

1st quarter results 2013

Q<sub>2</sub>

2nd quarter results 2013

3rd quarter results 2013

Q<sub>4</sub>

4th quarter results 2013

 **randstad**

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

# contents

<b>Q2 2013: a continuing stable trend</b>	<b>2</b>
<b>financial performance</b>	<b>3</b>
income statement	3
balance sheet	6
cash flow analysis	7
<b>performance by geography</b>	<b>8</b>
North America	8
France	9
Netherlands	10
Germany	10
Belgium & Luxembourg	11
United Kingdom	11
Iberia	12
Other European countries	12
Rest of the world	13
<b>performance by revenue category</b>	<b>14</b>
Staffing (incl. HR Solutions)	14
Inhouse	14
Professionals	15
<b>other information</b>	<b>16</b>
<b>half-year report</b>	<b>18</b>
<b>interim financial statements</b>	<b>21</b>

# Q2 2013: a continuing stable trend

- Revenue of € 4,096 million; organic growth per working day -/-3.7%; June -/-2.6%
- Strong cost control, annualized costs down by € 142 million
- EBITA margin up from 3.1% to 3.6%
- Net debt reduced by € 541 million (YoY), leverage ratio from 2.4 to 1.8
- Net income up 73% to € 63 million
- Diluted EPS of € 0.51 per ordinary share
- Transaction with USG completed, targeting synergies of € 15-20 million

## Message from the CEO

"Efficiency continued to improve in the second quarter", says Ben Noteboom, CEO of Randstad. "On operational performance, our people did an excellent job delivering more profit on a somewhat lower revenue base. This is the case for all lines of business. We amply fulfilled our commitment to reduce costs. The integration of the newly acquired USG staffing units is proceeding well. Our Randstad Sourceright offering continues to see strong growth in its spend under management. The month of June was robust, with growth in Spain, Portugal, Brazil and Hong Kong, as well as in Sweden, Norway, and Switzerland. We are confident that we will be able to maintain our discipline and we are ready to grasp commercial opportunities that may present themselves."

## Core data

in millions of €, unless otherwise indicated	Q2 2013	Q2 2012	YoY change	6m 2013	6m 2012	YoY change
Revenue	4,095.7	4,303.1	(5)%	7,927.7	8,455.5	(6)%
Gross profit	746.9	782.4	(5)%	1,430.5	1,530.6	(7)%
Operating expenses	600.7	647.5	(7)%	1,192.8	1,285.3	(7)%
<b>EBITA, underlying<sup>1</sup></b>	<b>146.2</b>	<b>134.9</b>	<b>8%</b>	<b>237.7</b>	<b>245.3</b>	<b>(3)%</b>
EBITA <sup>2</sup>	141.5	111.8		230.2	215.8	
Net income	63.1	36.5	73%	92.8	65.3	42%
Free cash flow	(80.8)	(167.3)	(52)%	(38.6)	(109.5)	(65)%
Net debt	1,113.0	1,653.7				
Leverage ratio (net debt/EBITA)	1.8	2.4				
DSO (Days Sales Outstanding, moving average)	51.9	52.7				
<b>Share data</b>						
Basic earnings per ordinary share (in €)	0.34	0.20	70%	0.50	0.36	39%
Diluted earnings per ordinary share, underlying (in €) <sup>3</sup>	0.51	0.51	0%	0.84	0.90	(7)%

<sup>1</sup> EBITA adjusted for integration costs and one-offs

<sup>2</sup> EBITA: operating profit before amortization and impairment of acquisition-related intangible assets and goodwill

<sup>3</sup> Before amortization and impairment acquisition-related intangible assets and goodwill, integration costs and one-offs

# financial performance

## income statement

in millions of €, unless otherwise indicated - underlying	Q2 2013	Q2 2012	change	6m 2013	6m 2012	change
Revenue	4,095.7	4,303.1	(5)%	7,927.7	8,455.5	(6)%
Gross profit	746.9	782.4	(5)%	1,430.5	1,530.6	(7)%
Operating expenses	600.7	647.5	(7)%	1,192.8	1,285.3	(7)%
<b>Underlying EBITA</b>	<b>146.2</b>	<b>134.9</b>	<b>8%</b>	<b>237.7</b>	<b>245.3</b>	<b>(3)%</b>
<b>Margins (in % of revenue)</b>						
Gross margin	18.2%	18.2%		18.0%	18.1%	
Operating expenses margin	14.7%	15.0%		15.0%	15.2%	
EBITA margin	3.6%	3.1%		3.0%	2.9%	

### Revenue

The revenue trend improved through the quarter. The timing of public holidays and bridging days depressed our performance in April and May, while the rate of decline in June was similar to that shown in March (-/2.6%). As a result, revenue per working day was down 3.7%, which is in line with the rate of decline in the first quarter.

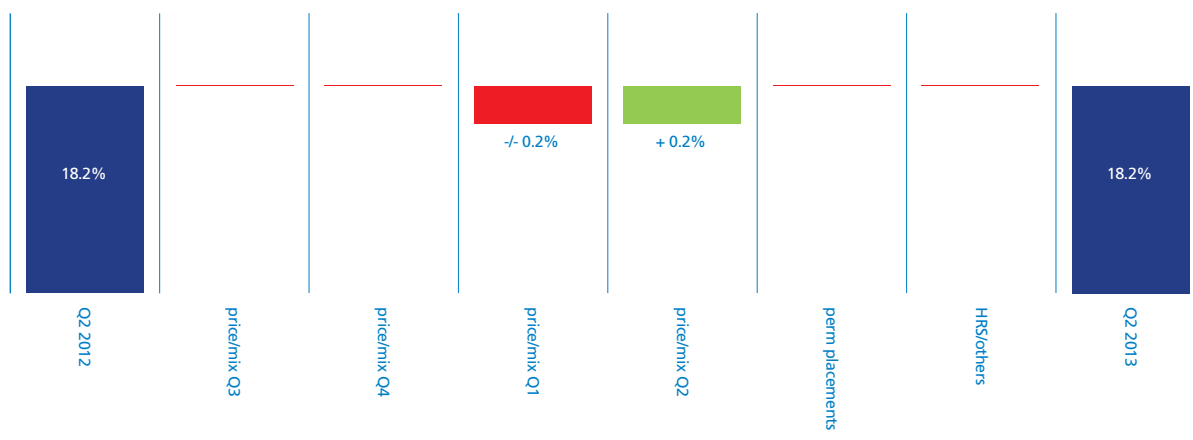
This quarter we had 0.4 more working days, which had an effect of around 0.6% on our revenue. The effect of disposals was negligible, and currency effects had a negative impact of 1.6%. As a result, revenue was 4.8% below Q2 2012. Revenue per working day fell by 5.2% in April and by 2.6% in June.

The decline in perm fees was 1.6% (Q1 2013: -/4.9%). Demand for permanent placements further strengthened in North America, whereas good growth was maintained across Asia and Latin America. In Europe and Australia perm fees were still lower, but we saw a gradual recovery. Perm fees made up 1.8% of revenue and 9.7% of gross profit (Q2 2012: 9.7%). The diversification of our services portfolio is supported by strong profitability contributions from other services, such as payroll services, managed services programs (MSP) and recruitment process outsourcing (RPO). Randstad Sourceright grew solidly by adding 30 new programs in MSP and RPO in North America, Europe and Asia Pacific.

### Gross profit

In Q2 2013, gross profit amounted to € 746.9 million, down 5% compared to last year. The organic change was -/3% (Q1 2013: -/7%). Currency effects had a negative impact on gross profit of € 13 million when compared to Q2 2012.

### YoY gross margin development



Gross margin was 18.2%, in line with Q2 2012 (as shown in the graph above). The temp margin was at the same level as last year (Q1 2013: -/0.4%). This was mainly a result of higher subsidies in France, which added 0.5% to the temp margin. Gross margin enhancements in North America remained strong, while gross margin pressure in the Netherlands and Germany eased. In other European countries and in the Rest of the world price and mix effects continued to put pressure on our gross margin. HR

Solutions and other mix effects had no impact on the mix (Q1 2013: 0.2%), while this was also the case for perm fees. Underlying gross profit included additional charges in cost of services of €3.6 million, which relate to previous years.

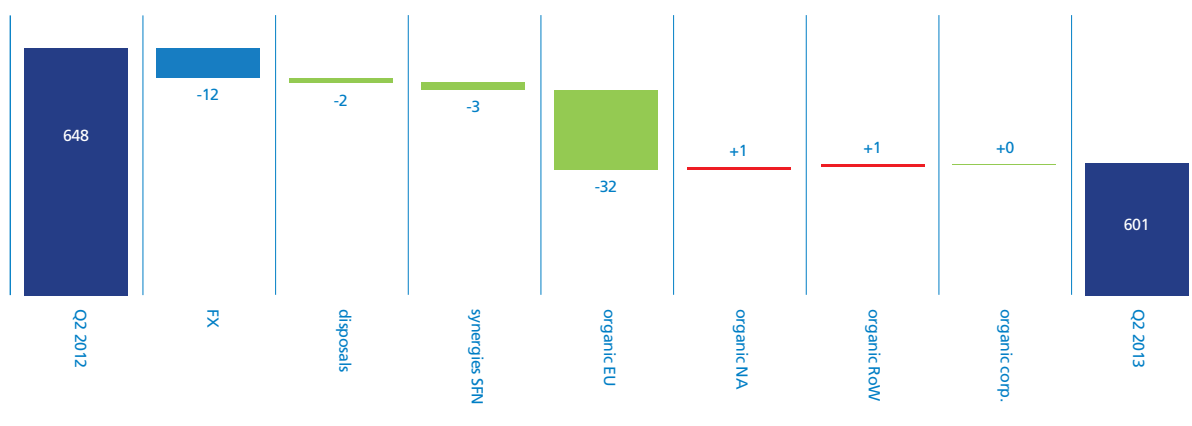
### Operating expenses

Operating expenses increased by €8.6 million, compared to Q1 2013. Currency effects had a positive impact of €0.5 million. Marketing costs increased by €3.0 million. The remainder (€6.1 million) was a net result of field steering, which was more than offset by wage inflation, higher bonus costs, additional subsidies in France of around €1 million.

Operating expenses were adjusted for acquisition-related costs of €1.8 million, restructuring costs of €1.6 million in the Netherlands, and integration costs of €1.3 million. In the second half year, we plan to make additional investments in marketing of around €15-20 million in some of our largest markets, while we will implement smaller campaigns in several other countries. These include the regular seasonality in our marketing spend.

Since Q2 2012, operating expenses decreased by €36 million (constant currencies), or €142 million on an annualized basis, well ahead of the initial savings target of €70-100 million. The year-on-year change is shown in the graph below.

### YoY OPEX development in € M



Average headcount (in FTE) amounted to 27,420 for the quarter, down 1% compared to Q1 2013. The reduction in FTEs in Q2, which follows the trend in gross profit, occurred mainly across Europe. Productivity (measured as gross profit per FTE) was 2% ahead of last year. We operated a network of 4,440 outlets (Q1 2013: 4,449).

### EBITA

Underlying EBITA increased organically by 10% to €146.2 million. The EBITA margin improved from 3.1% to 3.6% in Q2 2013. The recovery ratio (change in operating expenses/change in gross profit) was 132%. Considering the additional subsidies in France, the recovery ratio would be at 85%, well above the targeted level of at least 50%. This shows that we have been able to maintain our profitability in an environment with limited decline in revenue and gross profit.

In North America, our profitability continues to expand, while we are growing our footprint in emerging markets, such as China, India and Latin America. Our businesses across Europe are operating in challenging markets. Volumes remained under pressure, as we witnessed a challenging competitive environment. Despite these divergent trends, we remain committed to our strategic targets, for which we have designed our strategic priorities.

