

1st quarter results 2023.

Q1 2023: resilient performance,
adapting to challenging conditions.

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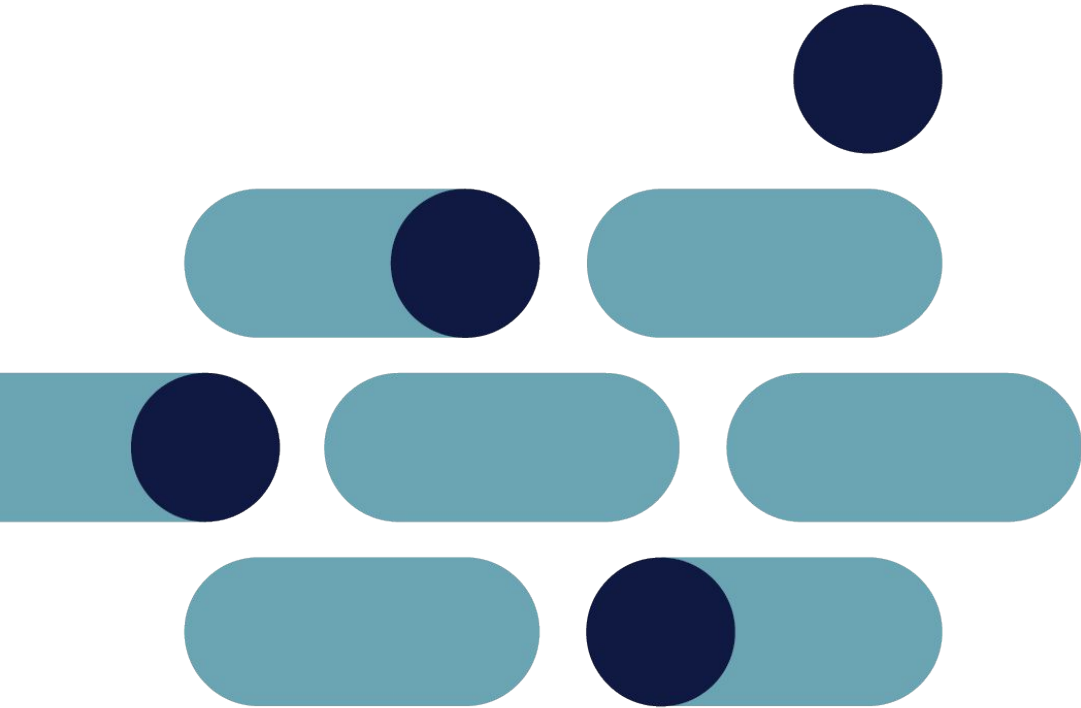
25 April 2023 | Randstad N.V.

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.

definitions.



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.

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

agenda.

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performance.



Q1 2023: resilient performance, adapting to challenging conditions.



summary

challenging macro conditions;
operationally adapting
sustained focus on pricing &
diversified mix of services
well positioned



key financials

revenue -4.2% YoY
gross margin 21.0%, +50bp YoY
EBITA € 266m, 4.1% margin

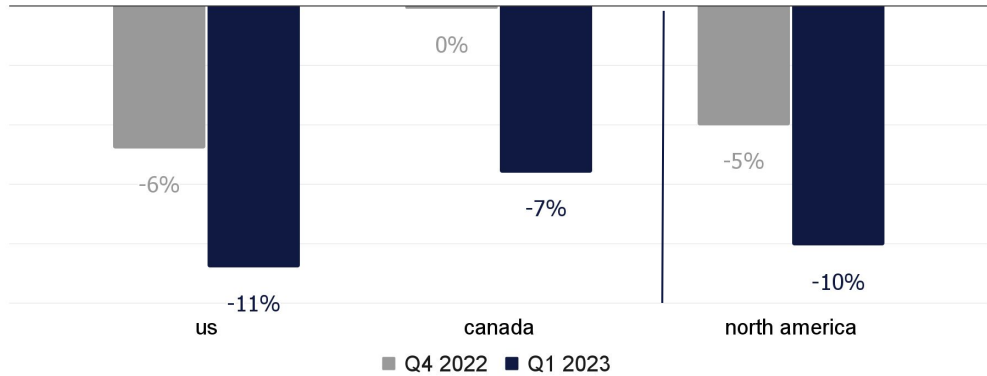


focus

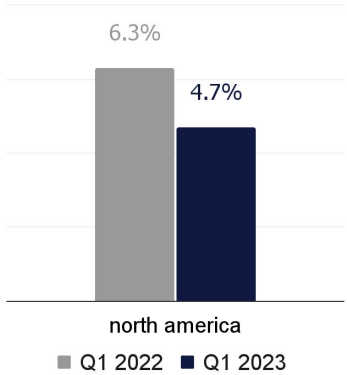
cost management
partner for talent
“perform & progress”

north america: adapting to a challenging environment.

