

3rd quarter 2015 results

Solid profitable growth

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Randstad Holding nv
October 29, 2015



disclaimer & definitions

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), 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.

EBITA: operating profit before amortization and impairment acquisition-related intangible assets and goodwill, badwill, integration costs and one-offs.

organic growth is measured excluding the impact of currency effects, acquisitions, disposals and reclassifications.

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

agenda

~ performance

~ financial results & outlook

~ Q&A

~ appendices

performance

Q3: *Solid profitable growth*

Revenue of € 4,977 million;
organic growth +5.4%;
gross profit up 5.8%

Topline growth broadly
stable across most
countries

Gross margin up 30 bp to
18.8%;
Perm fees up 13%, now
10.5% of gross profit (vs.
9.8% last year)

Underlying EBITA of € 249
million (+13% organically);
EBITA margin up 30 bp to
5.0%; Organic L4Q ICR of
59%

Adjusted net income up
24% from € 139 million to
€ 172 million.
ROIC at 8 year high of
16.2%.

DSO improved to 50.8
(from 52.0 in Q3 2014);
leverage ratio of 0.5
compared to 0.9 last year

Global MSP spend under
management up 27%, RPO
revenue up 24%

Volumes in October so far
indicate a continuation of
the trend

Randstad acquires
RiseSmart, an
outplacement innovator

2015: profitability on track

€ million	Q3 '15	Q3 '14	% Org.	L4Q '15	L4Q '14	% Org.
revenue	4,977	4,516	+5%	18,720	17,032	+5%
gross profit	934	835	+6%	3,492	3,125	+6%
<i>gross margin</i>	<i>18.8%</i>	<i>18.5%</i>		<i>18.7%</i>	<i>18.3%</i>	
operating expenses*	685	625	+4%	2,676	2,460	+3%
<i>opex %</i>	<i>13.8%</i>	<i>13.8%</i>		<i>14.3%</i>	<i>14.4%</i>	
EBITA*	249	210	+13%	816	664	+18%
<i>EBITA margin*</i>	<i>5.0%</i>	<i>4.7%</i>		<i>4.4%</i>	<i>3.9%</i>	

☞ organic growth/wd over L4Q at +5.3%

☞ L4Q gross profit growth at +6.3%

- gross margin up by 40 bp YoY for L4Q
- annualized perm growth at +15%

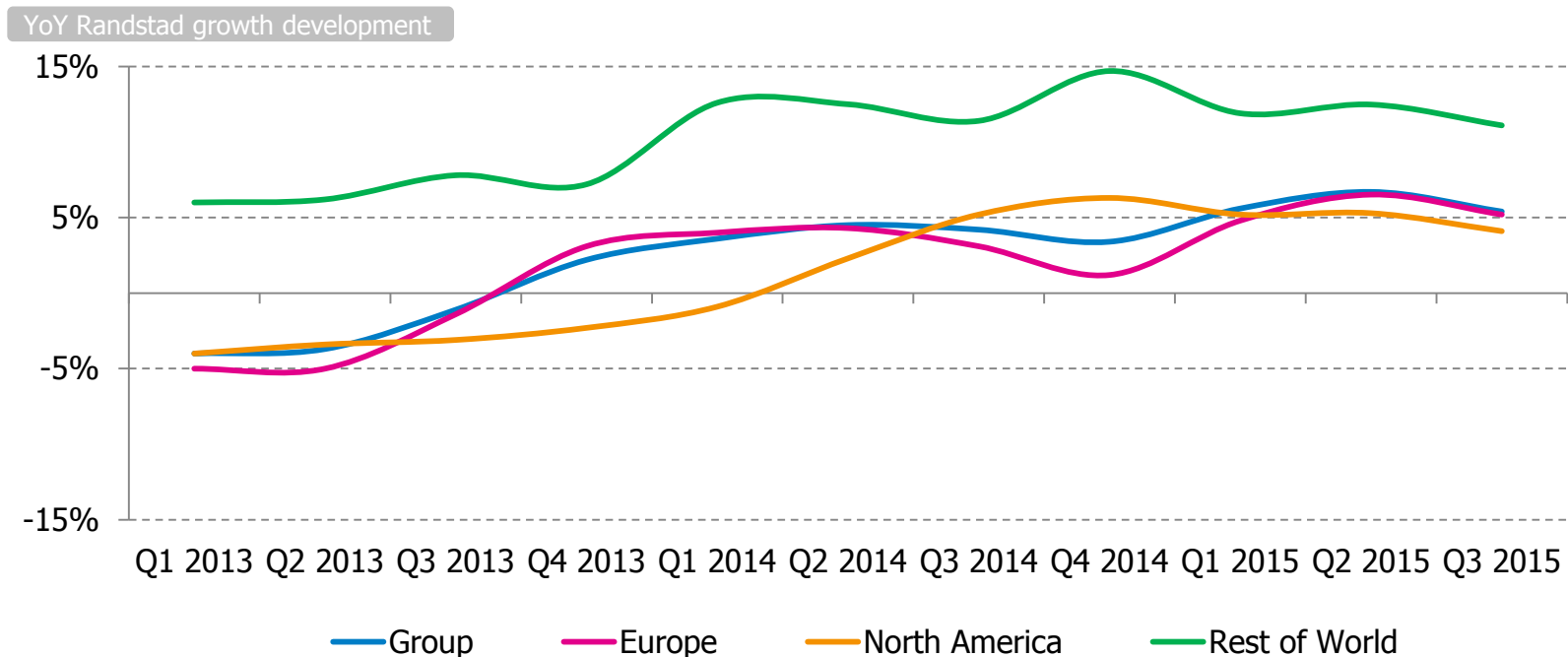
☞ annualized operating expenses* up 3% organically YoY