Our strategic priorities are built around four key pillars: improving our business mix using our 'copy & paste'-philosophy, execution based on field steering, implementation of the right delivery models, and managing costs. We have made good progress with the implementation of our strategic priorities over the last 12 months. However, we need modest economic growth, most notably in Europe, to be able to meet our strategic targets. If the economic environment continues in its current state, we will focus on gradual profitability improvements.

in millions of €, unless otherwise indicated	Q2 2013	Q2 2012	change	6m 2013	6m 2012	change
<b>Underlying EBITA</b>	<b>146.2</b>	<b>134.9</b>	<b>8%</b>	<b>237.7</b>	<b>245.3</b>	<b>(3)%</b>
Integration costs	1.3	6.3		3.0	12.7	
One-offs	3.4	16.8		4.5	16.8	
<b>EBITA</b>	<b>141.5</b>	<b>111.8</b>	<b>27%</b>	<b>230.2</b>	<b>215.8</b>	<b>7%</b>
Amortization of intangible assets	40.6	56.1		81.4	111.5	
<b>Operating profit</b>	<b>100.9</b>	<b>55.7</b>		<b>148.8</b>	<b>104.3</b>	
Net finance costs	(10.7)	(2.2)		(16.2)	(9.6)	
Share of profit/(loss) of associates	0.0	(0.1)		0.0	(0.1)	
<b>Income before taxes</b>	<b>90.2</b>	<b>53.4</b>	<b>69%</b>	<b>132.6</b>	<b>94.6</b>	<b>40%</b>
Taxes on income	(27.1)	(16.9)		(39.8)	(29.3)	
<b>Net income</b>	<b>63.1</b>	<b>36.5</b>	<b>73%</b>	<b>92.8</b>	<b>65.3</b>	<b>42%</b>

### Amortization of intangible assets

Amortization of acquisition-related intangible assets amounted to €40.6 million. The year-on-year decrease was mainly due to the fact that some of the brand names, acquired as part of the SFN acquisition, were fully amortized in 2012.

### Net finance costs

In Q2 2013, net finance costs reached €10.7 million, compared to €2.2 million in Q2 2012. Net finance costs include the net interest expenses on our net debt position, as well as currency effects and adjustments in the valuation of certain assets and liabilities.

Interest expenses amounted to €4.7 million, compared to €5.8 million in Q2 2012. Interest costs decreased in line with the decrease in net debt. Foreign currency changes had a negative impact of €4.3 million, compared to a gain of €4.9 million in Q2 2012. The remaining negative effect of €1.7 million (Q2 2012: €1.3 million) was mainly due to adjustments in the valuation of certain assets and liabilities.

### Tax

In Q2 2013, the effective tax rate before amortization and impairment of acquisition-related intangibles and goodwill, integration costs and one-offs amounted to 31% (FY 2012: 32%). Following the implementation of the Tax Credit and Competitive Employment Act ('CICE') in France, the recoverability of the French deferred tax assets was reassessed. As CICE is expected to have a negative impact for income tax purposes, it triggered a lower valuation of French deferred tax assets.

### Net income, earnings per share

In Q2 2013, diluted underlying EPS amounted to €0.51 (Q2 2012: €0.51). As a result of the stock dividend, the number of outstanding ordinary shares increased by around 3%.

in millions of €, unless otherwise indicated	Q2 2013	Q2 2012	change	6m 2013	6m 2012	change
<b>Net income</b>	<b>63.1</b>	<b>36.5</b>	<b>73%</b>	<b>92.8</b>	<b>65.3</b>	<b>42%</b>
Results of non-controlling interests	0.0	0.0		0.0	0.0	
Dividend for holders of preferred shares	3.2	1.8		5.8	3.6	
<b>Net income for holders of ordinary shares</b>	<b>59.9</b>	<b>34.7</b>	<b>73%</b>	<b>87.0</b>	<b>61.7</b>	<b>41%</b>
Amortization of intangible assets <sup>1</sup>	40.6	56.1		81.4	111.5	
Integration costs	1.3	6.3		3.0	12.7	
One-offs	3.4	16.8		4.5	16.8	
Tax effect on amortization and integration costs <sup>1</sup>	(14.5)	(26.4)		(28.6)	(47.8)	
<b>Net income for holders of ordinary shares (adjusted)</b>	<b>90.7</b>	<b>87.5</b>	<b>4%</b>	<b>147.3</b>	<b>154.9</b>	<b>(5)%</b>
Basic EPS	0.34	0.20	70%	0.50	0.36	39%
Diluted EPS <sup>2</sup>	0.51	0.51	0%	0.84	0.90	(7)%

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

2 Diluted EPS before amortization and impairment of acquisition-related intangible assets and goodwill, integration costs and one-offs

## balance sheet

Operating working capital increased to € 750.8 million sequentially, which is in line with normal seasonal patterns in our business. Additionally, as in every year, we paid yearly holiday allowances in the Netherlands and Belgium. In a number of countries, we experienced some delay in collecting receivables towards the end of the quarter. The moving average of Days Sales Outstanding (DSO) was 0.8 days lower than in Q2 2012, driven by efforts to make further improvements in our invoicing and collection processes, as well as by changes in the country mix. Operating working capital includes the working capital of the acquired activities of USG People of around € 40 million.

in millions of €, unless otherwise indicated	June 30, 2013	March 31, 2013	December 31, 2012	June 30, 2012	March 31, 2012
<b>Operating working capital<sup>1</sup></b>	<b>750.8</b>	<b>562.8</b>	<b>527.6</b>	<b>906.3</b>	<b>650.3</b>
DSO (Days Sales Outstanding)	51.9	52.0	51.8	52.7	53.2
<b>Net debt</b>	<b>1,113.0</b>	<b>930.6</b>	<b>1,095.7</b>	<b>1,653.7</b>	<b>1,212.0</b>
Leverage ratio (net debt/12-month EBITA)	1.8	1.5	1.7	2.4	1.7

1 Operating working capital is trade and other receivables minus current part of financial fixed assets, minus trade and other payables

At the end of Q2 2013, net debt increased to € 1,113.0 million, compared to € 930.6 million at the end of Q1 2013. As expected, net debt increased sequentially as a result of the changes in working capital, the payment of cash dividend and the consideration paid for the transaction with USG. The leverage ratio reached 1.8. The documentation of the syndicated credit facility allows a leverage ratio of up to 3.5, while we aim at a maximum leverage ratio of 2. We expect to settle the liability of € 131 million to the Dutch tax authorities in Q4 2013.

## cash flow analysis

in millions of €, unless otherwise indicated	Q2 2013	Q2 2012	change	6m 2013	6m 2012	change
<b>EBITA</b>	<b>141.5</b>	<b>111.8</b>	<b>27%</b>	<b>230.2</b>	<b>215.8</b>	<b>7%</b>
Depreciation and amortization of software	17.2	20.7		34.6	40.7	
<b>EBITDA</b>	<b>158.7</b>	<b>132.5</b>	<b>20%</b>	<b>264.8</b>	<b>256.5</b>	<b>3%</b>
Working capital	(188.8)	(239.5)		(222.2)	(268.4)	
Provisions	2.1	2.2		(5.7)	(8.9)	
Other items	(15.8)	7.1		(23.4)	10.0	
Income taxes paid	(28.6)	(54.9)		(44.5)	(72.2)	
<b>Net cash flow from operating activities</b>	<b>(72.4)</b>	<b>(152.6)</b>	<b>(53)%</b>	<b>(31.0)</b>	<b>(83.0)</b>	<b>(63)%</b>
Net capital expenditures	(8.4)	(16.3)		(11.2)	(28.4)	
Financial receivables	-	1.6		3.6	1.9	
<b>Free cash flow</b>	<b>(80.8)</b>	<b>(167.3)</b>	<b>(52)%</b>	<b>(38.6)</b>	<b>(109.5)</b>	<b>(65)%</b>
Net acquisitions/disposals	(16.3)	(1.3)		(12.6)	6.3	
Issue of ordinary shares	-	-		2.3	0.9	
Issue of preference shares C	(2.1)	-		137.9	-	
Purchase of ordinary shares	-	-		(9.4)	-	
Dividend paid on ordinary shares	(83.8)	(215.1)		(83.8)	(215.1)	
Dividend paid on preference shares	(6.8)	(7.1)		(6.8)	(7.1)	
Net finance costs received/(paid)	(8.8)	0.1		(11.9)	(5.9)	
Translation effects and other	16.2	(51.0)		5.6	(20.7)	
<b>Net increase of net debt</b>	<b>(182.4)</b>	<b>(441.7)</b>		<b>(17.3)</b>	<b>(351.1)</b>	

Free cash flow is typically negative in the second quarter. This is mainly caused by payments of holiday allowances in the Netherlands and Belgium. These payments, including taxes and social insurance charges, occur every year in the second quarter. In addition, seasonality in our business causes an increase in working capital requirements as revenue in the second quarter is normally higher than in the first quarter. We remained focused on strong cashflow generation and working capital management. Despite the fact that we faced some delay in collecting receivables towards the end of the quarter, the working capital requirements were smaller than the previous year. This was mainly supported by a different timing in the payment of liabilities.

Provisions include costs for restructuring programs, workers' compensation programs, and claims from third parties. As from 2013, we are self-insured for sickness in the Netherlands. The costs and payments are reflected within provisions as well. Prior to this year the effects were included in working capital. Up to June 2013, the provision for self-insurance in the Netherlands grew to around € 20 million. The remaining net cash outflow for provisions is mainly related to the restructuring programs initiated in the second half year of 2012. Other items include an amount which is caused by the implementation of the Tax Credit and Competitive Employment Act ('CICE') in France. Based on this law and our tax structure we will receive the tax credits after three years. Income taxes paid decreased compared to Q2 2012. This is mainly caused by a different timing of payments in Belgium and France.

Net capital expenditures (which relate to office refurbishments and investments in IT equipment and software) were at a low level. This is a result of branch closures across the Group.

By the end of June, we acquired the staffing activities of USG People in six European countries. More information is included in the paragraph M&A in the section 'other information' and the notes to the interim financial statements.

The total dividend paid on ordinary shares and preference shares amounted to € 90.6 million. The payout of dividend on ordinary shares remained the same at € 1.25 per share. However, 61% of the shareholders chose to receive stock dividend. As a result, the cash dividend paid was less than last year. The dividend paid on preference shares decreased slightly following the reset of the dividend yield as from November 2012.

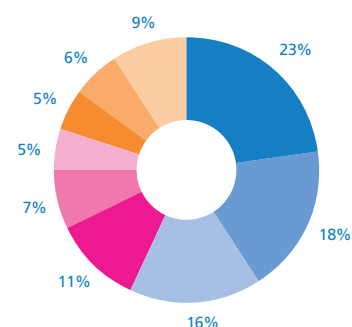
Translation and other effects of € 16.2 million are mainly due both to currency effects on the valuation of drawings under the syndicated credit facility (denominated in currencies other than the Euro), and to the Japanese syndicated credit facility.



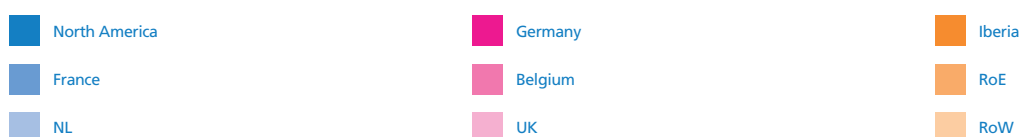
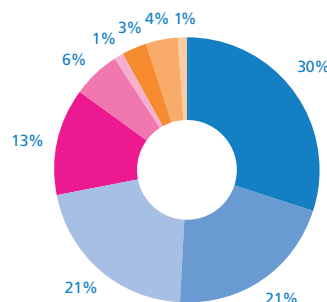
# performance by geography

## split by geography

Q2 2013: revenue € 4,095.7 million



Q2 2013: ebita € 146.2 million



## North America

in millions of €, underlying	Q2 2013	Q2 2012	organic Δ% <sup>1</sup>	6m 2013	6m 2012	organic Δ% <sup>1</sup>
Revenue	944.8	995.4	(3)%	1,845.0	1,952.7	(3)%
EBITA	46.9	43.9	9%	74.2	66.7	13%
EBITA margin	5.0%	4.4%		4.0%	3.4%	

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

In North America, revenue per working day was 3% below last year (Q1 2013: -/3%), while it was -/2% in June 2013. Our focus is on gross profit growth and profitability. The gross margin continued to increase due to strong discipline, greater efficiencies in managing workers' compensation, a higher contribution from perm fees, and our focus on client profitability. Perm fees grew by 6% (Q1 2013: 4%). As a result, gross profit was just below the level of last year, despite the decline in revenue.