organic revenue growth YoY, last two quarters*



EBITA margin (underlying)**



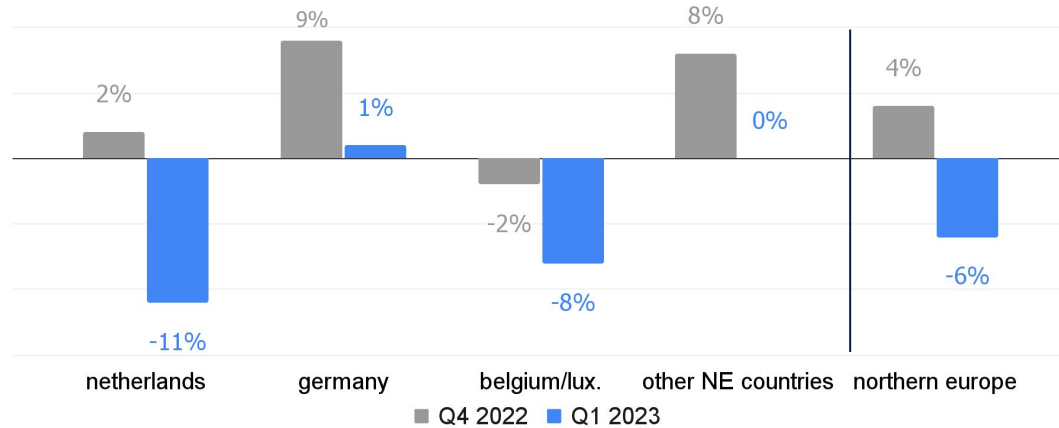
- **us staffing & inhouse:** continued softening demand in sectors such as manufacturing, transportation & distribution, along with other administrative (support) profiles
- **us professionals:** tough market conditions; underlying demand still reflects talent scarcity in US tech
- **canada:** similar trends as in the US
- **profitability:** focused cost management, headcount adjustments made

* YoY 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.
 ** before integration costs & one-offs.

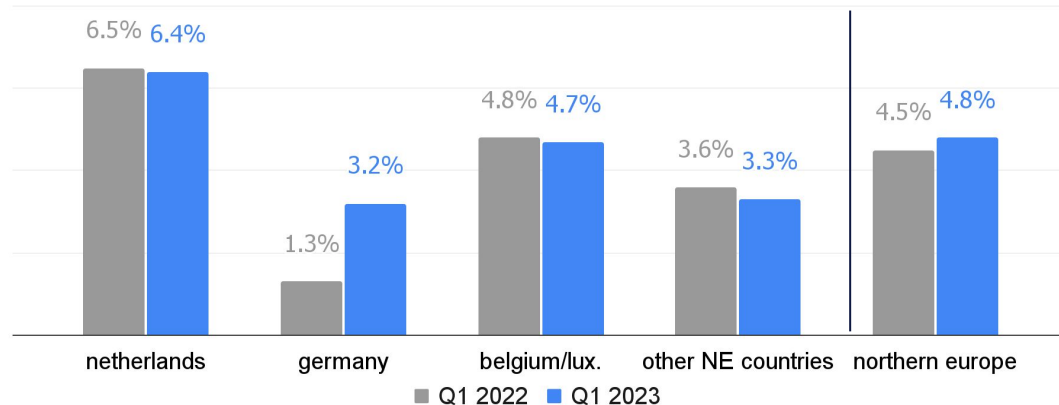


northern europe: mixed growth trends, good profitability & adaptability.

organic revenue growth YoY, last two quarters*



EBITA margin (underlying)**



- **NL:** good profitability & adaptability; staffing & inhouse in particular impacted by covid-related business; steady perm business
- **germany:** solid quarter, improving profitability; resilient staffing & inhouse, perm strong
- **belgium:** adjusting to challenging conditions; protecting profitability
- **other NE countries:** broadly flat revenue, solid performance