☞ EBITA* margin over the L4Q up to 4.4%, from 3.9%

- L4Q organic incremental conversion ratio of 59%

* Before integration costs & one-offs.

topline stable in most countries



- ↪ stable growth in the majority of European countries; Netherlands & France (in line with market), Italy accelerating
- ↪ growth continues in North America; above market US staffing performance and ahead of challenging Canada market
- ↪ solid growth in most emerging markets

North America: stable growth in US Staffing

revenue +4% (Q2: +5%)

- 3% tougher comparison base

- perm up 9% (Q2: +16%)

- GP up 9% (Q2: +10%)

US Staffing & Inhouse, revenue growth +6% (Q2: +7%)

US Professionals, gross profit up 3%

Randstad Sourceright: Net fee growth +17% (Q2: +25%)

- MSP spend under management up 18%

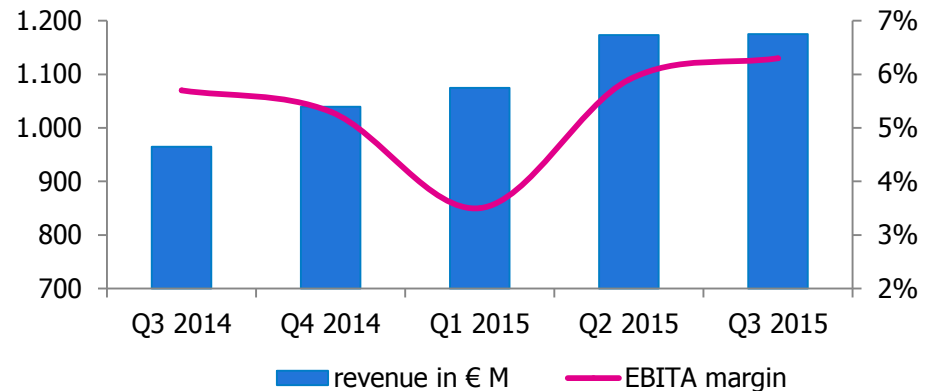
Canada: revenue down 4% (Q2: -/-2%)

