

2nd quarter results 2023.

Q2 2023: resilient performance,
strong adaptability.

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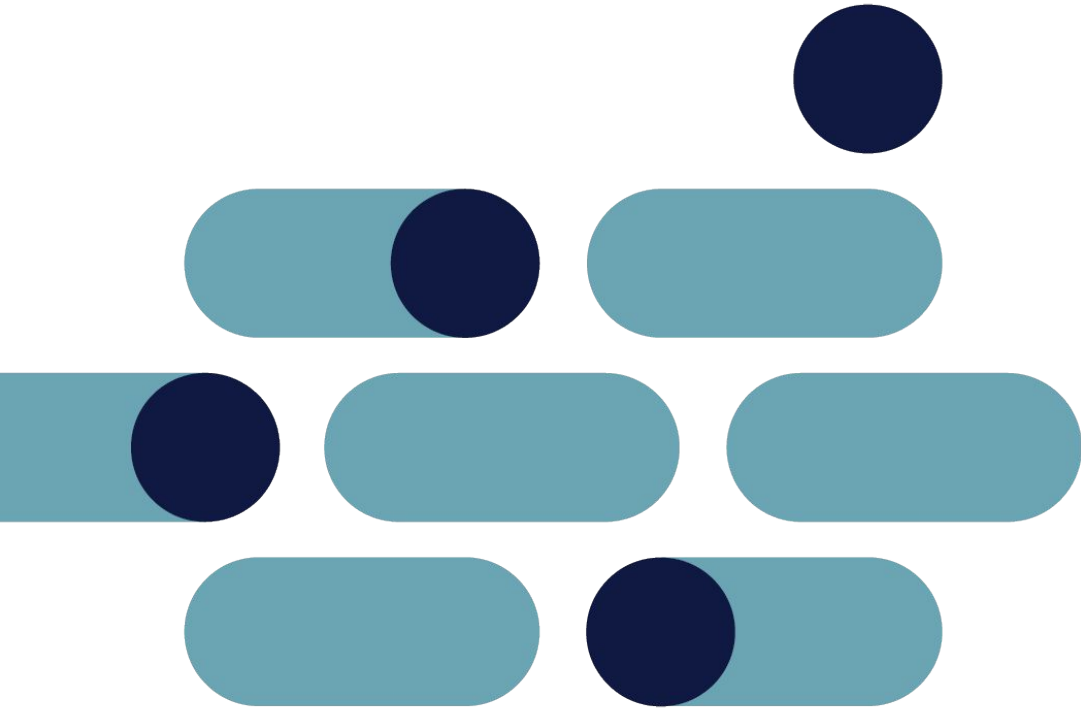
25 July 2023 | Randstad N.V.

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.



Q2 2023: resilient performance, strong adaptability.



summary

continued challenging conditions
strong adaptability across markets
highly diversified portfolio



key financials

revenue -5.1% YoY
gross margin 20.7%
EBITA € 271m, 4.2% margin

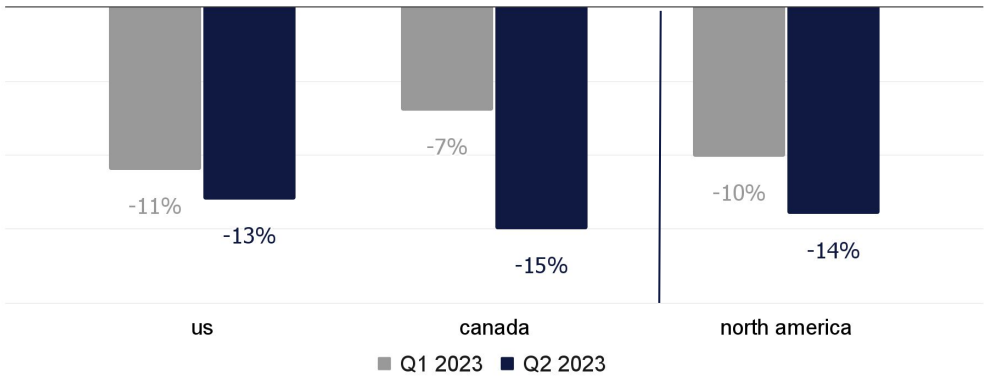


focus

announced acquisition of Grupo CTC
equity, specialization, digital
“perform & progress”