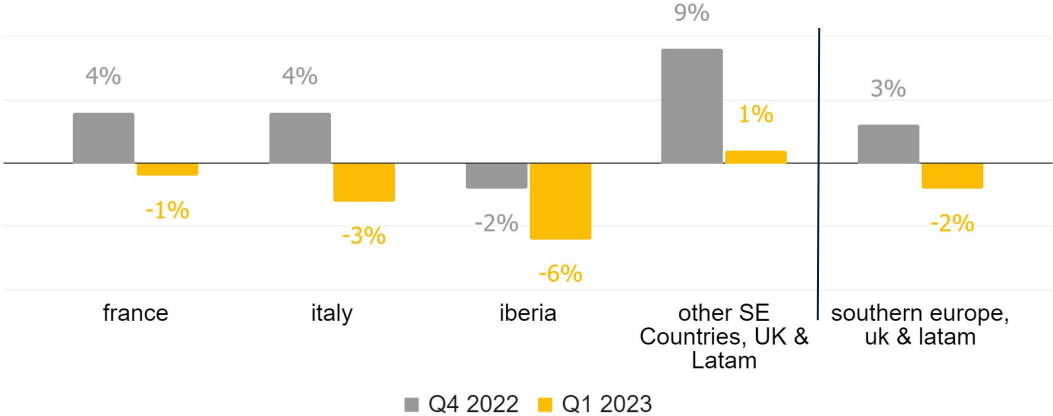


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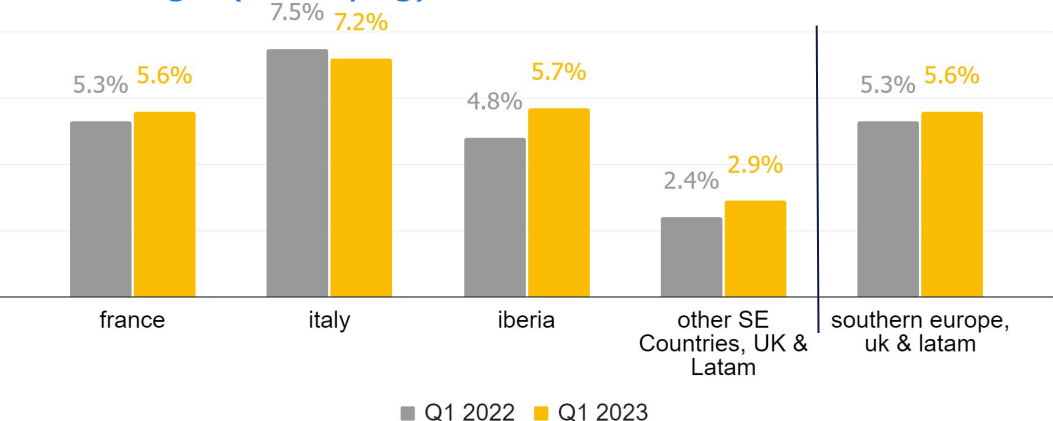
** before integration costs & one-offs.

southern europe, uk & latam: mixed growth trends, good profitability & adaptability.

organic revenue growth YoY, last two quarters*



EBITA margin (underlying)**



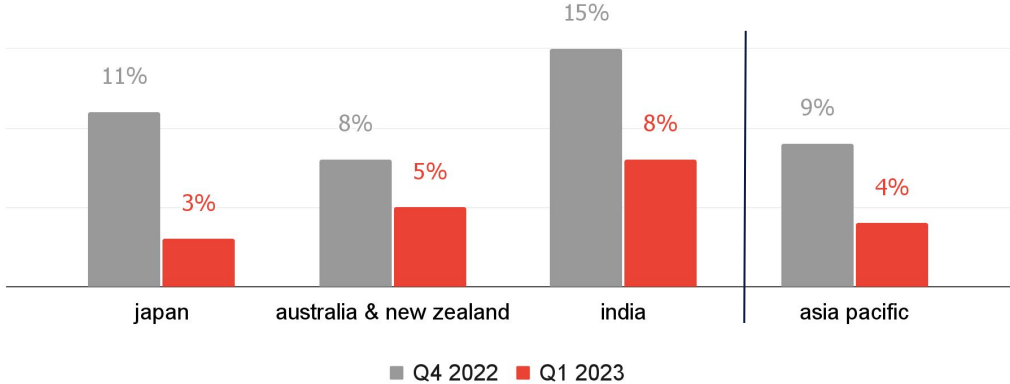
- **france:** solid growth in perm and professionals, nearly offset decline in staffing & inhouse; good and disciplined cost control and adaptability
- **italy:** solid growth in perm, inhouse held up steadily, partly offsetting decline in staffing; excellent profitability
- **spain:** continued growth in perm, professionals and outsourcing; good field steering to adapt to the current environment
- **other SE countries:** good growth momentum in latam, adapting in UK and other SE countries