Revenue of our combined US Staffing and Inhouse businesses fell by 3% (Q1 2013: -/4%) and it ended the second quarter 1% below last year. Although the administrative segment and permanent placements continued to show good performance, the termination of a number of contracts in the second half of 2012 continued to impact our growth rates. Overall gross profit grew by 6% (adjusted for working days), reflecting our focus on revenue quality and profitability.

Our US Professionals businesses contracted by 6% per working day (Q1 2013: -/5%). In June, revenue was 5% lower than last year. Revenue in IT and Finance remained under pressure, although the year-on-year decline eased compared to the previous quarter. Both businesses face lower demand for temporary staffing in the Banking and Finance segments, which is partly offset by stronger demand for perm placements especially in IT. Overall perm fees in Professionals grew by 7%. We have accelerated the implementation of various initiatives to ensure profitable market share gains. Thanks to solid gross margin enhancements and good cost control, profitability was further improved.

Randstad Sourceright continued to expand its spend under management by adding 8 new managed service programs, while achieving solid growth at existing clients.

In Canada, revenue grew by 1% per working day (Q1 2013: 3%). Growth was led by Staffing & Inhouse, while revenue in Professionals was just below the level of last year. Good growth in Engineering was offset by lower demand in IT. We achieved solid improvement in profitability.

We remained focused on costs, and on realizing synergies. EBITA margin for the region reached 5.0%.

### Integration SFN and synergies

Having completed the full integration of the Staffing and Inhouse businesses and the operational part of the integration of our Professionals businesses in 2012, we are now concentrating on IT migration in our Professionals businesses. We will integrate all back-office IT systems in the US into one back-office IT system and we will implement one front-office IT system for all Professionals businesses. This will also include the migration of most legacy Randstad Professionals front-office IT systems.

In Q2 2013, we incurred integration costs of € 1.2 million. Pre-tax cost synergies were € 9.0 million in Q2 2013. As we will complete the implementation of the new IT environment over the next six to nine months we expect synergies to reach an annualized level of € 40 million, in line with our target. In the next 6 months, we expect to incur another € 6 million of integration costs. As the operational integration has been completed and we expect to complete the IT integration soon, we will no longer report separately on this subject.

## France

in millions of €, underlying	Q2 2013	Q2 2012	organic Δ% <sup>1</sup>	6m 2013	6m 2012	organic Δ% <sup>1</sup>
Revenue	728.0	831.9	(13)%	1,365.0	1,573.5	(12)%
EBITA	33.9	23.0	47%	44.6	37.6	19%
EBITA margin	4.7%	2.8%		3.3%	2.4%	

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

In France, revenue per working day fell by 13% (Q1 2013: -/12%), while it was -/14% in June 2013. The slowdown was visible across all segments, except for the food and aerospace segments, which delivered good growth. Revenue of Inhouse Services fell by 1%, following a number of client wins and continued transfers from Staffing (Q1 2013: 8%). The revenue trend was also impacted by a strong comparison base in 2012. Staffing was 14% below last year (Q1 2013: -/14%). Our Professionals business contracted by 14% (Q1 2013: -/15%). Our Healthcare business suffered from lower demand in hospitals. The rate of decline in IT was similar to that of previous quarters, while Engineering and Finance showed some resilience. Perm fees were 11% below last year, a slight improvement compared to the year-on-year decline of 16% in Q1 2013.

The French gross margin increased by 270 bps, mainly as a result of the implementation of the Tax Credit and Competitive Employment Act ('CICE') in France. This tax credit is based on a percentage of total salaries up to 2.5x the minimum wage. Tax credits are made available, but in return they must be allocated to boost investment, training, innovation, business development and other initiatives to advance the development of employees. Based on this new law and our tax structure, we anticipate receiving the tax credits after three years. Since the start of the year, we gained further understanding on the implementation of this new law. As a result, we have recognized additional subsidies in Q2 2013 which, in part, relate to Q1 2013. In the second half year, we expect an overall gross margin increase of at least 190 bps with respect to the impact of CICE.

The number of FTEs was broadly in line with the level of the previous quarter. We have completed our discussions with the social partners and reached agreement on a new organizational structure. As from July 1, 2013, the organization is focused on five regions, each integrating the existing industry segments. We will consolidate 275 branches in larger cities into 65 larger offices. The plan involves a reduction of 165 management positions. We remain optimistic that we will reach the targeted number of FTEs through a voluntary leave plan, which was agreed with the social partners. This plan runs until September 2013.

As a result of the aforementioned effects, the French EBITA margin improved from 2.8% to 4.7%.

## Netherlands

in millions of €, underlying	Q2 2013	Q2 2012	organic Δ% <sup>1</sup>	6m 2013	6m 2012	organic Δ% <sup>1</sup>
Revenue	669.8	698.8	(4)%	1,330.2	1,387.0	(3)%
EBITA	33.0	36.2	(9)%	64.0	75.3	(15)%
EBITA margin	4.9%	5.2%		4.8%	5.4%	

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

In the Netherlands, revenue per working day fell by 4% (Q1 2013: -/ 1%) in line with the Dutch staffing market. Revenue contracted by 5% in June.

Randstad the Netherlands performed in line with last year and benefited from good performance in Inhouse and Payroll Services. Revenue per working day showed a relatively stable trend through the quarter. Revenue at Tempo-Team contracted by 8%. Tempo-Team had benefited from good growth in Inhouse throughout 2012, partly because of projects that were not recurring. Moreover, our focus on client profitability combined with lower demand put revenue further under pressure. In Q3 2013, we will implement further adjustments in the management structure of Tempo-Team to achieve greater efficiencies. The combined Dutch Inhouse businesses grew by 8% (Q1 2013: 22%), which reflects our focus on client profitability and on ensuring the use of the right delivery models. Yacht's revenue declined by 13% (Q1 2013: -/ 13%). Although volumes remained fairly stable and utilization was under control, hours per week and bill rates were lower. Yacht achieved good productivity improvements.

The Dutch gross margin was impacted by some unfavorable effects from higher social security charges, as well as mix effects, such as high growth in Payroll Services and Inhouse. The year-on-year decline in gross margin eased compared to the previous quarter, showing that the initiatives that we implemented are starting to pay off. The Dutch market remains highly competitive.

Underlying operating expenses were 1% lower than in Q1 2013. The number of FTEs was 2% lower than in Q1 2013. The Dutch EBITA margin reached 4.9% and included additional charges in cost of services of € 3.6 million, relating to previous years. Adjusted for this item, the Dutch EBITA margin would have been 5.5% compared to 5.2% in Q2 2012.

## Germany

in millions of €, underlying	Q2 2013	Q2 2012	organic Δ% <sup>1</sup>	6m 2013	6m 2012	organic Δ% <sup>1</sup>
Revenue	464.0	455.0	0%	886.4	916.9	(2)%
EBITA	21.1	19.7	8%	34.4	40.6	(15)%
EBITA margin	4.6%	4.3%		3.9%	4.4%	

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

German revenue per working day was at the same level as in the previous year (Q1 2013: -/ 4%). In June, revenue per working day grew by 2%. The second quarter had 1.6 more working days compared to last year. The decline in volumes is mitigated by a positive price effect of around 7%. The relative large price effect is due to the implementation of equal pay and the wage increases in our Collective Labor Agreement (CLA), which occurred as of November 2012. So far, the implementation of equal pay in Germany is in line with expectations; it has not yet resulted in significant changes in orders from clients, and the trend in our volumes follows a normal seasonal pattern. Inhouse Services grew by 14% (Q1 2013: 5%), while Staffing revenue fell by 7% (Q1 2013: -/ 8%). This is partly due to our focus on implementing the right delivery models. Professionals revenue grew by 3% (Q1 2013: 0%). IT grew by 12% after a slow start of the year. Engineering, though returning to profitability, remained under pressure.

Gross margin pressure in our Staffing and Inhouse businesses persists, but the year-on-year decline eased compared to the previous quarter. The number of FTEs was slightly below the level of Q1 2013 and our productivity improved. The underlying German EBITA margin improved from 4.3% to 4.6%.

## Belgium & Luxembourg

in millions of €, underlying	Q2 2013	Q2 2012	organic Δ% <sup>1</sup>	6m 2013	6m 2012	organic Δ% <sup>1</sup>
Revenue	295.6	321.8	(8)%	578.9	642.5	(8)%
EBITA	9.0	13.5	(34)%	17.8	26.7	(33)%
EBITA margin	3.0%	4.2%		3.1%	4.2%	

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

In Belgium and Luxembourg, revenue per working day was 8% lower than last year (Q1 2013: -/9%). Revenue per working day was also 8% lower in June. Revenue in Inhouse Services was 23% lower than last year (Q1 2013: -/21%), while Staffing contracted by 3% (Q1 2013: -/6%). Both segments were impacted by a slowdown in demand in the industrial and automotive segments. The administrative segment held up well, and we gained market share. Professionals contracted by 3% (Q1 2013: -/2%). Revenue from non-staffing services, such as service checks and HR Solutions, showed modest growth.

The gross margin was lower, but this was mainly due to the additional subsidies we recognized in Q2 2012. We continued to focus on costs, and the number of FTEs decreased by 6% sequentially, partly due to the application of short-time work arrangements. The EBITA margin was 3.0%, compared to a relatively strong Q2 2012.

The recently announced restructuring plan is still under discussion with the social partners in Belgium. The aim of the plan is to create a more efficient and client-oriented organization. The organizational changes will only occur in management and support functions and will involve 165 jobs.

## United Kingdom

in millions of €, underlying	Q2 2013	Q2 2012	organic Δ% <sup>1</sup>	6m 2013	6m 2012	organic Δ% <sup>1</sup>
Revenue	192.8	198.1	2%	373.0	396.1	0%
EBITA	1.9	1.2	84%	4.5	2.0	147%
EBITA margin	1.0%	0.6%		1.2%	0.5%	

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

Revenue per working day in the UK grew by 2% (Q1 2013: -/1%). We had 1.4 more working days than in Q2 2012. Professionals grew by 13% (Q1 2013: 14%). Growth was led by Education, Construction/Engineering, IT, and MSP & RPO, predominantly through temporary staffing. Perm fees, however, were 13% lower than in the same period last year (Q1 2013: -/9%). Gross margin pressure persisted, mainly due to changes in our business mix.

Education showed strong performance and grew by 11%, while Randstad Care returned to growth. Staffing revenue grew by 18%, impacted by strong demand in the public sector. Our Inhouse business contracted by 28% (Q1 2013: -/42%), mainly due to our continued focus on client profitability in Inhouse. Randstad Sourceright achieved good growth in MSP thanks to a number of client wins.

We continued to align our cost base, and we reduced our staff by 3% compared to the previous quarter. The EBITA margin improved from 0.6% to 1.0%, based on improvements across all businesses.

## Iberia

in millions of €, underlying	Q2 2013	Q2 2012	organic Δ% <sup>1</sup>	6m 2013	6m 2012	organic Δ% <sup>1</sup>
Revenue	196.6	196.5	(2)%	373.0	388.6	(3)%
EBITA	5.2	1.7	206%	8.7	4.6	89%
EBITA margin	2.6%	0.9%		2.3%	1.2%	

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

In Iberia, revenue per working day was 2% below Q2 2012 (Q1 2013: -/- 4%), while it ended the quarter 6% above the level of June 2012. The second quarter had 1.2 more working days, but the timing of public holidays and bridging days depressed our performance in April and May. Last year, revenue growth slowed from -/-8% in April to -/- 13% in June, offering an easier comparison base. The competitive environment across Iberia remained challenging.