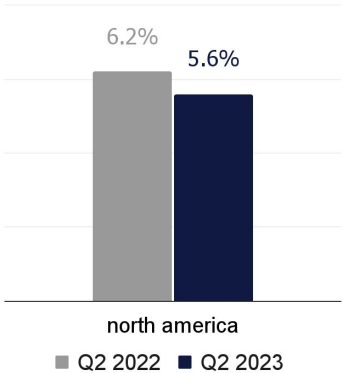
north america: tough economic conditions continued, sound margin protection.

organic revenue growth YoY, last two quarters*



- **us staffing & inhouse:** continued softening demand across sectors
- **us professionals:** demand softened, tough economic conditions
- **canada:** similar trends as in the US
- **profitability:** focused opex steering

EBITA margin (underlying)**

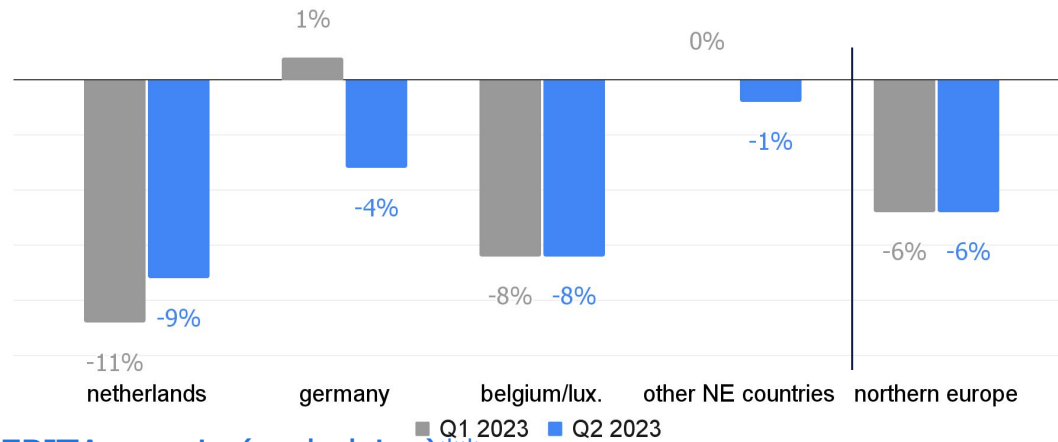


* YoY organic change is measured excluding the impact of currencies, acquisitions, disposals, and reclassifications. For revenue, the organic change has been adjusted for the number of working days.
 ** before integration costs & one-offs.

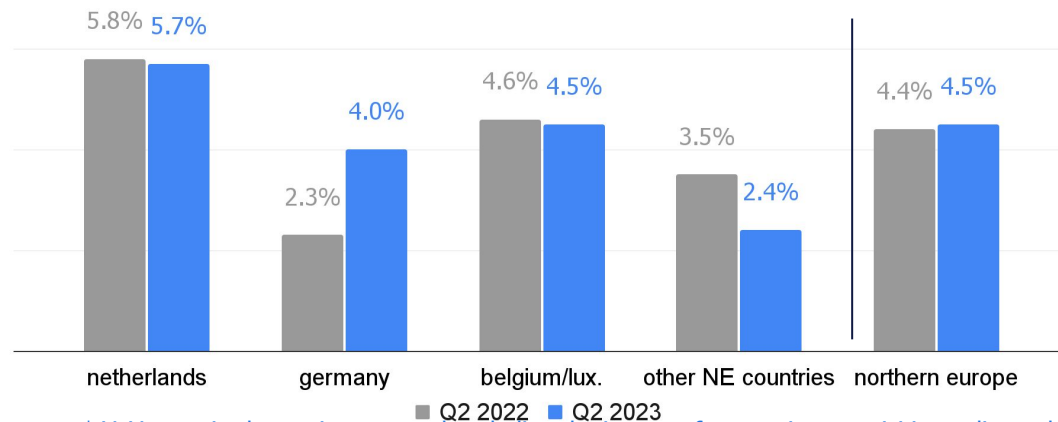


northern europe: mixed growth trends, resilient performance.

