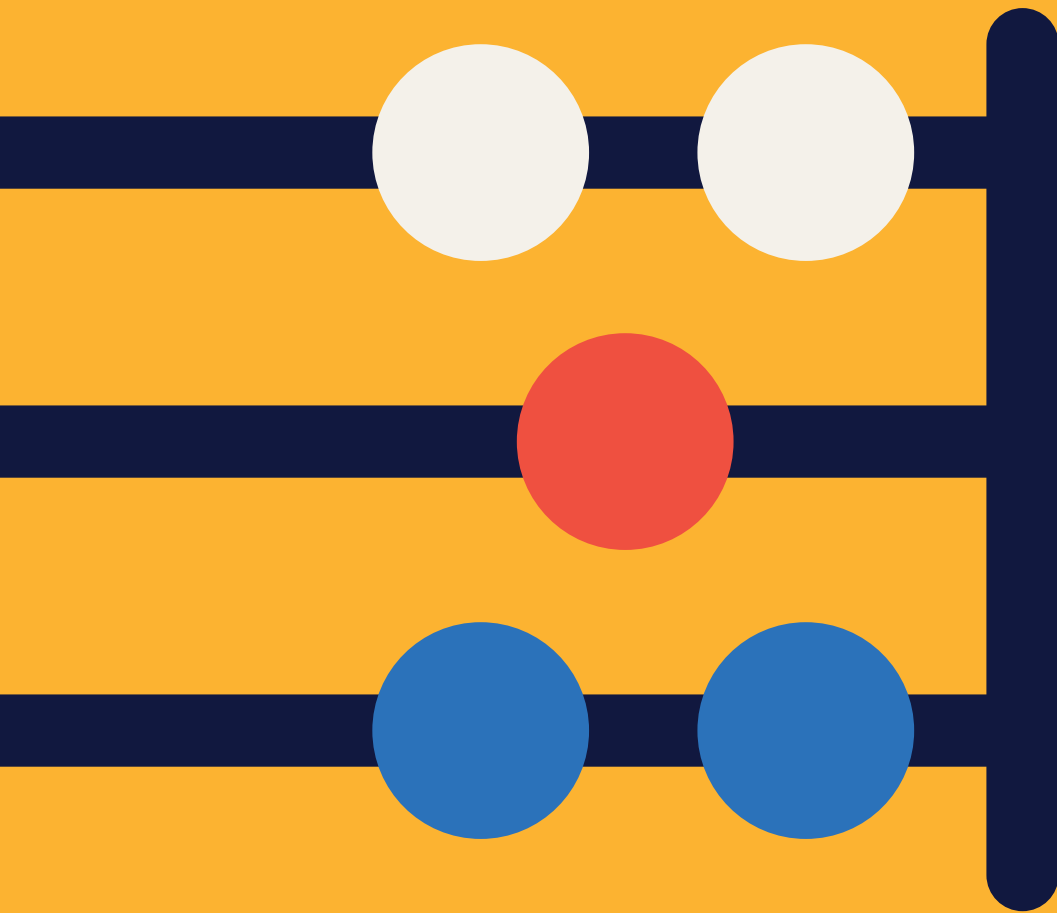


1st

quarter
results



2018.

contents

Q1 2018: sound revenue growth continues.

financial performance

- 4 core data
- 7 invested capital
- 8 cash flow summary

performance

- 9 performance by geography

other information

interim financial statements

Q1 2018: sound revenue growth continues.



organic revenue growth

+7.4%

underlying EBITA

€ 217 m

EBITA margin

3.8%

topline grew 9% in Europe, 1% in North America and 11% in Rest of the world; ongoing market share gains in most regions

gross margin 19.6%; pricing climate stable; perm fees up 13% (Q4 2017: up 13%)

underlying EBITA of € 217 million; EBITA margin 3.8% stable YoY (incl. impact of FX, working day and high sickness)

organic opex up 2% (Q4 2017: up 5%); underlying ICR around 50%

leverage ratio of

0.9

March organic sales growth in line with Q1; volumes in early April indicate a continuation of the trend

"We started 2018 well, achieving sound organic revenue and even double-digit perm growth," says CEO Jacques van den Broek. "Overall market circumstances remained positive. We continue to outperform in most relevant markets, driven by our Tech & Touch strategy and strong operational execution. Nevertheless, we remain focused on the balance between growth and profitability. We support our consultants, clients and candidates in adopting and embracing digital where this works best, and so optimizing human interaction. Our global roll-out of digital initiatives such as workforce scheduling, data-driven sales and talent engagement is in full swing."