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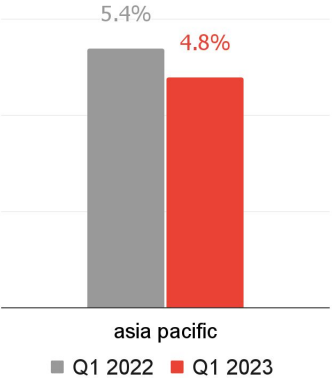
asia pacific: continued growth and solid profitability.

organic revenue growth YoY, last two quarters*



- **japan:** solid growth
- **australia & new zealand:** steady performance
- **india:** strong growth, continued focus on quality of portfolio

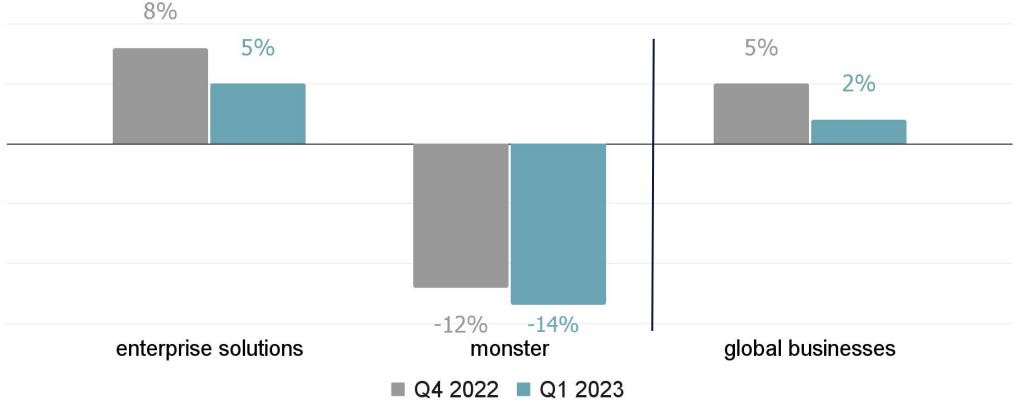
EBITA margin (underlying)**



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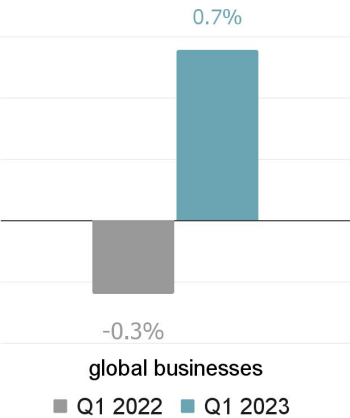
global businesses: robust demand for our enterprise solutions.

organic revenue growth YoY, last two quarters*



- **enterprise solutions:** robust RPO business, growing demand for outplacement
- **monster:** demand largely impacted by economic slowdown, continued adaptation