organic revenue growth YoY, last two quarters*



EBITA margin (underlying)**



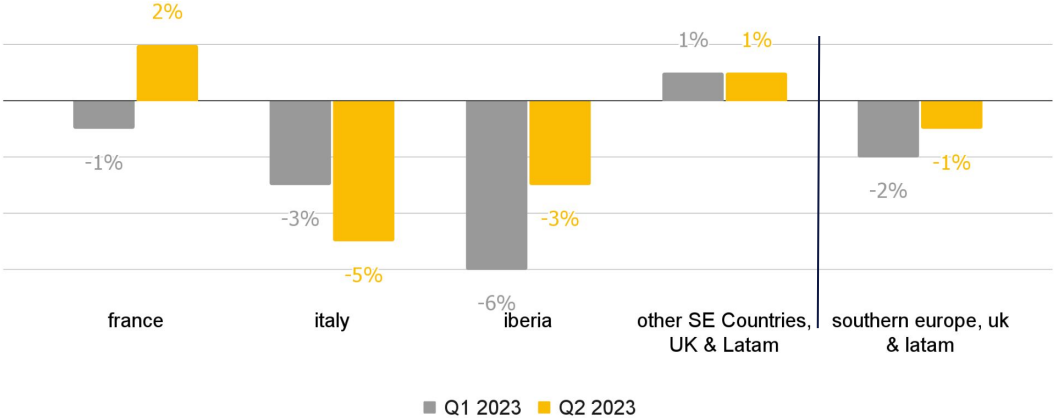
- **NL:** good profitability & adaptability; staffing & inhouse still impacted by covid-related business
- **germany:** diversifying and improving profitability
- **belgium:** adjusting to challenging conditions; protecting profitability
- **other NE countries:** mixed results in challenging conditions



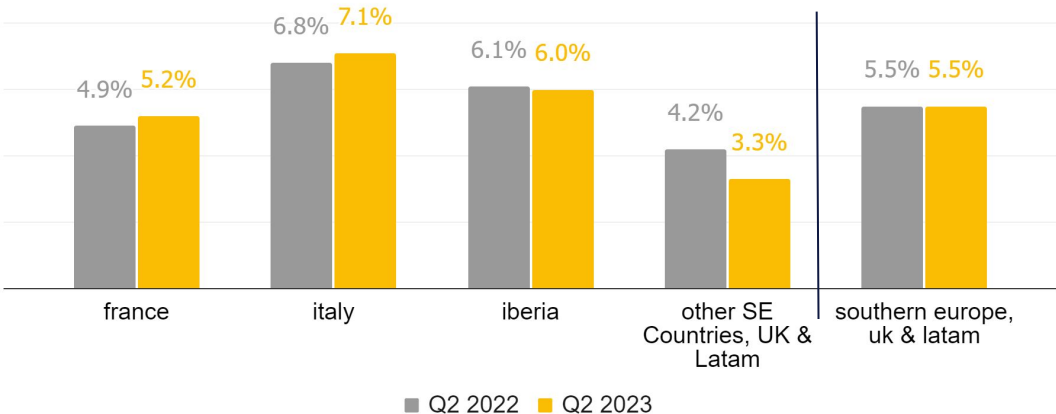
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** before integration costs & one-offs.

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

organic revenue growth YoY, last two quarters*



EBITA margin (underlying)**



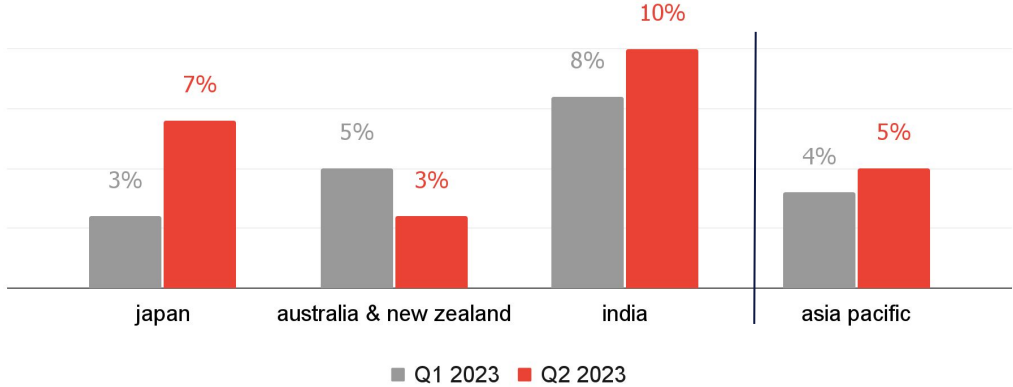
- **france:** growth in professionals offset decline in staffing & inhouse and perm; disciplined cost control
- **italy:** excellent profitability, focus on growth
- **spain:** continued growth in professionals and outsourcing; talent center progress; acquisition of Grupo CTC announced
- **other SE countries:** continued growth in latam