Our annual report 2017 is available on www.ir.randstad.com.

financial performance.

core data

in millions of €, unless otherwise indicated - underlying	Q1 2018	Q1 2017	yoy change	% org.	L4Q 2018	L4Q 2017	yoy change	% org.
Revenue	5,683	5,557	2%	7%	23,399	21,539	9%	9%
Gross profit	1,114	1,134	(2)%	4%	4,688	4,202	12%	7%
Operating expenses	897	925	(3)%	2%	3,615	3,216	12%	4%
EBITA, underlying ¹	217	209	4%	7%	1,073	986	9%	9%
Integration costs and one-offs	(12)	(18)			(65)	(69)		
EBITA	205	191	7%		1,008	917	10%	
Amortization of intangible assets ²	(33)	(34)			(133)	(105)		
Operating profit	172	157			875	812		
Net finance costs	(6)	(2)			(27)	(12)		
Share of profit/(loss) of associates	-	-			1	-		
Income before taxes	166	155	7%		849	800	6%	
Taxes on income	(39)	(39)			(207)	(198)		
Net income	127	116	9%		642	602	7%	
Adj. net income for holders of ordinary shares ³	157	148	6%		765	714	7%	
Free cash flow	(25)	120	(121)%		441	522	(16)%	
Net debt	1,059	1,129						
Leverage ratio (net debt/12-month EBITDA)	0.9	1.1						
DSO (Days Sales Outstanding), moving average	53.8	51.4						
Margins (in % of revenue)								
Gross margin	19.6%	20.4%			20.0%	19.5%		
Operating expenses margin	15.8%	16.7%			15.4%	14.9%		
EBITA margin, underlying	3.8%	3.8%			4.6%	4.6%		
Share data								
Basic earnings per ordinary share (in €)	0.68	0.62	10%		3.44	3.23	7%	
Diluted earnings per ordinary share, underlying (in €) ³	0.85	0.81	5%		4.15	3.89	7%	

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 22.

revenue

Organic revenue per working day grew by 7.4% in Q1 resulting in revenue of € 5,683 million (Q4 2017: up 8.7%). Reported revenue was 2.3% above Q1 2017, of which M&A contributed 0.1%. FX and working days had a negative effect of 4.5% and 0.8% respectively.

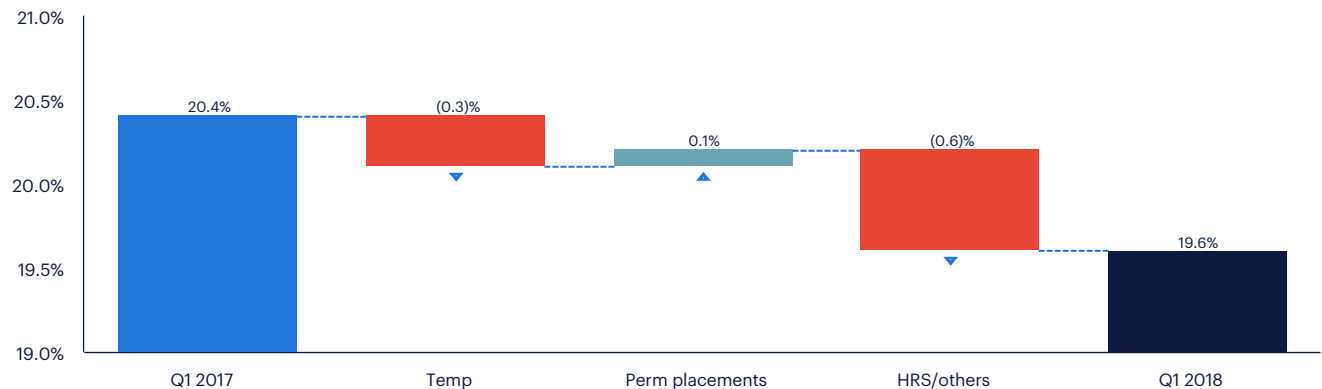
In North America, revenue per working day increased 1% (Q4 2017: up 1%). Growth in the US was flat (Q4 2017: flat), while Canada grew by 7% (Q4 2017: up 10%). In Europe, revenue per working day grew by 9% (Q4 2017: up 11%). Topline growth in France amounted to 10% (Q4 2017: up 12%), while the Netherlands grew by 5% (Q4 2017: up 3%). Germany was up 7% (Q4 2017: up 10%), while sales growth in Belgium was 9% (Q4 2017: up 10%), despite 5% tougher comparables. Italy grew by 19% (Q4 2017: up 26%), while revenues in Iberia were up by 11% (Q4 2017: up 15%). In the 'Rest of the world' region, revenue increased 11% (Q4 2017: up 10%); Japan increased by 11% (Q4 2017: up 9%), while Australia & New Zealand rose by 6% (Q4 2017: up 8%).

