preference and ordinary shares	196	176	405	329
Net income attributable to holders of preference shares	(2)	(2)	(4)	(4)
Net income attributable to holders of ordinary shares	194	174	401	325
Amortization of intangible assets ¹	5	11	9	25
Integration costs and one-offs ²	43	10	49	(17)
Tax effect on amortization, integration costs, and one-offs	(12)	(5)	(15)	(2)
Adjusted net income for holders of ordinary shares	230	190	444	331
Average number of ordinary shares outstanding	182.8	184.0	182.8	183.8
Average number of diluted ordinary shares outstanding	183.7	185.0	183.8	184.8
Earnings per share attributable to the holders of ordinary shares of Randstad N.V. (in € per share):				
Basic earnings per share	1.06	0.95	2.19	1.77
Diluted earnings per share	1.06	0.94	2.18	1.76
Diluted earnings per share before amortization and impairment of acquisition-related intangible assets and goodwill, integration costs, and one-offs ³	1.25	1.03	2.42	1.79

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

2 FY2021 includes the one-off book profit of €35 million from the disposal of Alma Career Oy

3 Diluted EPS underlying

net debt position

Net debt including lease liabilities at June 30, 2022 amounted to € 746 million, and was € 331 million higher compared to December 31, 2021 (€ 415 million). The net debt position excluding lease liabilities as at June 30, 2022 was € 147 million and was € 326 million higher compared to the net cash position as at December 31, 2021 (€ 179 million).

In Q2 2022, the Group successfully refinanced the multicurrency syndicated revolving credit facility. At June 30, 2022, the Group has a € 1,750 million multicurrency syndicated revolving credit facility at its disposal, which matures May 2027. The term may potentially be extended to a maximum of 7 years (i.e. May 2029) through the exercise of two extension options, which are at the banks' discretion. The facility agreement, which is a refinancing of the previous facility (€ 1,850 million), contains the same covenant with respect to the net debt to EBITDA ratio (leverage ratio), as well as a paragraph on material adverse changes. The net debt to EBITDA ratio has a limit of 3.5x and is calculated based on the results of the Group on a 12-month basis. In certain cases, Randstad is allowed to report a leverage ratio of 4.25x EBITA for a limited period of time.

breakdown of operating expenses

in millions of €	Q2 2022	Q2 2021	6M 2022	6M 2021
Personnel expenses	878	686	1,693	1,330
Other operating expenses	313	246	578	432
Operating expenses	1,191	932	2,271	1,762

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

in millions of €	Q2 2022	Q2 2021	6M 2022	6M 2021
Depreciation and impairment of property, plant and equipment	14	14	27	26
Amortization and impairment of software	17	14	31	32
Depreciation and amortization of software	31	28	58	58
Depreciation and impairment of right-of-use assets	45	44	91	92
Total	76	72	149	150

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

in millions of €	Q2 2022	Q2 2021	6M 2022	6M 2021
Additions				
Property, plant and equipment & Software	(30)	(40)	(57)	(85)
	(30)	(40)	(57)	(85)
Disposals				
Proceeds property, plant and equipment	3	1	5	1
(Profit)/Loss	1	1	1	1
	4	2	6	2
Statement of cash flows	(26)	(38)	(51)	(83)

total comprehensive income

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

related-party transactions

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

commitments

There are no material changes in the nature and scope of commitments compared to December 31, 2021.

events after balance sheet date

On July 7th, Randstad Australia signed an agreement to acquire the Finite Group in Australia & New Zealand. The completion of the acquisition is subject to several conditions, which is expected to be fulfilled in the coming weeks. The initial purchase price is estimated to be € 130 million. The Finite Group specializes in technology recruitment, IT consulting and a broad array of IT & Digital professional services. Leveraging an extensive network of both contractors and permanently employed technical staff, Finite Group provides a wide range of services and capabilities to its significant customer base.