Revenue in Spain was down 1% (Q1 2013: -/- 1%). Demand strengthened in manufacturing and distribution. Contrary to last year, we saw stronger demand ahead of the summer, and revenue grew by 6% in June.

In Portugal, revenue contracted by 2% (Q1 2013: -/- 8%), while it was up by 7% in June. Demand in automotive strengthened, and we achieved good performance in our call-center business.

Good cost control was maintained in both countries, most notably in Portugal, following the integration of Randstad and Tempo-Team. As a result, the EBITA margin improved from 0.9% to 2.6%.

## Other European countries

in millions of €, underlying	Q2 2013	Q2 2012	organic Δ% <sup>1</sup>	6m 2013	6m 2012	organic Δ% <sup>1</sup>
Revenue	238.4	221.8	7%	453.1	432.2	6%
EBITA	6.3	5.7	10%	9.8	8.4	17%
EBITA margin	2.6%	2.6%		2.2%	1.9%	

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

Across other European countries, revenue per working day grew by 7% (Q1 2013: 5%). In Italy, revenue was flat (Q1 2013: -/- 3%), while revenue per working day grew by 4% in June. Growth was led by strengthening demand in the industrial segments. The competitive environment remained challenging. Revenue at our Swiss business grew by 9% (Q1 2013: 15%), led by strong performance in construction and industrial segments. In Poland, revenue grew by 12%, driven by a strong performance in Staffing, Inhouse and permanent placements (Q1 2013: 9%). In the Nordics, revenue grew by 39% (Q1 2013: 18%). Growth was led by solid performance in Sweden and Norway. Our revenue in the Czech Republic grew by 16%. Revenue in Hungary and Greece was somewhat under pressure. Turkey maintained its solid growth in gross profit. The EBITA margin for the region reached 2.6%.

## Rest of the world

in millions of €, underlying	Q2 2013	Q2 2012	organic Δ% <sup>1</sup>	6m 2013	6m 2012	organic Δ% <sup>1</sup>
Revenue	365.7	383.8	6%	723.1	766.0	6%
EBITA	0.7	2.5	(30)%	3.3	8.7	(49)%
EBITA margin	0.2%	0.7%		0.5%	1.1%	

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

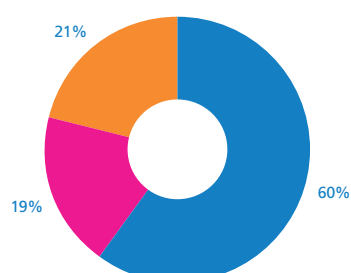
Overall revenue in the Rest of the world region grew by 6% (Q1 2013: 6%). In Japan, revenue grew by 1% (Q1 2013: 6%). Growth was led by good performance in logistics and retail. The trend eased compared to previous quarters, following a relatively slow start of the Japanese fiscal year. Revenue in Australia and New Zealand was 2% below last year (Q1 2013: -/11%), while it was up by 2% in June. Good performance in Staffing, especially in the industrial segment, was offset by continued weak demand in Professionals and permanent placements in particular. Demand in Finance & Accounting remained low, while we saw good performance in IT and Sales & Marketing. China grew by 11% (Q1 2013: 26%), based on strong performance in temporary staffing and Payroll Services. The business was somewhat impacted by uncertainty associated with the implementation of new legislation as of July 1, 2013. Growth in permanent placements continued at a mid-single-digit rate. Growth in India eased to 5%. In Latin America, our Argentinean business further expanded, while maintaining a strong focus on profitability. Our Brazilian business continued to grow rapidly. We achieved strong growth in our Mexican gross profit, while maintaining good cost control. Chile achieved strong growth in gross profit.

EBITA for the region reflects continued good performance in Japan (although at a lower exchange rate), offset by ongoing investments in Asia and Latin America, and challenging conditions in Australia, where we continued to make gradual improvements.

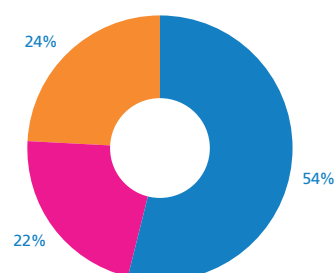
# performance by revenue category

## split by revenue category

Q2 2013: revenue € 4,095.7 million



Q2 2013: ebita € 146.2 million



■ staffing

■ inhouse

■ professionals

## Staffing (incl. HR Solutions)

in millions of €, underlying	Q2 2013	Q2 2012	organic Δ% <sup>1</sup>	6m 2013	6m 2012	organic Δ% <sup>1</sup>
Revenue	2,477.8	2,662.7	(6)%	4,811.3	5,225.7	(6)%
EBITA	85.1	80.7	6%	133.1	149.4	(10)%
EBITA margin	3.4%	3.0%		2.8%	2.9%	

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

Revenue per working day fell by 6% (Q1 2013: -/ 5%). In North America, Staffing revenue fell by 8% (Q1 2013: -/4%), as we terminated some contracts in line with our stronger focus on profitability and we continued to transfer business to Inhouse. In the Rest of the world region, revenue grew by 6% (Q1 2013: 7%). In Europe, Staffing revenue was down by 7% (Q1 2013: -/ 7%). French and German Staffing revenue fell by 14% and 7% respectively (Q1 2013: -/ 14% and -/8% respectively). Dutch Staffing revenue fell by 5% (Q1 2013: -/4%), while in Belgium Staffing revenue contracted by 3% (Q1 2013: -/6%). In the UK, revenue grew by 18%, mainly due to a strong performance in MSP and the public sector. The underlying EBITA margin reached 3.4%, compared to 3.0% in Q2 2012, supported by profitable growth in HR Solutions and improvements in profitability in an increasing number of countries.

## Inhouse

in millions of €, underlying	Q2 2013	Q2 2012	organic Δ% <sup>1</sup>	6m 2013	6m 2012	organic Δ% <sup>1</sup>
Revenue	776.2	752.5	4%	1,468.7	1,459.8	4%
EBITA	34.9	30.8	16%	60.3	54.9	13%
EBITA margin	4.5%	4.1%		4.1%	3.8%	

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

Inhouse Services, which mainly focuses on industrial and logistical clients, grew by 4% (Q1 2013: 3%). Revenue in North America grew by 11% (Q1 2013: 0%), following some transfers from Staffing and a promising start of Inhouse Services in Canada. In Europe, growth was led by the Netherlands (8%), Iberia (24%), as we transferred business from Staffing to Inhouse to ensure we offer clients the right delivery model. In France, revenue was just below last year against a relative strong comparison base. Our German Inhouse business grew by 14% (Q1 2013: 5%). In the UK we are focusing on client profitability, and revenue was 28%

below last year (Q1 2013: -/42%). Our Belgian Inhouse business contracted by 23% (Q1 2013: -/21%), affected by low demand in the automotive and industrial segments. The EBITA margin improved from 4.1% to 4.5%.

## Professionals

in millions of €, underlying	Q2 2013	Q2 2012	organic Δ% <sup>1</sup>	6m 2013	6m 2012	organic Δ% <sup>1</sup>
Revenue	841.7	887.9	(4)%	1,647.7	1,770.0	(4)%
EBITA	38.0	35.9	10%	67.9	66.3	4%
EBITA margin	4.5%	4.0%		4.1%	3.7%	

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

Professionals contracted by 4% (Q1 2013: -/4%). Perm fees declined by -/3% (Q1 2013: -/6%). Revenue in North America contracted by 4% (Q1 2013: -/4%), mainly as a result of lower demand in the banking and finance segment. Despite the revenue decline in North America, gross profit was just below last year. Our French business contracted by 14% (Q1 2013: -/15%), mainly impacted by lower demand in our healthcare business. Revenue at our Dutch Professionals businesses contracted by 19% (Q1 2013: -/19%), partly due to a reclassification of business to Staffing. In the UK, revenue grew by 13% (Q1 2013: 14%), led by good performance in Education and IT. Australian revenue contracted by 6% (Q1 2013: -/15%), mainly due to low demand in permanent placements. The EBITA margin improved from 4.0% to 4.5%.



# other information

## Outlook

Revenue per working day was down 2.6% in June. For now, we see a continuing stable trend moving into the third quarter. Last year, revenue growth slowed from -/0.8% in Q2 to -/3.6% in Q3. This offers an easier comparison base. As a result, the rate of decline may gradually ease from Q2 into Q3. In Q3 2013, we will have 1 more working day than Q3 2012.

In the second half year, we plan to make additional investments in marketing of around € 15-20 million in some of our largest markets, while we will implement smaller campaigns in several other countries. These include the regular seasonality in our marketing spend. Most of the additional investments will be made in France, Germany, the United Kingdom, and North America. In Q3 2013, we will also consolidate the financial results of the activities acquired from USG People.

We remain focused on our strategic priorities: improving our business mix, field steering, delivery models, and costs. With respect to costs, this is also reflected in recently announced restructuring plans at Tempo-Team the Netherlands and in Belgium.

Over the last 12 months, we have made good progress with the implementation of our strategic priorities. However, we need modest economic growth to be able to meet our strategic targets. If the economic environment continues in its current state, we will focus on gradual profitability improvements.

## M&A

On June 25, 2013 we announced that we had completed the transaction by which we acquired the staffing activities of USG People in Spain, Italy, Switzerland, Austria, Poland, and Luxembourg. The revenue of the combined activities is € 434 million (FY 2012). The consideration paid for these activities was € 20 million. This price assumes a cash- and debt-free situation. A final settlement will be made in Q3, 2013. The net cash outflow in Q2 2013 was € 16.0 million.

The balance sheet of the combined activities has been consolidated as of June 30, 2013. The results will be consolidated as of July 2013. The purchase price allocation will be prepared in Q3 2013, and we expect a significant amount of goodwill.

At the end of June, we signed an agreement to divest the activities of Uniman in Switzerland. This business generated revenues of around € 8 million in 2012.

Now we have completed the integration plans, we aim to achieve pre-tax cost synergies of € 15-20 million. We expect integration costs of around € 15 million, which will be incurred in the next 12 months. In addition to these synergies we have also identified considerable tax synergies which we expect to be realized over the next few years, partly depending on the profitability of the combined activities.

## Investigation by French competition authority

As announced on July 11, 2013, the French competition authority has commenced an investigation into Randstad France and certain of its competitors in France. The investigation concerns certain French operations and, in particular, the activities concerning vendor neutral platforms relating to HR outsourcing management. Randstad cannot make any further comments at this stage but Randstad cooperates openly with the authority. Consistent with Randstad's core values and business principles, Randstad seeks to conduct its business in accordance with all applicable laws and has invested considerable time and resources into improving competition controls and awareness in its French operation and to abide by the commitments given to the French authorities following the previous investigation in France that concluded on February 2, 2009. As a result, Randstad is confident that the investigation will result in a positive outcome.

## Working days

	Q1	Q2	Q3	Q4
2013	62.3	62.1	65.0	63.4
2012	64.1	61.7	64.0	63.5

## Financial calendar

Publication third-quarter results 2013	October 31, 2013
Publication fourth-quarter and annual results 2013	February 20, 2014
Publication first-quarter results 2014	April 29, 2014

**Analyst and press meeting**

Today, at 10.00 CET Randstad Holding nv will host a combined analyst and press meeting at our head office in Diemen. The meeting will be accessible through a conference call and you can watch the meeting through real-time video webcast. The dial-in number is +31 (0) 20 796 52 13 or +44 (0)208 817 9301 for international participants. The confirmation code is 11042641. The link is <http://www.ir.randstad.com/presentations.cfm>. A replay of the presentation and the Q&A will also be available on our website by the end of the day.

**Disclaimer**

Certain statements in this document concern prognoses about the future financial condition, risks, investment plans and the results of operations of Randstad Holding 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), 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**

Randstad specializes in solutions in the field of flexible work and human resources services. Our services range from regular temporary staffing and permanent placements to inhouse, professionals, search & selection, and HR Solutions. The Randstad Group is one of the leading HR services providers in the world, with top-three positions in Argentina, Belgium & Luxembourg, Canada, Chile, France, Germany, Greece, India, Mexico, the Netherlands, Poland, Portugal, Spain, Switzerland, the UK, and the United States as well as major positions in Australia and Japan. In 2012, Randstad had approximately 29,300 corporate employees and around 4,500 branches and Inhouse locations in 39 countries around the world. Randstad generated revenue of € 17.1 billion in 2012. Randstad was founded in 1960 and is headquartered in Diemen, the Netherlands. Randstad Holding nv is listed on the NYSE Euronext Amsterdam, where options for stocks in Randstad are also traded. For more information see [www.randstad.com](http://www.randstad.com).