Perm fees grew by 13% (Q4 2017: up 13%), with Europe up 15% (Q4 2017: up 18%) and North America accelerating to 8% (Q4 2017: up 5%). In the 'Rest of the world' region, perm fee growth was 12% (Q4 2017: up 14%). Perm fees made up 10.9% of gross profit.

gross profit

In Q1 2018, gross profit amounted to € 1,114 million. Organic growth was 4.5% (Q4 2017: up 7.9%), impacted by adverse mix effects related to Monster. Currency effects had a negative impact on gross profit of € 60 million compared to Q1 2017.

year-on-year gross margin development (%)

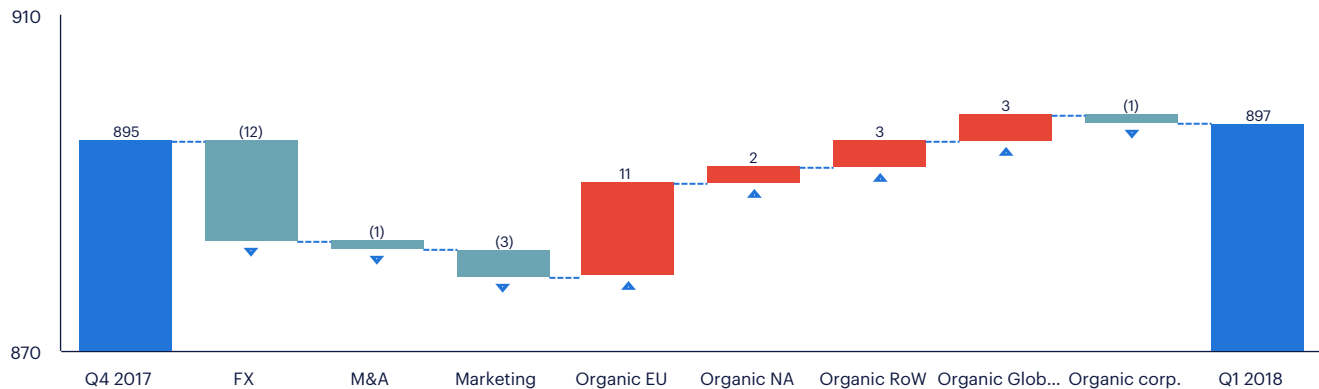


Gross margin was 19.6%, 80bp below Q1 2017 (as shown in the graph above). Temporary staffing had a 30bp negative effect on gross margin (Q4 2017: flat), given the adverse impact of working days, a higher sickness rate, mix effects and changes in CICE in France. Permanent placements had 10bp positive effect on gross margin, while HRS/others had a negative impact of 60bp, mostly related to Monster and FX.

operating expenses

On an organic basis, operating expenses increased by € 15 million sequentially to € 897 million. This is primarily related to investments in our organic sales growth (including digital), partially offset by the cost optimization program within Monster. Compared to last year, operating expenses were up 2% (Q4 2017: up 5%) organically, while there was a € 53 million positive FX impact.

sequential OPEX development Q4 -> Q1 in € M



Personnel expenses were up 3% sequentially. Average headcount (in FTE) amounted to 38,660 for the quarter, up 1% compared to Q4 2017 and 4% higher organically YoY.

Productivity (measured as gross profit per FTE) was 2% higher YoY (Q4 2017: up 3%) on an organic basis. We operated a network of 4,744 outlets (Q4 2017: 4,858).

Operating expenses in Q1 2018 were adjusted for a total of € 12 million one-offs, of which € 5 million relates to integration costs and € 7 million to restructuring costs. Last year's cost base was adjusted for a total of € 18 million one-off costs.

EBITA

Underlying EBITA increased organically by 7% to € 217 million. Currency effects had a € 8 million adverse impact YoY. EBITA margin reached 3.8%, flat compared to Q1 2017. This included an adverse working day effect and the extraordinary high sickness rate in several countries. We achieved an organic incremental conversion ratio (ICR)¹ of 41% over the last four quarters.

net finance costs

In Q1 2018, net finance costs were € 6 million, compared with € 2 million in Q1 2017. Interest expenses on our net debt position were € 4 million (Q1 2017: € 5 million). Foreign currency and other effects had a negative impact of € 2 million (Q1 2017: positive impact of € 3 million).

tax

The effective tax rate before amortization and impairment of acquisition-related intangibles and goodwill, integration costs, and one-offs amounted to 24.2% (Q1 2017: 26.7%) and is based on the estimated effective tax rate for the whole year 2018. For 2018, 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 Q1 2018, adjusted net income rose by 6% YoY to € 157 million. Diluted underlying EPS amounted to € 0.85 (Q1 2017: € 0.81). The average number of diluted ordinary shares outstanding remained almost stable compared to Q1 2017 (183.5 million versus 183.4 million).

¹ Additional EBITA year-on-year, as a % of additional gross profit year-on-year, based on organic growth.

invested capital

Our invested capital mainly comprises goodwill and acquisition-related intangibles, net tax assets, and operating working capital.