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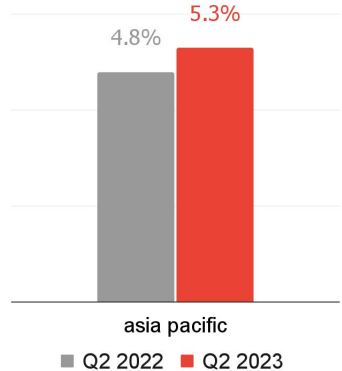
asia pacific: continued growth and solid profitability.

organic revenue growth YoY, last two quarters*



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

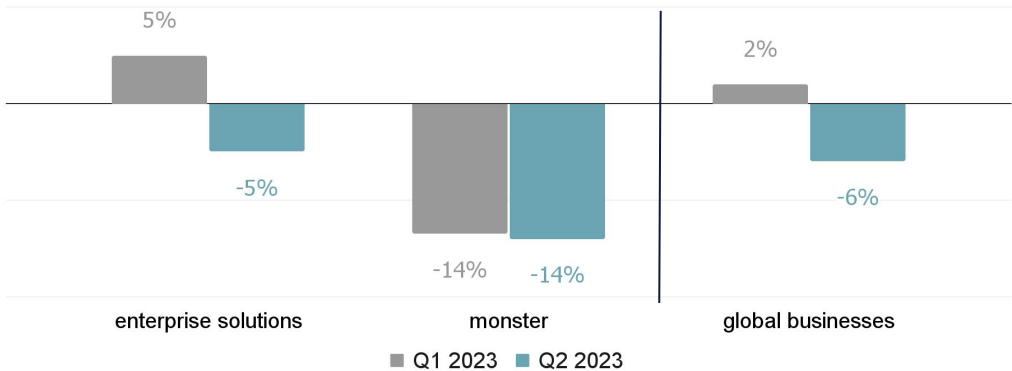
EBITA margin (underlying)**



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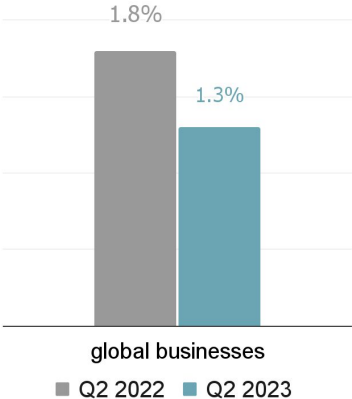
global businesses: challenging economic conditions, continued adaptation.

organic revenue growth YoY, last two quarters*



- **enterprise solutions:** RPO business impacted by economic slowdown compared to a record prior year performance; strong adaptability; growth in outplacement
- **monster:** demand impacted by economic slowdown