EBITA margin (underlying)**

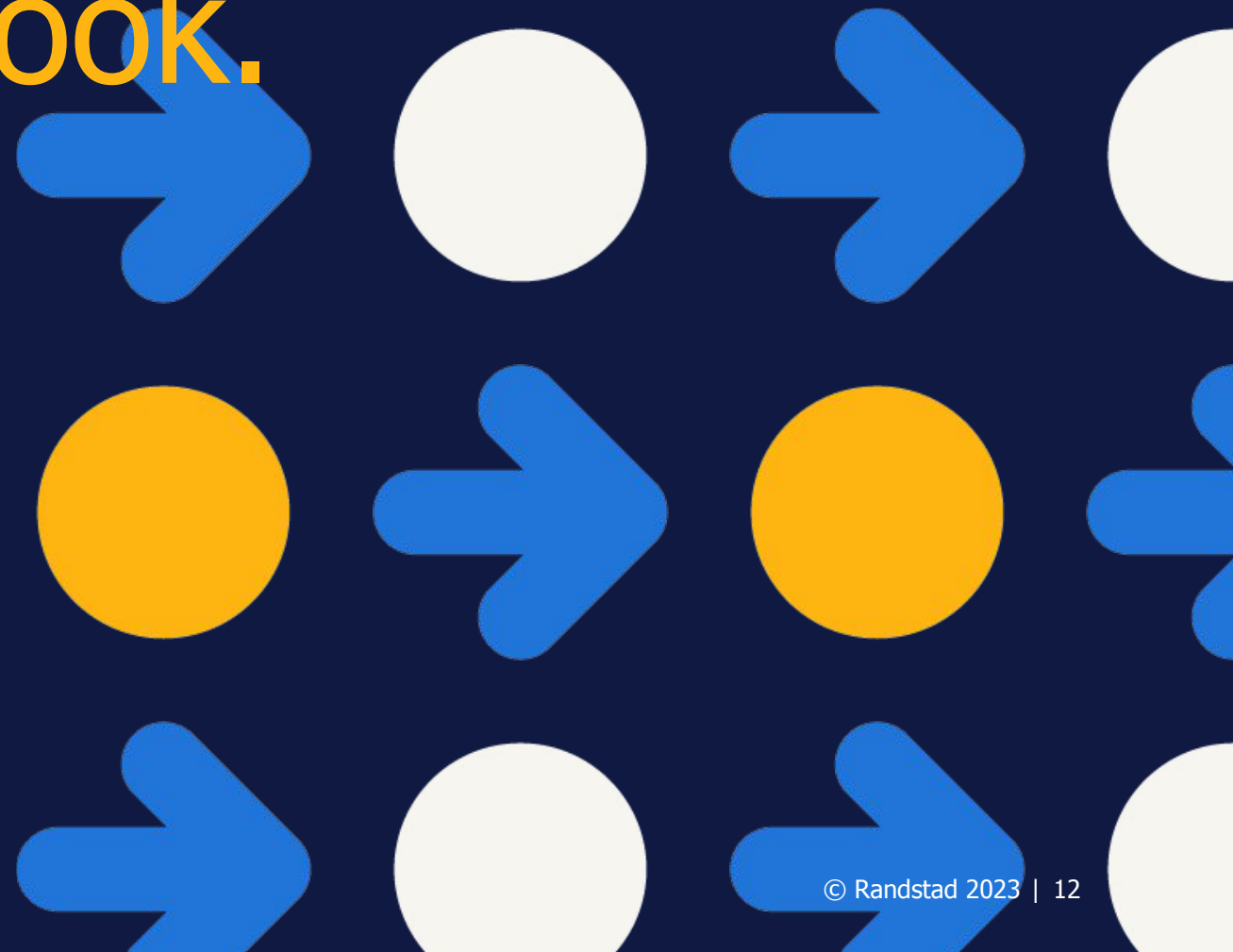


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 ** before integration costs & one-offs.



financial results

& outlook.



Q1 2023: resilient performance, adapting to challenging conditions.



Q1 performance



Q1 key financials

€ million	Q1 '23	Q1 '22	% org.
revenue	6,518	6,621	-4%
gross profit	1,368	1,360	-2%
gross margin	21.0%	20.5%	
operating expenses*	1,102	1,074	1%
opex %	16.9%	16.2%	
EBITA*	266	286	-9%
EBITA margin*	4.1%	4.3%	
integration costs & one-offs	-/- 37	-/- 6	
amortization & impairment	-/- 11	-/- 4	
net finance costs	-/- 14	5	
tax	-/- 50	-/- 72	
reported net income**	154	209	
adjusted net income	191	214	-11%

- organic revenue down 4.2% YoY
 - growth continued in asia pacific and latam
 - mixed growth trends in europe
 - decline in north america
- strong gross margin 21.0%, +50 bp YoY
- EBITA € 266m, solid EBITA margin of 4.1%



* before integration costs & one-offs.
** including share of profit of associates.