in millions of €, unless otherwise indicated	march 31, 2018	december 31, 2017	september 30, 2017	june 30, 2017	march 31, 2017	december 31, 2016
Goodwill and acquisition-related intangible assets	3,406	3,475	3,519	3,582	3,693	3,286
Operating working capital (OWC) ¹	1,006	890	991	983	752	712
Net tax assets ²	381	357	404	421	449	480
All other assets/(liabilities) ³	76	555	555	515	122	456
Invested capital	4,869	5,277	5,469	5,501	5,016	4,934
Financed by						
Total equity	3,810	4,251	4,080	3,945	3,887	4,141
Net debt	1,059	1,026	1,389	1,556	1,129	793
Invested capital	4,869	5,277	5,469	5,501	5,016	4,934
Ratios						
DSO (Days Sales Outstanding), moving average ⁴	53.8	53.2	52.5	52.1	51.4	51.4
OWC as % of revenue over last 12 months	4.3%	3.8%	4.3%	4.4%	3.5%	3.4%
Leverage ratio (net debt/12-month EBITDA)	0.9	0.9	1.4	1.5	1.1	0.8
Return on invested capital ⁵	17.6%	16.7%	15.3%	15.2%	16.6%	15.9%

1 Operating working capital: Trade and other receivables minus the current part of financial fixed 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, software plus financial assets and associates, less provisions and employee benefit obligations and other liabilities. As at March 31, 2018 and 2017, dividend payable is also included (€ 518 and € 359 million respectively).

4 DSO Q1, 2017 recalculated for comparative purposes for prior acquisitions

5 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) reached 17.6%, an improvement both year-on-year and sequentially. This was mainly driven by our operational performance and our strong focus on improving the returns of previously acquired businesses. Combined with our primarily organic growth focus, this should further lift the Group's ROIC going forward.

Operating working capital increased sequentially to € 1,006 million, partially due to normal seasonal patterns in our business. The moving average of Days Sales Outstanding (DSO) increased to 53.8 days (Q1 2017: 51.4), primarily due to unfavorable timing of Easter at the closing of the quarter and adverse mix effects (faster sales growth in countries with above-average DSO).

The sequential decrease in 'all other assets/liabilities' is mainly explained by the timing of the dividend announcement (€ 518 million) in Q1 2018. The decrease YoY is a mix of higher dividends announced and an increase of the CICE receivable. The total CICE subsidy receivable is € 505 million, including the current portion of € 99 million.

At the end of Q1 2018, net debt was € 1,059 million, compared to € 1,129 million at the end of Q1 2017. A further analysis of the cash flow is provided in the next section. The leverage ratio was 0.9, compared to 1.1 in the previous year. The syndicated credit facility allows a leverage ratio of up to 3.5, while we set ourselves a maximum leverage ratio of 2.

cash flow summary

in millions of €	Q1 2018	Q1 2017	change	L4Q 2018	L4Q 2017	change
EBITA	205	191	7%	1,008	917	10%
Depreciation and amortization of software	21	21		87	80	
EBITDA	226	212	7%	1,095	997	10%
Working capital	(126)	4		(305)	(138)	
Provisions and employee benefit obligations	(1)	(1)		8	6	
All other items	(25)	(26)		(38)	(86)	
Income taxes	(78)	(49)		(215)	(155)	
Net cash flow from operating activities	(4)	140	(103)%	545	624	(13)%
Net capital expenditures	(21)	(20)		(97)	(101)	
Financial assets	-	-		(7)	(1)	
Free cash flow	(25)	120	(121)%	441	522	(16)%
Net (acquisitions)/disposals ¹	3	(445)		(15)	(977)	
Dividends from associates	-	-		1	-	
Issue of ordinary shares	1	-		2	-	
Purchase of own ordinary shares	(15)	(17)		(37)	(39)	
Dividend on ordinary shares	-	-		(346)	(307)	
Dividend on preference shares	-	-		(13)	(13)	
Net finance costs	(2)	(4)		(16)	(15)	
Translation and other effects	5	10		53	(4)	
Net (increase)/decrease of net debt	(33)	(336)		70	(833)	

¹ including acquired non-current borrowings.

In the quarter, free cash flow was € 25 million negative, down from € 120 million the prior year. Over the L4Qs, free cash flow was € 441 million, down 16% to the prior-year L4Qs (€ 522 million).

Main driver for the decrease in free cash flow YoY was the unfavorable timing of Easter at the closing of the quarter. Also, timing of payments adversely impacted our working capital and cash tax.

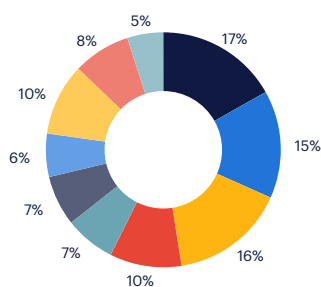
All other items include an amount of € 32 million from the Tax Credit and Competitive Employment Act (CICE) in France, which is included in the CICE receivable as at March 31, 2018.

performance.