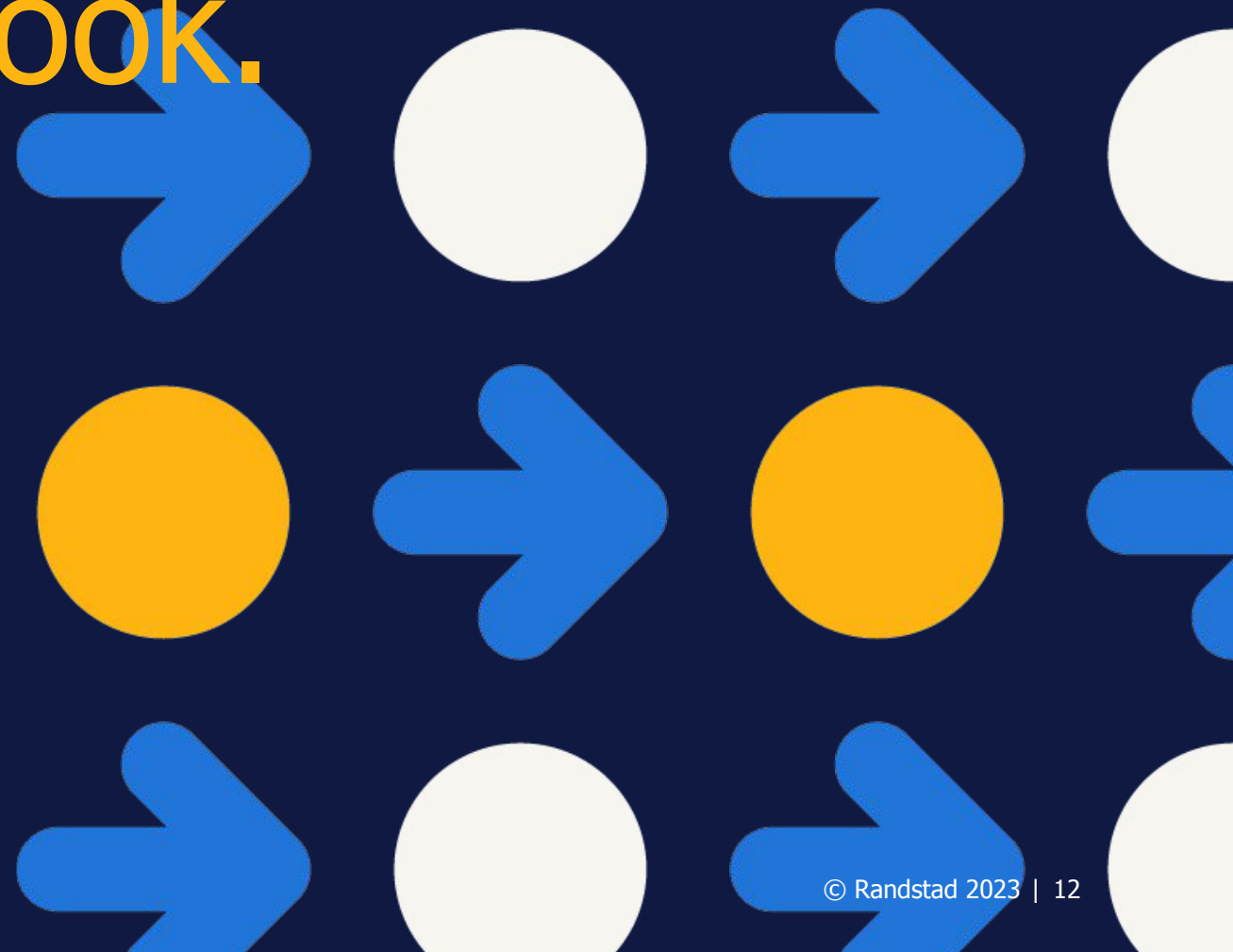
EBITA margin (underlying)**



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 ** before integration costs & one-offs.

financial results

& outlook.



Q2 2023: resilient performance, strong adaptability.



Q2 performance



Q2 key financials

€ million	Q2 '23	Q2 '22	% org.
revenue	6,465	6,886	-5%
gross profit	1,341	1,457	-7%
gross margin	20.7%	21.2%	
operating expenses*	1,070	1,149	-6%
opex %	16.6%	16.7%	
EBITA*	271	308	-12%
EBITA margin*	4.2%	4.5%	
integration costs & one-offs	-/- 54	-/- 43	
amortization & impairment	-/- 11	-/- 5	
net finance income (costs)	-/- 17	3	
tax	-/- 52	-/- 68	
reported net income**	137	196	
adjusted net income	185	230	-20%

- organic revenue down 5.1% YoY
 - growth in asia pacific and latam
 - mixed growth trends in europe
 - decline in north america
- robust gross margin 20.7%, -50 bp YoY
- EBITA € 271, solid EBITA margin of 4.2%