# half-year report

## Key financials

in millions of €, unless otherwise indicated - underlying	6m 2013	6m 2012	change
Revenue	7,927.7	8,455.5	(6)%
Gross profit	1,430.5	1,530.6	(7)%
Operating expenses	1,192.8	1,285.3	(7)%
<b>Underlying EBITA</b>	<b>237.7</b>	<b>245.3</b>	<b>(3)%</b>
<b>Margins (in % of revenue)</b>			
Gross margin	18.0%	18.1%	
Operating expenses margin	15.0%	15.2%	
EBITA margin	3.0%	2.9%	

### Revenue

Revenue increased to €7,927.7 million, down 3.7% per working day. Revenue per working day fell by 5.2% in January and by 2.6% in March and June. Our performance in April and May was depressed by the timing of public holidays and bridging days. As a result, revenue per working day was down by 3.7% in the first and second quarter.

### Gross profit

The gross margin reached 18.0%, which is 0.1% below last year. The temp margin declined by 0.2% year-on-year and reflects ongoing price/mix effects, offset by additional subsidies in France. Gross margin enhancements in North America remained strong, while the gross-margin pressure in the Netherlands and Germany eased. In other European countries and in the Rest of the world, price and mix effects continue to put pressure on our gross margin. Perm fees did not have an impact on the mix, while other HR services added 0.1% to the gross margin. Gross profit included additional charges in cost of services of €3.6 million, which related to previous years.

### Operating expenses

Operating expenses decreased 7%, or by €92 million, to €1,192.8 million. Most cost savings stem from adjustments in headcount, which was 7% below last year's level. This was realized through a combination of natural attrition in our staff and restructuring programs in various countries in the second half year of 2012 and early 2013.

Productivity (measured as gross profit per FTE) increased by 2%. Operating expenses were adjusted for acquisition-related costs of €1.8 million, restructuring costs of €2.7 million in Germany and the Netherlands, and integration costs of €3.0 million.

### EBITA

Underlying EBITA decreased to €237.7 million. The EBITA margin improved from 2.9% to 3.0%.

## key financials, actual

in millions of €, unless otherwise indicated	6m 2013	6m 2012	change
<b>Underlying EBITA</b>	<b>237.7</b>	<b>245.3</b>	<b>(3)%</b>
Integration costs	3.0	12.7	
One-offs	4.5	16.8	
<b>EBITA</b>	<b>230.2</b>	<b>215.8</b>	<b>7%</b>
Amortization of intangible assets	81.4	111.5	
<b>Operating profit</b>	<b>148.8</b>	<b>104.3</b>	
Net finance costs	(16.2)	(9.6)	
Share of profit/(loss) of associates	0.0	(0.1)	
<b>Income before taxes</b>	<b>132.6</b>	<b>94.6</b>	<b>40%</b>
Taxes on income	(39.8)	(29.3)	
<b>Net income</b>	<b>92.8</b>	<b>65.3</b>	<b>42%</b>

### Amortization of acquisition-related intangible assets

Amortization of acquisition-related intangible assets decreased to € 81.4 million, compared to € 111.5 million over the first six months of 2012. The year-on-year decrease was mainly due to the fact that some of the brand names, acquired as part of the SFN acquisition, were amortized over 10 months.

### Net finance costs

Net finance costs amounted to € 16.2 million, compared to € 9.6 million in the first half of 2012. Interest expenses on our net debt position were € 9.1 million compared to € 11.9 million in the first half of 2012. Additionally, net finance costs included more items. Currency effects resulted in a loss of € 4.1 million (HY 1 2012: gain of € 5.7 million), while the remaining effect of € 3.0 million (HY 1 2012: loss of € 3.4 million) was caused by adjustments in the valuation of certain assets and liabilities.

### Taxes on income

The effective tax rate before amortization of acquisition-related intangible assets, integration costs and one-offs amounted to 31%, compared to 32% in the first half year of 2012. More information can be found on p. 5.

### Net income

Adjusted net income attributable to holders of ordinary shares amounted to € 147.3 million, compared to € 154.9 million in the first six months of 2012. As a result, diluted EPS decreased from € 0.90 to € 0.84. This decrease was also impacted by the higher number of ordinary shares, as a result of the payment of stock dividend. More information can be found on p. 5).

### Cash flow

In the first six months of 2013, free cash flow amounted to € 38.6 million (negative) compared to € 109.5 million (negative) in HY 1 2012. Free cash flow is typically negative in the first half year. This is mainly due to the seasonality in our business, which causes an increase in working capital requirements as revenue increases towards the end of the second quarter. In addition, we pay annual holiday allowances in the Netherlands and Belgium in the second quarter. We continued to focus on strong cash flow generation. The moving average DSO improved by 0.8 days compared to June 2012.

in millions of €, unless otherwise indicated	6m 2013	6m 2012	change
<b>EBITA</b>	<b>230.2</b>	<b>215.8</b>	<b>7%</b>
Depreciation and amortization of software	34.6	40.7	
<b>EBITDA</b>	<b>264.8</b>	<b>256.5</b>	<b>3%</b>
Working capital	(222.2)	(268.4)	
Provisions	(5.7)	(8.9)	
Other items	(23.4)	10.0	
Income taxes paid	(44.5)	(72.2)	
<b>Net cash flow from operating activities</b>	<b>(31.0)</b>	<b>(83.0)</b>	<b>(63)%</b>
Net capital expenditures	(11.2)	(28.4)	
Financial receivables	3.6	1.9	
<b>Free cash flow</b>	<b>(38.6)</b>	<b>(109.5)</b>	<b>(65)%</b>
Net acquisitions/disposals	(12.6)	6.3	
Issue of ordinary shares	2.3	0.9	
Issue of preference shares C	137.9	-	
Purchase of ordinary shares	(9.4)	-	
Dividend paid on ordinary shares	(83.8)	(215.1)	
Dividend paid on preference shares	(6.8)	(7.1)	
Net finance costs received/(paid)	(11.9)	(5.9)	
Translation effects and other	5.6	(20.7)	
<b>Net increase of net debt</b>	<b>(17.3)</b>	<b>(351.1)</b>	

In January 2013, we issued preference shares C based on a capital contribution of € 140 million. The cash inflow of € 137.9 million is after deduction of the transaction costs. The issue of ordinary shares of € 2.3 million relates to the exercise of stock options in the course of Q1 2013. We also initiated the purchase of ordinary shares, with the aim of offsetting the dilutive effect of the issue

of ordinary shares from performance share plans for senior management. As announced on February 21, 2013, we purchased 295,560 ordinary shares at an average price of € 31.79.

More information can be found on p. 7.

### **Risk profile**

With regard to risks and opportunities, reference is made to our 2012 annual report (pp. 81–83). The key risks and opportunities did not change materially in H1 2013. The risks identified represent the key challenges we currently face and we expect them to be applicable in the second half of 2013. We continue to closely monitor the key risks and opportunities and will respond appropriately to any emerging risks.

We have a wide geographic 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 through the cycle’ can be found on p. 77 of our 2012 annual report.

### **Auditors’ involvement**

The consolidated interim financial statements and 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, 2013 and for the six months ending at June 30, 2013 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 Holding nv and its consolidated Group companies taken as a whole; and
- This Interim Directors' Report (as set out on pp. 1-20) gives a fair review of the information required pursuant to section 5:25d (8)/(9) of the Dutch Financial Markets Supervision Act (Wet op het financieel toezicht).

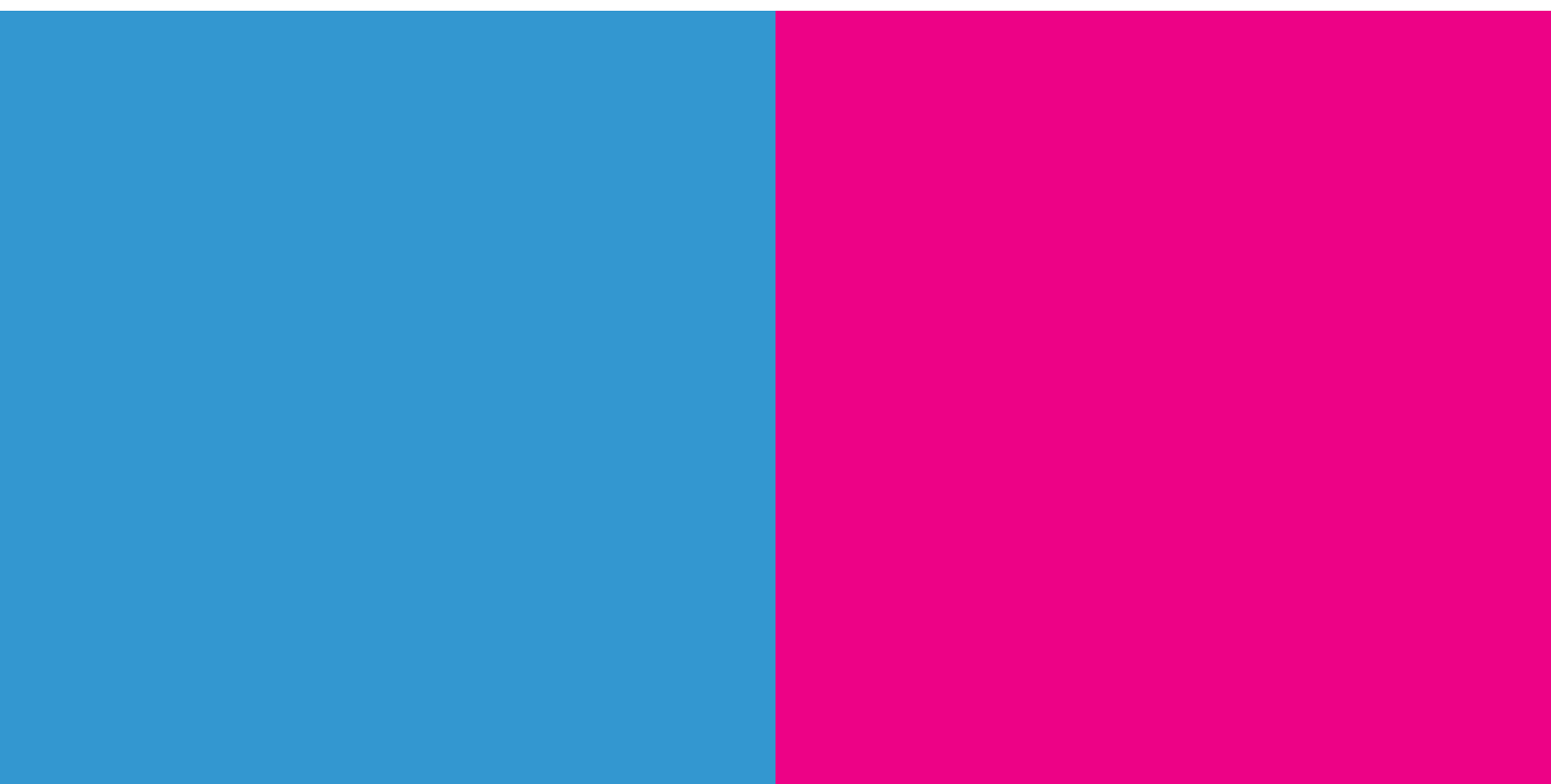
Diemen, the Netherlands, July 25, 2013

The Executive Board,

Ben Noteboom (Chairman and CEO)  
Robert-Jan van de Kraats (Vice-chairman and CFO)  
Jacques van den Broek

Leo Lindelauf  
Linda Galipeau  
François Béharel

# interim financial statements



# contents

<b>underlying performance</b>	<b>23</b>
consolidated income statement	23
information by geographical area	24
information by revenue category	26
<b>actuals</b>	<b>27</b>
consolidated income statement	27
information by geographical area	28
information by revenue category	29
consolidated balance sheet	30
consolidated statement of cash flows	31
consolidated statement of comprehensive income	32
consolidated statement of changes in equity	33
<b>notes to the consolidated interim financial statements</b>	<b>34</b>
reporting entity	34
significant accounting policies	34
basis of presentation	34
amendments adopted by the Group: IAS 19 'employee benefits'	34
estimates	35
seasonality	35
effective tax rate	35
acquisition of Group companies	35
disposal of Group companies	35
shareholders' equity	35
preferred shares	36
net debt position	36
breakdown of operating expenses	36
depreciation, amortization and impairment of property, plant, equipment and software	37
french Competitive Employment Act ('CICE')	37
related-party transactions	37
commitments	37

# underlying performance

Operating expenses and EBITA adjusted for integration costs and one-offs.