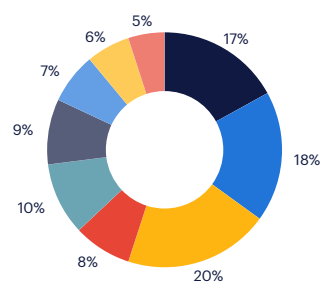
performance by geography

split by geography

Q1 2018: revenue € 5,683 million



Q1 2018: EBITA € 217 million



revenue in millions of €	Q1 2018	Q1 2017	organic Δ% ¹
North America	961	1,094	1%
Netherlands	834	809	5%
France	897	797	10%
Germany	591	559	7%
Belgium & Luxembourg	388	356	9%
Italy	392	330	19%
Iberia	351	324	11%
Other European countries	545	514	11%
Rest of the world	457	474	11%
Global businesses	267	300	0%
Revenue	5,683	5,557	7%

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	Q1 2018	EBITA margin ¹	Q1 2017	EBITA margin ¹	organic Δ ²
North America	41	4.2%	45	4.1%	3%
Netherlands	44	5.2%	44	5.4%	-1%
France	49	5.5%	43	5.4%	12%
Germany	18	3.0%	23	4.1%	(24)%
Belgium & Luxembourg	23	6.0%	20	5.7%	12%
Italy	22	5.7%	17	5.0%	36%
Iberia	16	4.7%	14	4.2%	21%
Other European countries	14	2.6%	13	2.6%	8%
Rest of the world	13	2.8%	10	2.1%	44%
Global businesses	(5)	(1.7)%	(1)	(0.3)%	n.m.
Corporate	(18)		(19)		
EBITA before integration costs and one-offs ³	217	3.8%	209	3.8%	7%
Integration costs and one-offs	(12)		(18)		
EBITA	205		191		

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 growth was up 1% (Q4 2017: up 1%). Perm fees grew 8% (Q4 2017: up 5%). In Q1 2018, revenue of our combined US businesses was flat (Q4 2017: flat). US Staffing/Inhouse Services grew by 2% (Q4 2017: up 1%). US Professionals revenue was down 3% (Q4 2017: down 1%). In Canada, revenue was up 7% (Q4 2017: up 10%). EBITA margin for the region came in at 4.2%, compared to 4.1% last year.

netherlands

In the Netherlands, revenue was up 5% YoY (Q4 2017: up 3%). Overall perm fees were down 6% (Q4 2017: flat). Our Staffing and Inhouse Services businesses grew 4% (Q4 2017: up 2%), with growth still impacted by a strong focus on client profitability. Our Professionals business was up 8% (Q4 2017: up 5%). Underlying EBITA margin in the Netherlands was 5.2% compared to 5.4% last year.

france

In France, revenue growth was 10% (Q4 2017: up 12%) with a clear focus on client profitability. Perm fees were up 38% compared to last year (Q4 2017: up 37%). Staffing/Inhouse Services revenue grew 10% (Q4 2017: up 11%). Our Professionals business was up 13% (Q4 2017: up 18%), again driven by Expectra and healthcare. EBITA margin was 5.5%, up compared to 5.4% last year, more than offsetting the adverse impact of the CICE change.

germany

In Germany, revenue per working day was up 7% YoY (Q4 2017: up 10%), negatively impacted by regulation changes and strikes. Our combined Staffing and Inhouse Services business was up 6% (Q4 2017: up 10%), while Professionals was up 9% (Q4 2017: up 11%). EBITA margin in Germany was 3.0%, compared to 4.1% last year, largely driven by an extraordinary high sickness rate and an adverse working day effect.

belgium & luxembourg

In Belgium & Luxembourg, revenue was up 9% (Q4 2017: up 10%), ahead of the market. Our Staffing/Inhouse Services business was up 9% (Q4 2017: up 9%), while the Professionals business was up 8% (Q4 2017: up 30%). Our EBITA margin was 6.0%, from 5.7% last year.

italy

Revenue per working day in Italy grew by 19% compared to the prior year (Q4 2017: up 26%). EBITA margin improved to 5.7%, from 5.0% last year as we are balancing growth and profitability.

iberia

In Iberia, revenue increased 11% (Q4 2017: up 15%) with Staffing/Inhouse Services combined growing 11% (Q4 2017: up 15%). Spain was up 13% (Q4 2017: up 16%) while our focus on permanent placements (up 13%) continues to pay off. In Portugal, revenue improved by 6% (Q4 2017: up 12%). Overall EBITA margin was 4.7% in Q1 2018, compared to 4.2% last year.

other european countries

Across 'Other European countries', revenue per working day grew 11% (Q4 2017: up 12%). In the UK, revenue was up by 7% (Q4 2017: up 11%), while perm fees were down by 14% (Q4 2017: down 9%). In the Nordics, revenue increased by 11% on an organic basis (Q4 2017: up 13%). Revenue in our Swiss business was up 22% YoY (Q4 2017: up 20%). Overall EBITA margin for the 'Other European countries' region was 2.6%, stable compared to last year.

rest of the world

Overall revenue in the 'Rest of the world' region grew by 11% organically (Q4 2017: up 10%). In Japan, revenue grew 11% (Q4 2017: up 9%). Revenue in Australia/New Zealand grew 6% (Q4 2017: up 8%), while revenue in China grew by 5% YoY (Q4 2017: down 10%). Our business in India was down by 1% (Q4 2017: down 3%), while in Latin America revenue grew 32% (Q4 2017: up 27%), driven by Argentina and Brazil. Overall EBITA margin in this region was 2.8%, compared to 2.1% last year, primarily driven by a strong profitability increase in Japan.