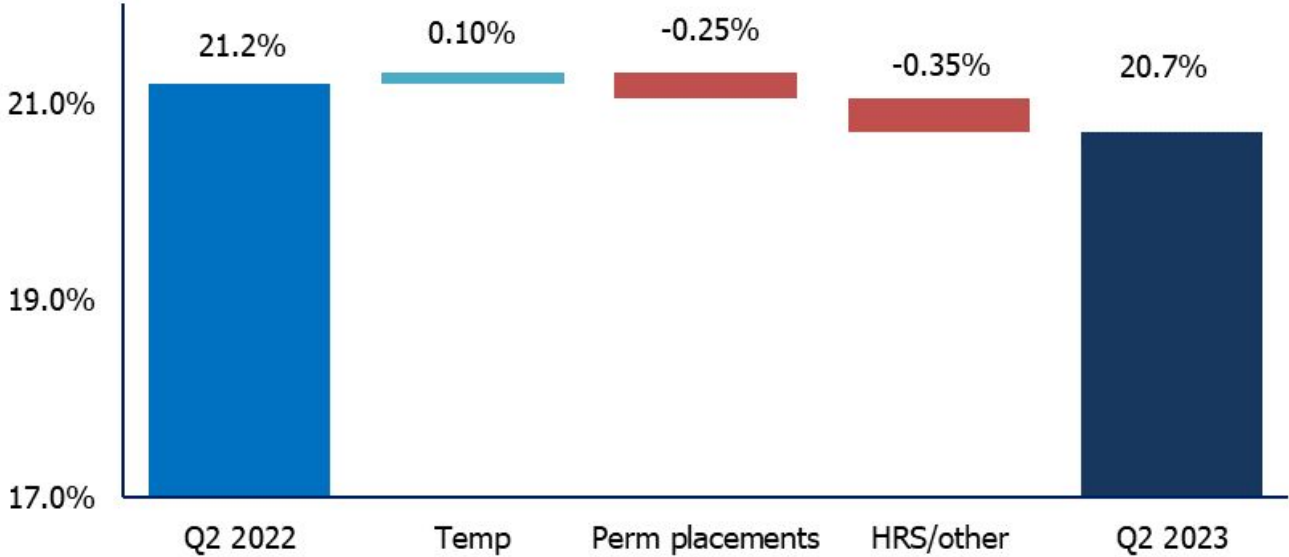


* before integration costs & one-offs.
 ** including share of profit of associates.

gross margin impacted by mix and pricing.