## Consolidated income statement

in millions of €, underlying	Q2 2013	Q2 2012	change	6m 2013	6m 2012	change
<b>Revenue</b>	<b>4,095.7</b>	<b>4,303.1</b>		<b>7,927.7</b>	<b>8,455.5</b>	
Cost of services	3,348.8	3,520.7		6,497.2	6,924.9	
<b>Gross profit</b>	<b>746.9</b>	<b>782.4</b>		<b>1,430.5</b>	<b>1,530.6</b>	
Selling expenses	408.7	447.0		810.1	885.5	
General and administrative expenses	192.0	200.5		382.7	399.8	
<b>Operating expenses</b>	<b>600.7</b>	<b>647.5</b>		<b>1,192.8</b>	<b>1,285.3</b>	
<b>EBITA</b>	<b>146.2</b>	<b>134.9</b>		<b>237.7</b>	<b>245.3</b>	
<b>Margins (in % of revenue)</b>						
Gross margin	18.2%	18.2%		18.0%	18.1%	
Operating expenses margin	14.7%	15.0%		15.0%	15.2%	
EBITA margin	3.6%	3.1%		3.0%	2.9%	



## Information by geographical area

### Revenue by geographical area

in millions of €, underlying	Q2 2013	Q2 2012	change	organic $\Delta$ % <sup>1</sup>
North America	944.8	995.4	(5)%	(3)%
France	728.0	831.9	(12)%	(13)%
Netherlands	669.8	698.8	(4)%	(4)%
Germany	464.0	455.0	2%	0%
Belgium & Luxembourg	295.6	321.8	(8)%	(8)%
United Kingdom	192.8	198.1	(3)%	2%
Iberia	196.6	196.5	0%	(2)%
Other European countries	238.4	221.8	7%	7%
Rest of the world	365.7	383.8	(5)%	6%
<b>Total revenue</b>	<b>4,095.7</b>	<b>4,303.1</b>	<b>(5)%</b>	<b>(4)%</b>

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

### EBITA by geographical area<sup>1</sup>

in millions of €, underlying	Q2 2013	Q2 2012	change	organic $\Delta$ % <sup>2</sup>	EBITA margin 2013	EBITA margin 2012
North America	46.9	43.9	7%	9%	5.0%	4.4%
France	33.9	23.0	47%	47%	4.7%	2.8%
Netherlands	33.0	36.2	(9)%	(9)%	4.9%	5.2%
Germany	21.1	19.7	7%	8%	4.6%	4.3%
Belgium & Luxembourg	9.0	13.5	(33)%	(34)%	3.0%	4.2%
United Kingdom	1.9	1.2	58%	84%	1.0%	0.6%
Iberia	5.2	1.7	206%	206%	2.6%	0.9%
Other European countries	6.3	5.7	11%	10%	2.6%	2.6%
Rest of the world	0.7	2.5	(72)%	(30)%	0.2%	0.7%
Corporate	(11.8)	(12.5)				
<b>EBITA before integration costs and one-offs</b>	<b>146.2</b>	<b>134.9</b>	<b>8%</b>	<b>10%</b>	<b>3.6%</b>	<b>3.1%</b>
Integration costs	(1.3)	(6.3)				
One-offs	(3.4)	(16.8)				
<b>Total EBITA</b>	<b>141.5</b>	<b>111.8</b>	<b>27%</b>		<b>3.5%</b>	<b>2.6%</b>

<sup>1</sup> Operating profit before amortization and impairment acquisition-related intangible assets and goodwill, integration costs and one-offs

<sup>2</sup> Organic change is measured excluding the impact of currencies, acquisitions, disposals and reclassifications

## Revenue by geographical area

in millions of €, underlying	6m 2013	6m 2012	change	organic $\Delta$ % <sup>1</sup>
North America	1,845.0	1,952.7	(6)%	(3)%
France	1,365.0	1,573.5	(13)%	(12)%
Netherlands	1,330.2	1,387.0	(4)%	(3)%
Germany	886.4	916.9	(3)%	(2)%
Belgium & Luxembourg	578.9	642.5	(10)%	(8)%
United Kingdom	373.0	396.1	(6)%	0%
Iberia	373.0	388.6	(4)%	(3)%
Other European countries	453.1	432.2	5%	6%
Rest of the world	723.1	766.0	(6)%	6%
<b>Total revenue</b>	<b>7,927.7</b>	<b>8,455.5</b>	<b>(6)%</b>	<b>(4)%</b>

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

## EBITA by geographical area<sup>1</sup>

in millions of €, underlying	6m 2013	6m 2012	change	organic $\Delta$ % <sup>2</sup>	EBITA margin 2013	EBITA margin 2012
North America	74.2	66.7	11%	13%	4.0%	3.4%
France	44.6	37.6	19%	19%	3.3%	2.4%
Netherlands	64.0	75.3	(15)%	(15)%	4.8%	5.4%
Germany	34.4	40.6	(15)%	(15)%	3.9%	4.4%
Belgium & Luxembourg	17.8	26.7	(33)%	(33)%	3.1%	4.2%
United Kingdom	4.5	2.0	125%	147%	1.2%	0.5%
Iberia	8.7	4.6	89%	89%	2.3%	1.2%
Other European countries	9.8	8.4	17%	17%	2.2%	1.9%
Rest of the world	3.3	8.7	(62)%	(49)%	0.5%	1.1%
Corporate	(23.6)	(25.3)				
<b>EBITA before integration costs and one-offs</b>	<b>237.7</b>	<b>245.3</b>	<b>(3)%</b>	<b>(2)%</b>	<b>3.0%</b>	<b>2.9%</b>
Integration costs	(3.0)	(12.7)				
One-offs	(4.5)	(16.8)				
<b>Total EBITA</b>	<b>230.2</b>	<b>215.8</b>	<b>7%</b>		<b>2.9%</b>	<b>2.6%</b>

<sup>1</sup> Operating profit before amortization and impairment acquisition-related intangible assets and goodwill, integration costs and one-offs

<sup>2</sup> Organic change is measured excluding the impact of currencies, acquisitions, disposals and reclassifications

## Information by revenue category

### Revenue by revenue category

in millions of €, underlying	Q2 2013	Q2 2012	change	organic $\Delta$ % <sup>1</sup>
Staffing	2,477.8	2,662.7	(7)%	(6)%
Inhouse Services	776.2	752.5	3%	4%
Professionals	841.7	887.9	(5)%	(4)%
<b>Total revenue</b>	<b>4,095.7</b>	<b>4,303.1</b>	<b>(5)%</b>	<b>(4)%</b>

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

### EBITA by revenue category<sup>1</sup>

in millions of €, underlying	Q2 2013	Q2 2012	change	organic $\Delta$ % <sup>2</sup>	EBITA margin 2013	EBITA margin 2012
Staffing	85.1	80.7	5%	6%	3.4%	3.0%
Inhouse Services	34.9	30.8	13%	16%	4.5%	4.1%
Professionals	38.0	35.9	6%	10%	4.5%	4.0%
Corporate	(11.8)	(12.5)				
<b>EBITA before integration costs and one-offs</b>	<b>146.2</b>	<b>134.9</b>	<b>8%</b>	<b>10%</b>	<b>3.6%</b>	<b>3.1%</b>
Integration costs	(1.3)	(6.3)				
One-offs	(3.4)	(16.8)				
<b>Total EBITA</b>	<b>141.5</b>	<b>111.8</b>	<b>27%</b>		<b>3.5%</b>	<b>2.6%</b>

<sup>1</sup> Operating profit before amortization and impairment acquisition-related intangible assets and goodwill, integration costs and one-offs

<sup>2</sup> Organic change is measured excluding the impact of currencies, acquisitions, disposals and reclassifications

### Revenue by revenue category

in millions of €, underlying	6m 2013	6m 2012	change	organic $\Delta$ % <sup>1</sup>
Staffing	4,811.3	5,225.7	(8)%	(6)%
Inhouse Services	1,468.7	1,459.8	1%	4%
Professionals	1,647.7	1,770.0	(7)%	(4)%
<b>Total revenue</b>	<b>7,927.7</b>	<b>8,455.5</b>	<b>(6)%</b>	<b>(4)%</b>

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

### EBITA by revenue category<sup>1</sup>

in millions of €, underlying	6m 2013	6m 2012	change	organic $\Delta$ % <sup>2</sup>	EBITA margin 2013	EBITA margin 2012
Staffing	133.1	149.4	(11)%	(10)%	2.8%	2.9%
Inhouse Services	60.3	54.9	10%	13%	4.1%	3.8%
Professionals	67.9	66.3	2%	4%	4.1%	3.7%
Corporate	(23.6)	(25.3)				
<b>EBITA before integration costs and one-offs</b>	<b>237.7</b>	<b>245.3</b>	<b>(3)%</b>	<b>(2)%</b>	<b>3.0%</b>	<b>2.9%</b>
Integration costs	(3.0)	(12.7)				
One-offs	(4.5)	(16.8)				
<b>Total EBITA</b>	<b>230.2</b>	<b>215.8</b>	<b>7%</b>		<b>2.9%</b>	<b>2.6%</b>

<sup>1</sup> Operating profit before amortization and impairment acquisition-related intangible assets and goodwill, integration costs and one-offs

<sup>2</sup> Organic change is measured excluding the impact of currencies, acquisitions, disposals and reclassifications

# actuals

## Consolidated income statement

in millions of €, unless otherwise indicated	Q2 2013	Q2 2012	6m 2013	6m 2012
<b>Revenue</b>	<b>4,095.7</b>	<b>4,303.1</b>	<b>7,927.7</b>	<b>8,455.5</b>
Cost of services	3,348.8	3,520.7	6,497.2	6,924.9
<b>Gross profit</b>	<b>746.9</b>	<b>782.4</b>	<b>1,430.5</b>	<b>1,530.6</b>
Selling expenses	410.2	463.9	812.8	905.5
General and administrative expenses	195.2	206.7	387.5	409.3
<b>Operating expenses</b>	<b>605.4</b>	<b>670.6</b>	<b>1,200.3</b>	<b>1,314.8</b>
Amortization and impairment of acquisition-related intangible assets and goodwill	40.6	56.1	81.4	111.5
<b>Total operating expenses</b>	<b>646.0</b>	<b>726.7</b>	<b>1,281.7</b>	<b>1,426.3</b>
<b>Operating profit</b>	<b>100.9</b>	<b>55.7</b>	<b>148.8</b>	<b>104.3</b>
Net finance costs	(10.7)	(2.2)	(16.2)	(9.6)
Share of profit/(loss) of associates	0.0	(0.1)	0.0	(0.1)
<b>Income before taxes</b>	<b>90.2</b>	<b>53.4</b>	<b>132.6</b>	<b>94.6</b>
Taxes on income	(27.1)	(16.9)	(39.8)	(29.3)
<b>Net income</b>	<b>63.1</b>	<b>36.5</b>	<b>92.8</b>	<b>65.3</b>
<b>Net income attributable to:</b>				
Holders of ordinary shares Randstad Holding nv	59.9	34.7	87.0	61.7
Holders of preferred shares Randstad Holding nv	3.2	1.8	5.8	3.6
<b>Equity holders</b>	<b>63.1</b>	<b>36.5</b>	<b>92.8</b>	<b>65.3</b>
Non-controlling interests	0.0	0.0	0.0	0.0
<b>Net income</b>	<b>63.1</b>	<b>36.5</b>	<b>92.8</b>	<b>65.3</b>
<b>Earnings per share attributable to the holders of ordinary shares of Randstad Holding nv (in € per share):</b>				
Basic earnings per share	0.34	0.20	0.50	0.36
Diluted earnings per share	0.34	0.20	0.50	0.36
Diluted earnings per share before amortization and impairment acquisition-related intangible assets and goodwill, integration costs and one-offs	0.51	0.51	0.84	0.90