global businesses

Overall revenue growth per working day was flat YoY organically. Randstad Sourceright continued to deliver double-digit revenue growth, while Monster sales growth was down by 16% (Q4 2017: down 15%). Overall EBITA margin came in at -1.7% compared to -0.3% last year, primarily reflecting investments at Monster.

performance by revenue category

revenue in millions of €	Q1 2018	Q1 2017	organic Δ% ¹
Staffing	2,977	2,886	6%
Inhouse Services	1,258	1,193	17%
Professionals	1,181	1,178	4%
Global Businesses	267	300	0%
Revenue	5,683	5,557	7%

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.

other information.

outlook

Revenue grew 7.4% in Q1 2018. In March 2018, revenue grew at a similar pace. The development of volumes in early April broadly indicates a continuation of the Q1 growth rate. There will be an adverse 2.9% comparison base in Q2.

Q2 2018 gross margin is expected to be broadly stable sequentially.

For Q2 2018, we expect a moderate increase in underlying operating expenses sequentially.

There will be a positive 0.4 working day impact in Q2 2018.

working days

	Q1	Q2	Q3	Q4
2018	63.5	62.1	64.1	63.4
2017	64.0	61.7	63.8	62.3
2016	62.5	63.1	64.8	62.8

financial calendar

Publication of second quarter results 2018	July 24, 2018
Ex-special dividend date	September 24, 2018
Special dividend record date	September 25, 2018
Payment of special dividend	September 27, 2018
Publication of third quarter results 2018	October 23, 2018
Publication of fourth quarter and annual results 2018	February 12, 2019

analyst and press conference call

Today (April 24, 2018), at 09.00 am CET, Randstad N.V. will be hosting an analyst conference call. The dial-in numbers are:

International: +44 3333 000 804

Netherlands: +31 20 709 5189

To gain access to the conference please enter the PIN: 21396174#

You can listen to the call through a real-time audio webcast. You can access the webcast and presentation at <https://www.ir.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.

For further information please contact:

David Tailleux - Director Investor Relations
david.tailleur@randstad.com or (mobile) +31 (0)6 12 46 21 33

Husayn Hirji - Investor Relations Officer
husayn.hirji@randstad.com or (mobile) +31 (0)6 10 41 73 43

Saskia Huuskes - Director Group Communications a.i.
saskia.huuskes@randstad.com or (mobile) +31 (0)6 13 22 51 36

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, a shortage 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, our ability to identify relevant risks and mitigate their impact, the availability of credit on financially acceptable terms, the successful completion of company acquisitions and their subsequent integration, successful disposals of companies, and the rate of technological developments. 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

The Randstad Group is a global leader in the HR services industry and specialized in solutions in the field of flexible work and human resources services. We support people and organizations in realizing their true potential. Our services range from regular temporary Staffing and permanent placements to Inhouse Services, Professionals, and HR Solutions (including Recruitment Process Outsourcing, Managed Services Programs, and outplacement). Randstad has top-three positions in Argentina, Belgium & Luxembourg, Canada, Chile, France, Germany, Greece, India, Italy, Mexico, the Netherlands, Poland, Portugal, Spain, Sweden, Switzerland, the UK, and the United States, and major positions in Australia and Japan. At year-end 2017, Randstad had 38,331 corporate employees and 4,858 branches and Inhouse locations in 39 countries around the world. In 2017, Randstad generated revenue of € 23.3 billion. Randstad was founded in 1960 and is headquartered in Diemen, the Netherlands. Randstad N.V. is listed on the NYSE Euronext Amsterdam, where options for stocks in Randstad are also traded. For more information, see <https://www.randstad.com/>.

interim

financial



statements

Q1 2018.



actuals

consolidated income statement

in millions of €, unless otherwise indicated	Q1 2018	Q1 2017
Revenue	5,683	5,557
Cost of services	4,569	4,423
Gross profit	1,114	1,134
Selling expenses	635	660
General and administrative expenses	274	283
Operating expenses	909	943
Amortization and impairment of acquisition-related intangible assets and goodwill	33	34
Total operating expenses	942	977
Operating profit	172	157
Net finance (costs) / income	(6)	(2)
Income before taxes	166	155
Taxes on income	(39)	(39)
Net income	127	116
Net income attributable to:		
Holders of ordinary shares Randstad N.V.	124	113
Holders of preference shares Randstad N.V.	3	3
Equity holders	127	116
Non-controlling interests	-	-
Net income	127	116
Earnings per share attributable to the holders of ordinary shares of Randstad N.V. (in € per share):		
Basic earnings per share	0.68	0.62
Diluted earnings per share	0.67	0.61
Diluted earnings per share before amortization and impairment of acquisition-related intangible assets and goodwill, integration costs and one-offs	0.85	0.81

information by geographical area and revenue category

revenue by geographical area

in millions of €	Q1 2018	Q1 2017
North America	961	1,094
Netherlands	835	810
France	897	797
Germany	591	559
Belgium & Luxembourg	388	356
Italy	392	330
Iberia	351	324
Other European countries	546	516
Rest of the world	457	474
Global Businesses	270	302
Elimination of revenue ¹	(5)	(5)
Revenue	5,683	5,557