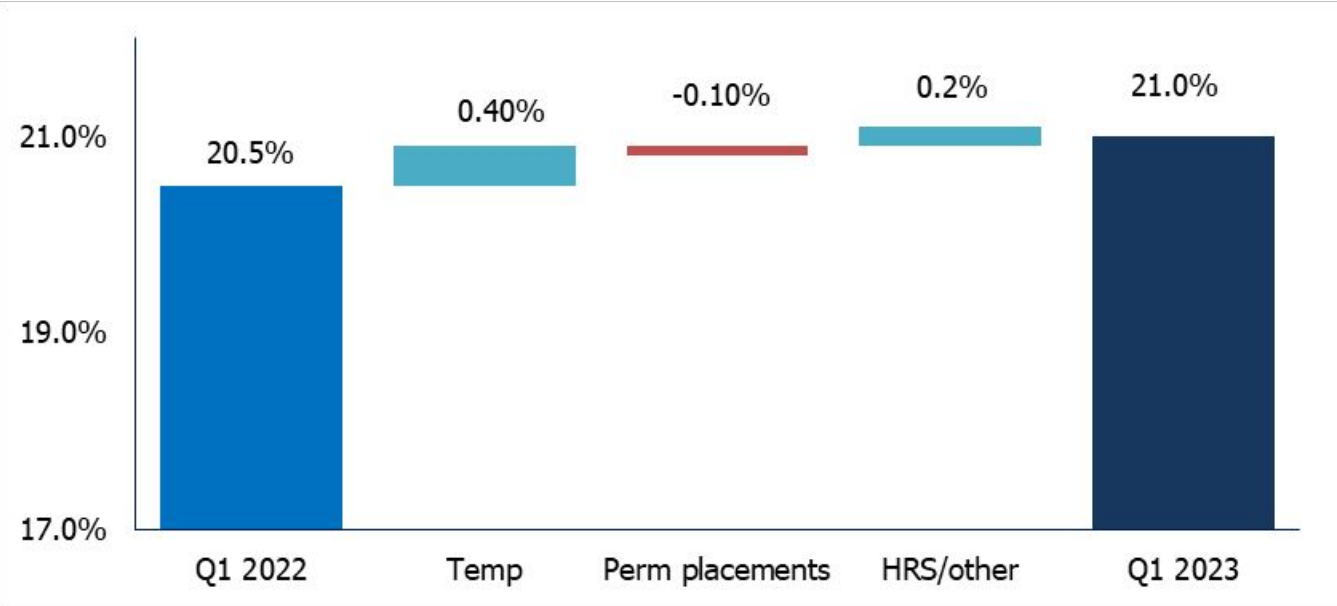
continued gross margin expansion driven by mix and pricing.



Q1 gross margin development YoY



Q1 highlights



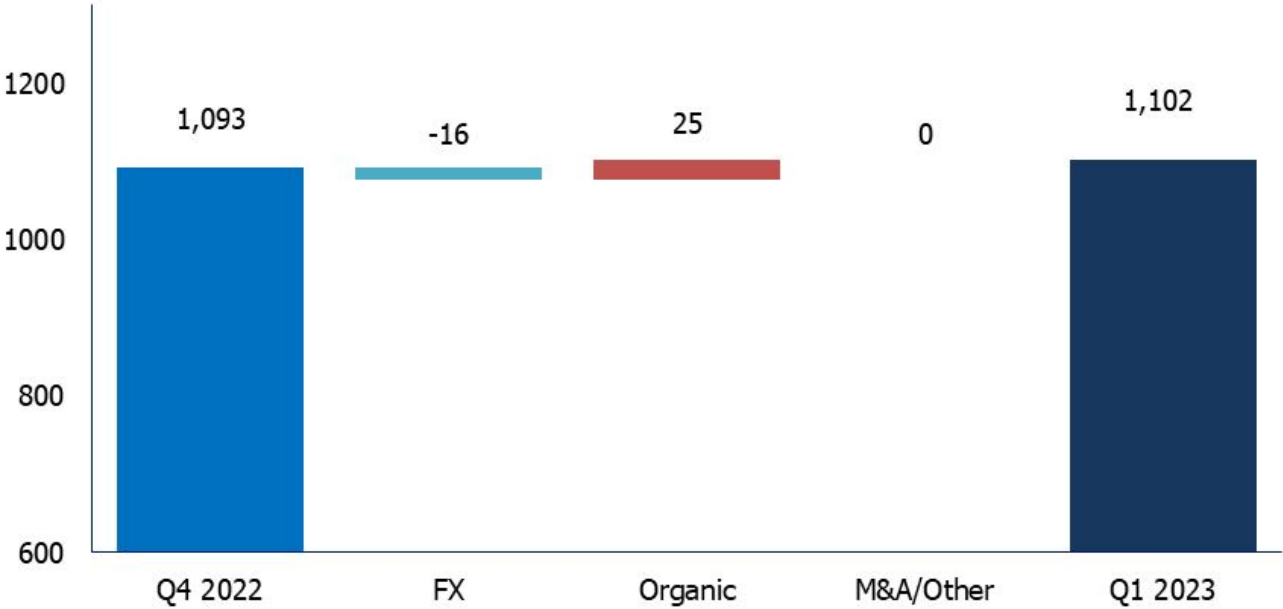
- temp margin + 40bp YoY
- perm fees -10bp YoY
- HRS/other +20bp YoY, reflecting growing demand for outplacement