## Information by geographical area

### Revenue by geographical area

in millions of €, unless otherwise indicated	Q2 2013	Q2 2012	6m 2013	6m 2012
North America	944.8	995.4	1,845.0	1,952.7
France	728.0	831.9	1,365.0	1,573.5
Netherlands	669.8	698.8	1,330.2	1,387.0
Germany	464.0	455.0	886.4	916.9
Belgium & Luxembourg	295.6	321.8	578.9	642.5
United Kingdom	192.8	198.1	373.0	396.1
Iberia	196.6	196.5	373.0	388.6
Other European countries	238.4	221.8	453.1	432.2
Rest of the world	365.7	383.8	723.1	766.0
<b>Total revenue</b>	<b>4,095.7</b>	<b>4,303.1</b>	<b>7,927.7</b>	<b>8,455.5</b>

### EBITA by geographical area<sup>1</sup>

in millions of €, unless otherwise indicated	Q2 2013	Q2 2012	6m 2013	6m 2012
North America	46.9	43.9	74.2	66.7
France	33.9	23.0	44.6	37.6
Netherlands	31.4	30.1	62.4	69.2
Germany	21.1	10.2	33.3	31.1
Belgium & Luxembourg	8.9	13.5	17.7	26.7
United Kingdom	1.9	0.0	4.5	0.8
Iberia	4.5	1.7	8.0	4.6
Other European countries	5.4	5.7	8.9	8.4
Rest of the world	0.7	2.5	3.3	8.7
Corporate	(11.9)	(12.5)	(23.7)	(25.3)
<b>EBITA before integration costs</b>	<b>142.8</b>	<b>118.1</b>	<b>233.2</b>	<b>228.5</b>
Integration costs	(1.3)	(6.3)	(3.0)	(12.7)
<b>Total EBITA</b>	<b>141.5</b>	<b>111.8</b>	<b>230.2</b>	<b>215.8</b>

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

## Information by revenue category

### Revenue by revenue category

in millions of €, unless otherwise indicated	Q2 2013	Q2 2012	6m 2013	6m 2012
Staffing	2,477.8	2,662.7	4,811.3	5,225.7
Inhouse Services	776.2	752.5	1,468.7	1,459.8
Professionals	841.7	887.9	1,647.7	1,770.0
<b>Total revenue</b>	<b>4,095.7</b>	<b>4,303.1</b>	<b>7,927.7</b>	<b>8,455.5</b>

### EBITA by revenue category

in millions of €, unless otherwise indicated	Q2 2013	Q2 2012	6m 2013	6m 2013
Staffing	82.1	64.6	130.1	133.3
Inhouse Services	34.4	30.8	59.8	54.9
Professionals	38.2	35.2	67.0	65.6
Corporate	(11.9)	(12.5)	(23.7)	(25.3)
<b>EBITA before integration costs</b>	<b>142.8</b>	<b>118.1</b>	<b>233.2</b>	<b>228.5</b>
Integration costs	(1.3)	(6.3)	(3.0)	(12.7)
<b>Total EBITA</b>	<b>141.5</b>	<b>111.8</b>	<b>230.2</b>	<b>215.8</b>

## Consolidated balance sheet

in millions of €, unless otherwise indicated	June 30, 2013	December 31, 2012	June 30, 2012
<b>ASSETS</b>			
Property, plant and equipment	136.4	155.3	173.7
Intangible assets	2,820.1	2,942.5	3,201.3
Deferred income tax assets	532.0	504.7	510.1
Financial assets and associates	116.0	80.7	80.0
<b>Non-current assets</b>	<b>3,604.5</b>	<b>3,683.2</b>	<b>3,965.1</b>
Trade and other receivables	3,069.8	2,872.5	3,171.2
Income tax receivables	56.1	49.9	58.8
Cash and cash equivalents	125.0	191.5	242.5
<b>Current assets</b>	<b>3,250.9</b>	<b>3,113.9</b>	<b>3,472.5</b>
<b>TOTAL ASSETS</b>	<b>6,855.4</b>	<b>6,797.1</b>	<b>7,437.6</b>
<b>EQUITY AND LIABILITIES</b>			
Issued capital	25.3	19.7	19.7
Share premium	2,247.3	2,096.4	2,096.4
Reserves	557.9	608.8	673.9
<b>Shareholders' equity</b>	<b>2,830.5</b>	<b>2,724.9</b>	<b>2,790.0</b>
Non-controlling interests	0.0	0.1	0.1
<b>Total equity</b>	<b>2,830.5</b>	<b>2,725.0</b>	<b>2,790.1</b>
Borrowings	1,046.6	-	-
Deferred income tax liabilities	43.8	44.3	193.8
Provisions and employee benefit obligations	83.7	64.6	84.4
Other liabilities	14.0	14.9	21.0
<b>Non-current liabilities</b>	<b>1,188.1</b>	<b>123.8</b>	<b>299.2</b>
Borrowings	191.4	82.5	102.3
Short-term part of non-current borrowings	-	1,204.7	1,793.9
Trade and other payables	2,317.1	2,343.0	2,263.0
Income tax liabilities	188.8	170.5	38.6
Provisions and employee benefit obligations	129.4	139.7	96.2
Other liabilities	10.1	7.9	54.3
<b>Current liabilities</b>	<b>2,836.8</b>	<b>3,948.3</b>	<b>4,348.3</b>
<b>Liabilities</b>	<b>4,024.9</b>	<b>4,072.1</b>	<b>4,647.5</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>6,855.4</b>	<b>6,797.1</b>	<b>7,437.6</b>

## Consolidated statement of cash flows

in millions of €, unless otherwise indicated	Q2 2013	Q2 2012	6m 2013	6m 2012
<b>Operating profit</b>	<b>100.9</b>	<b>55.7</b>	<b>148.8</b>	<b>104.3</b>
Depreciation of property, plant and equipment	11.9	13.7	24.0	27.3
Amortization of software	5.3	7.0	10.6	13.4
Amortization and impairment of acquisition-related intangible assets	40.6	56.1	81.4	111.5
Loss/(gain) on disposal of subsidiaries/activities	-	0.1	-	(3.7)
Share-based payments	6.9	7.1	14.2	13.6
Provisions and employee benefit obligations	2.1	2.2	(5.7)	(8.9)
(Gain)/loss on disposals of property, plant and equipment	(0.1)	(0.1)	(0.4)	0.1
Other non-cash items	(22.6)	-	(37.2)	-
<b>Cash flow from operations before operating working capital and income taxes</b>	<b>145.0</b>	<b>141.8</b>	<b>235.7</b>	<b>257.6</b>
Trade and other receivables	(170.2)	(179.7)	(145.9)	(44.4)
Trade and other payables	(18.6)	(59.8)	(76.3)	(224.0)
<b>Operating working capital</b>	<b>(188.8)</b>	<b>(239.5)</b>	<b>(222.2)</b>	<b>(268.4)</b>
Income taxes paid	(28.6)	(54.9)	(44.5)	(72.2)
<b>Net cash flow from operating activities</b>	<b>(72.4)</b>	<b>(152.6)</b>	<b>(31.0)</b>	<b>(83.0)</b>
Additions in property, plant and equipment	(12.3)	(13.4)	(17.4)	(22.2)
Additions in software	(3.5)	(3.2)	(5.2)	(7.1)
Acquisition of subsidiaries and associates/buyouts	(16.4)	(1.3)	(16.4)	(2.4)
Financial receivables	-	1.6	3.6	1.9
Disposals of property, plant and equipment	7.4	0.3	11.4	0.9
Disposals of activities	0.1	0.0	3.8	8.7
<b>Net cash flow from investing activities</b>	<b>(24.7)</b>	<b>(16.0)</b>	<b>(20.2)</b>	<b>(20.2)</b>
Issue of new ordinary shares	-	-	2.3	0.9
Issue of preferred shares	(2.1)	-	137.9	-
Purchase of own shares	-	-	(9.4)	-
Drawings on/(net repayments of) non-current borrowings	99.8	211.1	(147.3)	167.4
<b>Net financing</b>	<b>97.7</b>	<b>211.1</b>	<b>(16.5)</b>	<b>168.3</b>
Net finance costs paid	(8.8)	0.1	(11.9)	(5.9)
Dividend paid on ordinary shares	(83.8)	(215.1)	(83.8)	(215.1)
Dividend paid on preference shares	(6.8)	(7.1)	(6.8)	(7.1)
Dividend paid to non-controlling interests	(0.1)	-	(0.1)	-
<b>Net reimbursement to financiers</b>	<b>(99.5)</b>	<b>(222.1)</b>	<b>(102.6)</b>	<b>(228.1)</b>
<b>Net cash flow from financing activities</b>	<b>(1.8)</b>	<b>(11.0)</b>	<b>(119.1)</b>	<b>(59.8)</b>
<b>Net decrease in cash, cash equivalents and current borrowings</b>	<b>(98.9)</b>	<b>(179.6)</b>	<b>(170.3)</b>	<b>(163.0)</b>
Cash, cash equivalents and current borrowings at begin of period	35.8	315.7	109.0	300.1
Net movement	(98.9)	(179.6)	(170.3)	(163.0)
Translation (losses)/gains	(3.3)	4.1	(5.1)	3.1
<b>Cash, cash equivalents and current borrowings at end of period</b>	<b>(66.4)</b>	<b>140.2</b>	<b>(66.4)</b>	<b>140.2</b>
<b>Free cash flow</b>	<b>(80.8)</b>	<b>(167.3)</b>	<b>(38.6)</b>	<b>(109.5)</b>



## Consolidated statement of comprehensive income

in millions of €, unless otherwise indicated	April 1 - June 30, 2013			April 1 - June 30, 2012		
	Shareholders' equity	Non-controlling interests	Total equity	Shareholders' equity	Non-controlling interests	Total equity
Net income for the period	63.1	0.0	63.1	36.5	0.0	36.5
Translation differences	(51.4)	-	(51.4)	50.9	0.0	50.9
Other	-	-	0.0	0.0	-	0.0
<b>Total comprehensive income</b>	<b>11.7</b>	<b>0.0</b>	<b>11.7</b>	<b>87.4</b>	<b>0.0</b>	<b>87.4</b>

in millions of €, unless otherwise indicated	January 1 - June 30, 2013			January 1 - June 30, 2012		
	Shareholders' equity	Non-controlling interests	Total equity	Shareholders' equity	Non-controlling interests	Total equity
Net income for the period	92.8	0.0	92.8	65.3	0.0	65.3
Translation differences	(32.3)	-	(32.3)	31.9	0.0	31.9
Other	-	-	0.0	0.0	-	0.0
<b>Total comprehensive income</b>	<b>60.5</b>	<b>0.0</b>	<b>60.5</b>	<b>97.2</b>	<b>0.0</b>	<b>97.2</b>