1 Relates to intersegment revenue

EBITA by geographical area

in millions of €	Q1 2018	Q1 2017
North America	41	45
Netherlands	41	42
France	48	41
Germany	18	23
Belgium & Luxembourg	22	20
Italy	22	15
Iberia	16	14
Other European countries	14	10
Rest of the world	12	10
Global Businesses	(11)	(10)
Corporate	(18)	(19)
EBITA¹	205	191

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

revenue by revenue category

in millions of €	Q1 2018	Q1 2017
Staffing	2,979	2,889
Inhouse	1,258	1,193
Professionals	1,181	1,178
Global businesses	270	302
Elimination of revenue ¹	(5)	(5)
Revenue	5,683	5,557

1 Relates to intersegment revenue

consolidated balance sheet

in millions of €	March 31, 2018	December 31, 2017	March 31, 2017
assets			
Property, plant and equipment	151	154	163
Intangible assets	3,486	3,555	3,766
Deferred income tax assets	444	438	497
Financial assets and associates	568	530	508
Non-current assets	4,649	4,677	4,934
Trade and other receivables	4,724	4,680	4,358
Income tax receivables	69	79	102
Cash and cash equivalents	297	326	393
Current assets	5,090	5,085	4,853
Total assets	9,739	9,762	9,787
equity and liabilities			
Issued capital	26	26	26
Share premium	2,286	2,284	2,283
Reserves	1,497	1,940	1,577
Shareholders' equity	3,809	4,250	3,886
Non-controlling interests	1	1	1
Total equity	3,810	4,251	3,887
Borrowings	542	640	1,250
Deferred income tax liabilities	43	44	60
Provisions and employee benefit obligations	185	186	217
Other liabilities	6	11	14
Non-current liabilities	776	881	1,541
Borrowings	814	712	272
Trade and other payables	3,622	3,694	3,538
Dividends	518	-	359
Income tax liabilities	89	116	90
Provisions and employee benefit obligations	85	86	85
Other liabilities	25	22	15
Current liabilities	5,153	4,630	4,359
Liabilities	5,929	5,511	5,900
Total equity and liabilities	9,739	9,762	9,787

consolidated statement of cash flows

in millions of €	Q1 2018	Q1 2017
Operating profit	172	157
Amortization and impairment of acquisition-related intangible assets and goodwill	33	34
EBITA	205	191
Depreciation and amortization of software	21	21
EBITDA	226	212
Provisions and employee benefit obligations	(1)	(1)
Share-based compensations	9	8
<Gain>/loss on disposal of subsidiaries/activities	(2)	-
Other items	(32)	(34)
Cash flow from operations before operating working capital and income taxes	200	185
Trade and other receivables	(86)	(19)
Trade and other payables	(40)	23
Operating working capital	(126)	4
Income taxes	(78)	(49)
Net cash flow from operating activities	(4)	140
Additions in property, plant and equipment	(14)	(14)
Additions in software	(10)	(12)
Disposals of property, plant and equipment	3	6
Acquisition of subsidiaries, associates and equity investments	(7)	(338)
Disposal of subsidiaries/activities	10	-
Net cash flow from investing activities	(18)	(358)
Issue of new ordinary shares	1	-
Net purchase of own ordinary shares	(15)	(17)
(Net repayments of) / net drawings on non-current borrowings	(87)	409
Net financing	(101)	392
Net finance costs	(2)	(4)
Net reimbursement to financiers	(2)	(4)
Net cash flow from financing activities	(103)	388
Net (decrease)/increase in cash, cash equivalents, and current borrowings	(125)	170
Cash, cash equivalents, and current borrowings at beginning of period	(386)	(53)
Net movement	(125)	170
Translation and currency (losses)/gains	(6)	4
Cash, cash equivalents, and current borrowings at end of period	(517)	121
Free cash flow	(25)	120

consolidated statement of comprehensive income

in millions of €	January 1 - March 31, 2018			January 1 - March 31, 2017		
	shareholders' equity	non-controlling interests	total equity	shareholders' equity	non-controlling interests	total equity
Net income for the period	127	-	127	116	-	116
Fair value adjustment of equity investments	1	-	1	-	-	-
Translation differences	(46)	-	(46)	(10)	-	(10)
Total comprehensive income	82	-	82	106	-	106

consolidated statement of changes in equity

in millions of €	January 1 - March 31, 2018			January 1 - March 31, 2017		
	shareholders' equity	non-controlling interests	total equity	shareholders' equity	non-controlling interests	total equity
Value at December 31	4,250	1	4,251	4,140	1	4,141
Total comprehensive income	82	-	82	106	-	106
Dividend payable on ordinary shares	(505)	-	(505)	(346)	-	(346)
Dividend payable on preference shares	(13)	-	(13)	(13)	-	(13)
Share-based compensations	9	-	9	8	-	8
Tax on share-based compensations	-	-	-	8	-	8
Issue of ordinary shares	1	-	1	-	-	-
Net purchase of own ordinary shares	(15)	-	(15)	(17)	-	(17)
Value at March 31	3,809	1	3,810	3,886	1	3,887

notes to the consolidated interim financial statements

reporting entity

Randstad N.V. (formerly Randstad Holding nv, changed its name April 11, 2018) 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 three month period ended March 31, 2018 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, 2017.