operational adaptability provided by our field steering model.



Q1 sequential opex bridge



disciplined cost management

- opex up organically by € 25m QoQ
- personnel expenses up 1% QoQ
 - net reduction of 1,840 FTE offset by wage inflation
 - March exit rate FTE below Q1 average
- ongoing field steering

solid free cash flow & sound balance sheet.



Q1 free cash flow

- Q1 FCF € 169m (up € 36m YoY)
- counter cyclical movement of working capital more than offset decline in EBITA
- DSO 53.0, up 1.2 days vs Q1 2022



sound balance sheet

- net debt € 145m excl. lease liabilities
- leverage ratio excl. lease liabilities: 0.1
- update on SBB of € 400m: purchase of first tranche starting on the 25th of April 2023

outlook.



Q2 2023 outlook

- gross margin and operating expenses both expected to be broadly in line sequentially.
- we remain cautious & continue to work with scenario planning to ensure adaptability.
- negative 0.4 working day impact in Q2 2023.



momentum

- in early April, trends broadly in line with Q1 2023
 - the YoY growth rate of employees working was in line with the Q1 2023 YoY growth rate.
- operational adaptability & agility.

questions & answers.



appendices
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outlets by region.

end of period	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
North America	1,176	1,193	1,216	1,235	1,211
the Netherlands	609	613	621	619	625
Germany	533	516	521	526	524
Belgium & Luxembourg	329	331	337	353	347
Other Northern Europe countries	322	325	326	331	324
Northern Europe	1,793	1,785	1,805	1,829	1,820
France	653	666	653	648	643
Italy	283	283	280	275	274
Iberia	364	373	384	387	388
Other SE Countries, UK & Latam	242	287	309	245	234
Southern Europe, UK & Latam	1,542	1,609	1,626	1,555	1,539
Asia Pacific	185	180	178	172	171
Global businesses	136	138	141	143	148
total	4,832	4,905	4,966	4,934	4,889



corporate staff by region.

average	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
North America	6,780	7,150	7,230	7,090	6,940
the Netherlands	4,030	4,110	4,180	4,150	4,140
Germany	2,740	2,860	2,940	2,950	2,950
Belgium & Luxembourg	2,250	2,380	2,450	2,420	2,380
Other Northern Europe countries	2,440	2,530	2,530	2,510	2,460
Northern Europe	11,460	11,880	12,100	12,030	11,930
France	4,760	4,910	4,940	4,800	4,670
Italy	3,080	3,140	3,050	2,940	2,790
Iberia	2,410	2,570	2,680	2,660	2,530
Other SE Countries, UK & Latam	2,950	3,090	3,140	3,050	2,930
Southern Europe, UK & Latam	13,200	13,710	13,810	13,450	12,920
Asia Pacific	5,060	5,050	4,760	4,570	4,420
Global businesses	7,850	8,480	9,210	8,670	7,660
Corporate	570	490	430	420	350
total	44,920	46,760	47,540	46,230	44,240

number of employees working on a temporary basis by region.

average	Q1 2023	Q1 2022
North America	75,000	95,800
the Netherlands	58,200	73,100
Germany	34,700	39,100
Belgium & Luxembourg	37,300	43,100
Other Northern Europe countries	35,000	37,200
Northern Europe	165,200	192,500
France	80,500	87,000
Italy	53,500	58,900
Iberia	54,000	61,300
Other SE Countries, UK & Latam	50,700	56,900
Southern Europe, UK & Latam	238,700	264,100
Asia Pacific	114,400	108,900
Global businesses	9,500	7,300
total	602,800	668,600

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human forward.