Q2 gross margin development YoY



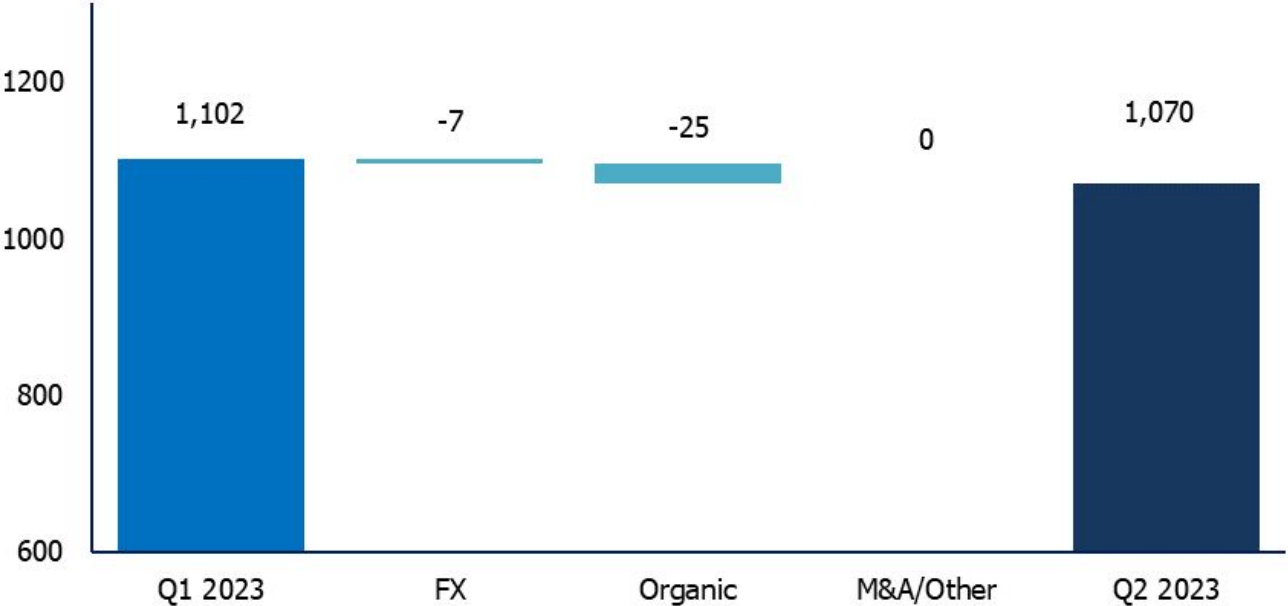
Q2 highlights

- temp margin + 10bp YoY
- perm fees -25 bp YoY
- HRS/other -35 bp YoY, mainly reflecting decline in RPO, growth in outplacement

strong adaptability.



Q2 sequential opex bridge



ongoing field steering

- opex down 4% QoQ (down 6% YoY)
- personnel expenses down 4% QoQ
 - net reduction of 1,390 FTE
- H1 recovery ratio 48%



solid free cash flow & sound balance sheet.



Q2 free cash flow

- Q2 FCF € 126m (up € 71m YoY)
 - working capital impacted by timing of payments
 - DSO 53.3, up 1.2 days vs Q2 2022
-



sound balance sheet

- net debt € 616m excl. lease liabilities
 - leverage ratio excl. lease liabilities: 0.5
 - update on SBB of € 400m:
 - first tranche completed (1.55m shares)
 - purchase of second tranche starting on the 25th of July 2023
-

outlook: continued focus on adaptability.



Q3 2023 outlook

- gross margin expected to be slightly lower QoQ
- operating expenses expected to be slightly lower QoQ
- negative 1.0 working day impact in Q3 2023



momentum early July

- trends similar to Q2 2023
- continued challenging conditions
- the YoY growth rate of employees working (temp) in line with the Q2 2023 YoY growth rate

questions & answers.



appendices
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outlets by region.

end of period	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
North America	1,070	1,176	1,193	1,216	1,235
the Netherlands	608	609	613	621	619
Germany	525	533	516	521	526
Belgium & Luxembourg	308	329	331	337	353
Other Northern Europe countries	310	322	325	326	331
Northern Europe	1,751	1,793	1,785	1,805	1,829
France	791	653	666	653	648
Italy	282	283	283	280	275
Iberia	353	364	373	384	387
Other SE Countries, UK & Latam	242	242	287	309	245
Southern Europe, UK & Latam	1,668	1,542	1,609	1,626	1,555
Asia Pacific	197	185	180	178	172
Global businesses	134	136	138	141	143
total	4,820	4,832	4,905	4,966	4,934

corporate staff by region.

average	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
North America	6,460	6,780	7,150	7,230	7,090
the Netherlands	3,910	4,030	4,110	4,180	4,150
Germany	2,630	2,740	2,860	2,940	2,950
Belgium & Luxembourg	2,230	2,250	2,380	2,450	2,420
Other Northern Europe countries	2,360	2,440	2,530	2,530	2,510
Northern Europe	11,130	11,460	11,880	12,100	12,030
France	4,730	4,760	4,910	4,940	4,800
Italy	3,050	3,080	3,140	3,050	2,940
Iberia	2,420	2,410	2,570	2,680	2,660
Other SE Countries, UK & Latam	2,870	2,950	3,090	3,140	3,050
Southern Europe, UK & Latam	13,070	13,200	13,710	13,810	13,450
Asia Pacific	4,980	5,060	5,050	4,760	4,570
Global businesses	7,330	7,850	8,480	9,210	8,670
Corporate	560	570	490	430	420
total	43,530	44,920	46,760	47,540	46,230

number of employees working on a temporary basis by region.

average	Q2 2023	Q2 2022
North America	71,200	90,700
the Netherlands	56,200	71,900
Germany	32,800	38,600
Belgium & Luxembourg	38,300	44,100
Other Northern Europe countries	33,800	36,400
Northern Europe	161,100	191,000
France	84,600	89,400
Italy	55,500	60,500
Iberia	55,900	60,200
Other SE Countries, UK & Latam	49,000	52,100
Southern Europe, UK & Latam	245,000	262,200
Asia Pacific	112,900	110,000
Global businesses	10,100	8,500
total	600,300	662,400

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human forward.