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, 2017.

The consolidated financial statements of the Group as at and for the year ended December 31, 2017 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, 2017.

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 holiday allowances and dividend; cash flow tends to be strongest in the second half of the year.

effective tax rate

The effective tax rate for the three-month period ended March 31, 2018 is 23.5% (Q1, 2017: 25%), and is based on the estimated tax rate for the whole year 2018 (actual FY 2017: 24.7%)

acquisition of group companies, equity investments and associates

The cash outflow for acquisitions in Q1 amounted to € 7 million (Q1, 2017: € 338 million, not including the non-current borrowings acquired in the amount of € 107 million). The cash outflow related for € 5 million to equity investments/ associates and for € 2 million to payments in respect of acquisitions in prior years.

disposal of group companies

In Q1, 2018, the Group disposed of its Monster activities in the Asia Pacific region, that resulted in a cash inflow of € 10 million. The summary of disposed assets and liabilities and the cash inflow of these disposed activities is shown in the table below. The consideration is preliminary.

Reconciliation of cash flow disposal of subsidiaries/activities

in millions of €	Q1 2018
Property, plant & equipment and software	1
Goodwill and acquisition-related intangible assets	4
Non-current assets	5
Working capital	12
Assets and liabilities in disposed subsidiaries/activities	17
Translation <gains>, reclassified to income statement	(1)
Net assets disposed, after reclassification translation differences	16
Gain on disposal	2
Consideration	18
Net cash disposed, included in working capital	(8)
Consideration received, adjusted for net cash disposed, statement of cash flows disposal of subsidiaries/activities	10

shareholders' equity

Issued number of ordinary shares

	2018	2017
January 1	183,264,045	183,023,267
Share-based compensations	33,776	220,419
March 31	183,297,821	183,243,686

As at March 31, 2018 the Group held 211,302 treasury shares (March 31, 2017: 10,000), compared to 424,598 as at December 31, 2017. The average number of (diluted) ordinary shares outstanding has been adjusted for these treasury shares.

As at March 31, 2018, December 31, 2017, and March 31, 2017 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	Q1 2018	Q1 2017
Net income	127	116
Net income attributable to holders of preference shares	(3)	(3)
Net income attributable to holders of ordinary shares	124	113
Amortization of intangible assets ¹	33	34
Integration costs and one-offs	12	18
Tax effect on amortization, integration costs, and one-offs	(12)	(17)
Adjusted net income for holders of ordinary shares	157	148
Average number of ordinary shares outstanding	182.9	182.8
Average number of diluted ordinary shares outstanding	183.5	183.4
Earnings per share attributable to the holders of ordinary shares of Randstad N.V. (in € per share):		
Basic earnings per share	0.68	0.62
Diluted earnings per share	0.67	0.61
Diluted earnings per share before amortization and impairment of acquisition-related intangible assets and goodwill, integration costs, and one-offs ²	0.85	0.81

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

2 Diluted EPS underlying

net debt position

The net debt position as at March 31, 2018 (€ 1,059 million) was € 33 million higher compared to the net debt position as at December 31, 2017 (€ 1,026 million), which is mainly due to a negative free cashflow while other components are relatively flat.

breakdown of operating expenses

in millions of €	Q1 2018	Q1 2017
Personnel expenses	674	695
Other operating expenses	235	248
Operating expenses	909	943

depreciation and amortization software

in millions of €	Q1 2018	Q1 2017
Depreciation of property, plant and equipment	13	14
Amortization of software	8	7
Depreciation and amortization of software	21	21

french competitive employment act ('CICE')

Included in the consolidated balance sheet under 'financial assets and associates' is an amount of € 406 million (December 31, 2017: € 374 million) relating to the non-current part of a receivable arising from tax credits under the

French Competitive Employment Act ('CICE'). An amount of € 99 million (December 31, 2017: € 99 million) is included in 'Trade and other receivables' representing the current part of the CICE receivable.

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 fair value adjustments of equity investments that will never be reclassified to the income statement. Included in translation differences in Q1, 2018 is an amount of € 1 million reclassified translation differences in respect of disposed companies.

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 22, 23 and 24 to the consolidated financial statements as at and for the year ended December 31, 2017.

commitments

There are no material changes in the nature and scope of commitments compared to December 31, 2017. More information is included in note 27 to the consolidated financial statements as at and for the year ended December 31, 2017.

events after balance sheet date

Subsequent to the date of the balance sheet, no events material to the Group as a whole occurred that require disclosure in this note.