## Consolidated statement of changes in equity

in millions of €, unless otherwise indicated	April 1 - June 30, 2013			April 1 - June 30, 2012		
	Shareholders' equity	Non-controlling interests	Total equity	Shareholders' equity	Non-controlling interests	Total equity
<b>Value at April 1</b>	<b>2,682.7</b>	<b>0.1</b>	<b>2,682.8</b>	<b>2,696.2</b>	<b>0.6</b>	<b>2,696.8</b>
<b>Comprehensive income</b>	<b>11.7</b>	<b>0.0</b>	<b>11.7</b>	<b>87.4</b>	<b>0.0</b>	<b>87.4</b>
Stock dividend on ordinary shares	131.6	-	131.6	-	-	0.0
Dividend on preference shares	-	-	0.0	-	-	0.0
Dividend non-controlling interests	-	(0.1)	(0.1)	-	-	-
Share-based payments	6.9	-	6.9	7.1	-	7.1
Tax on share-based payments	(0.5)	-	(0.5)	(0.2)	-	(0.2)
Acquisition of non-controlling interests	-	-	0.0	(0.5)	(0.5)	(1.0)
Issue of ordinary shares	-	-	0.0	-	-	0.0
Issue of preferred shares	(1.9)	-	(1.9)	-	-	0.0
Purchase of own shares	-	-	0.0	-	-	0.0
<b>Value at June 30</b>	<b>2,830.5</b>	<b>0.0</b>	<b>2,830.5</b>	<b>2,790.0</b>	<b>0.1</b>	<b>2,790.1</b>

in millions of €, unless otherwise indicated	January 1 - June 30, 2013			January 1 - June 30, 2012		
	Shareholders' equity	Non-controlling interests	Total equity	Shareholders' equity	Non-controlling interests	Total equity
<b>Value at January 1</b>	<b>2,724.9</b>	<b>0.1</b>	<b>2,725.0</b>	<b>2,898.4</b>	<b>0.6</b>	<b>2,899.0</b>
Amendments IAS 19	(11.6)	0.0	(11.6)	-	-	0.0
Tax effect amendments IAS 19	3.9	0.0	3.9	-	-	0.0
<b>Restated value at January 1</b>	<b>2,717.2</b>	<b>0.1</b>	<b>2,717.3</b>	<b>2,898.4</b>	<b>0.6</b>	<b>2,899.0</b>
<b>Comprehensive income</b>	<b>60.5</b>	<b>0.0</b>	<b>60.5</b>	<b>97.2</b>	<b>0.0</b>	<b>97.2</b>
Cash dividend on ordinary shares	(83.8)	-	(83.8)	(215.1)	-	(215.1)
Dividend on preference shares	(6.8)	-	(6.8)	(7.1)	-	(7.1)
Dividend non-controlling interests	-	(0.1)	(0.1)	-	0.0	0.0
Share-based payments	14.2	-	14.2	13.6	-	13.6
Tax on share-based payments	(1.6)	-	(1.6)	2.6	-	2.6
Acquisition of non-controlling interests	-	-	0.0	(0.5)	(0.5)	(1.0)
Issue of ordinary shares	2.3	-	2.3	0.9	-	0.9
Issue of preferred shares	137.9	-	137.9	-	-	0.0
Purchase of own shares	(9.4)	-	(9.4)	-	-	0.0
<b>Value at June 30</b>	<b>2,830.5</b>	<b>0.0</b>	<b>2,830.5</b>	<b>2,790.0</b>	<b>0.1</b>	<b>2,790.1</b>

# notes to the consolidated interim financial statements

## Reporting entity

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

The consolidated interim financial statements of Randstad Holding nv as at and for the six-month period ended June 30, 2013 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, 2012, except for the amendments to IFRS standard IAS 19 'employee benefits', as disclosed in note 28.4 of the aforementioned consolidated financial statements. See also the section "Amendments adopted by the Group: IAS 19 'employee benefits'" below.

## 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, 2012.

The consolidated financial statements of the Group as at and for the year ended December 31, 2012 are available upon request at the Company's office or at [www.ir.randstad.com](http://www.ir.randstad.com).

## Amendments adopted by the Group: IAS 19 'employee benefits'

As of January 1, 2013, the Group has started to apply the revised IFRS standard IAS 19 'employee benefits'. IFRS requires restatement of the comparative numbers and disclosure of the nature and the effect of the changes. Because of the minor impact this has on the consolidated income statement and balance sheet, the Group has decided not to present this restatement on the face of the primary statements, but to disclose the effects in these notes.

The comparison between the reported figures and the restated figures for Q2, 2012 and for the first six months in 2012 is as follows:

in millions of €, unless otherwise indicated	Restated Q2 2012	Reported Q2 2012	Restated 6m 2012	Reported 6m 2012
Gross profit	782.4	782.4	1,530.6	1,530.6
Total operating expenses	726.8	726.7	1,426.5	1,426.3
<b>Operating profit</b>	<b>55.6</b>	<b>55.7</b>	<b>104.1</b>	<b>104.3</b>
Net finance costs	(1.6)	(2.2)	(8.4)	(9.6)
Share loss of associates	(0.1)	(0.1)	(0.1)	(0.1)
<b>Income before taxes</b>	<b>53.9</b>	<b>53.4</b>	<b>95.6</b>	<b>94.6</b>
Taxes on income	(17.0)	(16.9)	(29.6)	(29.3)
<b>Net income</b>	<b>36.9</b>	<b>36.5</b>	<b>66.0</b>	<b>65.3</b>
Net income	36.9	36.5	66.0	65.3
Other comprehensive income	52.0	50.9	34.1	31.9
<b>Total comprehensive income</b>	<b>88.9</b>	<b>87.4</b>	<b>100.1</b>	<b>97.2</b>

The negative impact on shareholders' equity as at January 1, 2012 amounts to € 3.9 million, restating retained earnings from the reported € 569.5 million to an amount of € 565.6 million.

### 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 were the same as those applied to the consolidated financial statements as at and for the year ended December 31, 2012.

### 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 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 six-month period is 30% (2012: 31%) is based on the estimated effective tax rate for the whole year 2013.

### Acquisition of Group companies

The total cash outflow for acquisitions in Q2, 2013 and YTD Q2 2013 amounts to € 16.4 million and relates for € 16.0 million to the acquisition as per June 25, 2013 of part of the European staffing activities of USG People in Spain, Italy, Poland, Switzerland, Luxembourg and Austria. The cash outflow of € 16.0 million includes the divestment of Uniman in Switzerland, which company was acquired in the transaction with USG People nv. The total consideration, net of cash acquired, amounts to some € 19 million - dependent upon the outcome of certain agreed closing conditions - of which € 2,8 million has been deferred as of June 30, 2013.

The results of these acquired companies are consolidated as of July 1, 2013. The carrying amount of the net assets acquired is some € 61 million. These net assets have been consolidated in the balance sheet as of June 30, 2013. No purchase price allocation has been performed yet due to time constraints between the moment of acquisition and the balance sheet date. A provisional purchase price allocation will be performed in Q3 2013.

If this acquisition had occurred on January 1, 2013 the contribution to revenue and EBITA would have been approximately € 206 million and € 1.5 million respectively.

The remainder of € 0.4 million cash outflow relates to arrangements with regard to acquired group companies in preceding years; as these latter companies were already consolidated in full in 2012, no additional contributions to revenue and operating profit resulted from these acquisitions.

### Disposal of Group companies

The total cash inflow from disposed businesses in Q2 2013 amounts to € 0.1 million and YTD Q2 2013 to € 3.8 million (2012: Q2 nil and YTD Q2 2012: € 8.7 million). The amounts mainly related to disposed businesses in the UK in Q4 2012.

### Shareholders' equity

#### Issued number of ordinary shares

	2013	2012
January 1	172,072,912	170,948,980
Stock dividend	4,572,049	-
Share-based payments	524,667	1,123,932
June 30	177,169,628	172,072,912

## Average number of ordinary shares (in millions)

Average number of ordinary shares in millions	Q2 2013	Q2 2012	6m 2013	6m 2012
Average number of ordinary shares outstanding	175.6	172.1	173.9	171.8
Average number of diluted ordinary shares outstanding	177.2	172.7	175.3	172.6

As at June 30, 2013, the Group held 284,463 treasury shares, acquired during Q1, 2013. The average number of (diluted) ordinary shares outstanding, has been adjusted for these treasury shares.

As at March 31, 2013 the dividend payable on ordinary shares in the amount of € 215.4 million, was determined and presented in the balance sheet, based upon a cash dividend of € 1,25 per ordinary share.

In the Annual General Meeting of shareholders of March 28, 2013, it was approved that the holders of ordinary shares could choose between a dividend in cash or in shares. On April 22, 2013 the stock dividend conversion rate was set on the basis of the volume weighted average share price of Randstad during a 5 day period started April 15, 2013.

Based on the choices made, an amount of € 83.8 million has been paid in cash during Q2, 2013; the value of the stock dividend amounts to € 131.6 million, representing the issuance of 4.572.049 new ordinary shares.

If this choice would have been known at the balance sheet date of March 31, 2013, the dividend payable would have been € 131.6 million lower, whereas shareholders' equity would have been higher for the same amount.

As at June 30, 2013 this effect has been presented in the consolidated statement of changes in equity in the period April 1 – June 30, 2013 on the line 'stock dividend on ordinary shares'; in the period January 1 – June 30, 2013 only the net effect of the dividend in cash of € 83.8 million has been presented.

### Preferred shares

As at June 30, 2013, the number of issued preferred shares was 25,200,000 type-B preferred shares and 50,130,352 type-C preferred shares; the latter type-C shares were issued during Q1, 2013, leading to a net increase in equity of € 137.9 million, being the balance of € 140 million from issuance of these preferred shares less directly attributable costs of € 2.1 million.

### Net debt position

The net debt position as at June 30, 2013 (€ 1,113.0 million) was € 17.3 million higher compared to the net debt position as at December 31, 2012 (€ 1,095.7 million). This is mainly due to a negative free cash flow and the payment of dividend, offset by the issuance of preferred shares.

In Q2 2013, we activated a new syndicated revolving credit facility of € 1,420 million with a maturity in 2016 (€ 300 million) and 2017 (€1,120 million). An additional syndicated credit facility with a group of Japanese banks amounting to JPY 8 billion was drawn in full during the first 6 months of 2013, leading to an inflow of € 65.6 million; this facility will mature in 2015. Financial covenants are comparable to the existing facility.

On February 13, 2013, Randstad launched standby facilities with a small group of banks. The facilities offer the Group the opportunity to sell accounts receivable of selected European entities up to a maximum of € 275 million. Randstad is entitled to activate these facilities, which run up to 24 months, at any time.

With reference to our Q1 press release, we secured € 100 million out of the total € 175 million through a bilateral credit facility with ING.

### Breakdown of operating expenses

in millions of €, unless otherwise indicated	Q2 2013	Q2 2012	6m 2013	6m 2012
Personnel expenses	446.2	488.6	889.1	959.5
Other operating expenses	159.2	182.0	311.2	355.3
<b>Operating expenses</b>	<b>605.4</b>	<b>670.6</b>	<b>1,200.3</b>	<b>1,314.8</b>

**Depreciation, amortization and impairment of property, plant, equipment and software**

in millions of €, unless otherwise indicated	Q2 2013	Q2 2012	6m 2013	6m 2012
Depreciation of property, plant and equipment	11.9	13.7	24.0	27.3
Amortization of software	5.3	7.0	10.6	13.4
<b>Total depreciation and amortization</b>	<b>17.2</b>	<b>20.7</b>	<b>34.6</b>	<b>40.7</b>

**French Competitive Employment Act ('CICE')**

Included in the consolidated balance sheet under 'financial assets and associates' is an amount of € 37.2 million in respect of a receivable arising from tax credits under the new French Competitive Employment Act ('CICE'). This receivable is presented under non-current assets in the balance sheet, since the amount is expected to have a maturity of longer than 1 year, due to the combined effect of the legal regulations of these 'CICE' arrangements and the income tax situation of our French operations. In the cash flow statement, this amount is presented in the line 'other non-cash items' under cash flow from operating activities, since the 'CICE' arrangements are considered to be related to the operating activities.

**Related-party transactions**

There are no material changes in the nature, scope and (relative) scale in this reporting period compared to the disclosures in note 41 and 43 of the consolidated financial statements as at and for the year ended December 31, 2012.

**Commitments**

There are no material changes in the nature and scope compared to the disclosures in note 33 of the consolidated financial statements as at and for the year ended December 31, 2012.