- ahead of a challenging market

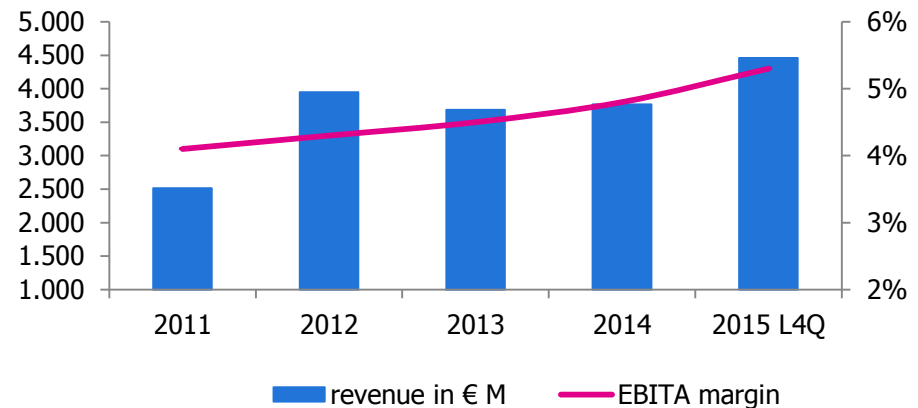
EBITA margin up to 6.3% from 5.7% LY

- restructuring & M&A charges of € 6.4M

performance North America - quarterly

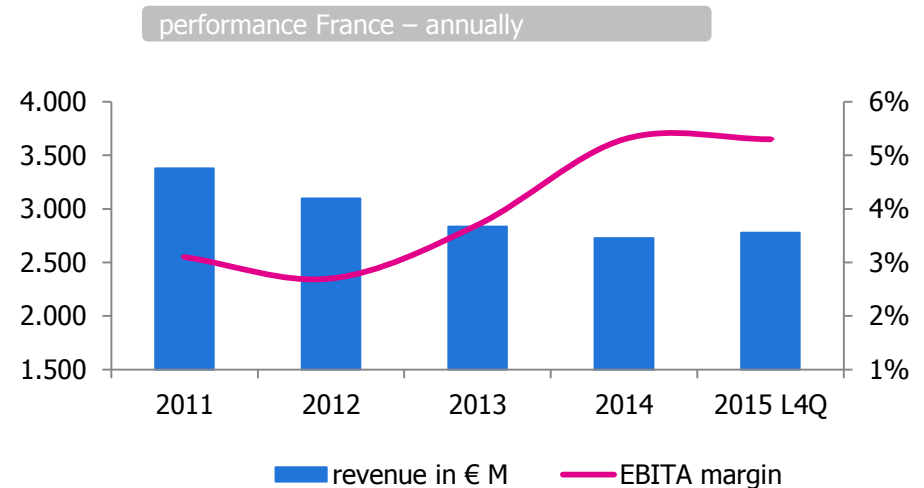
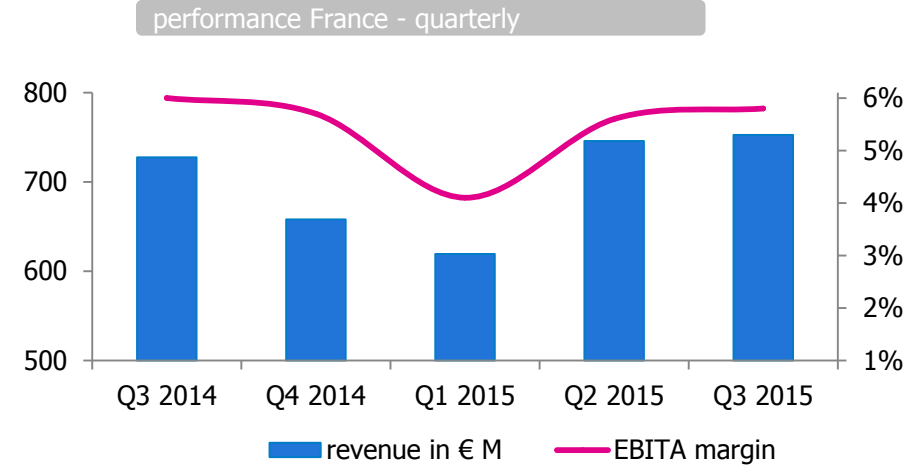


performance North America - annually



France: in line with market

- revenue up 3% YoY (Q2: +4%)
 - combined Staffing & Inhouse at +3% YoY
 - Professionals at +2% vs. Q2: +2%
 - perm grew 23% (Q2: +6%)
- gross profit +2% YoY (Q2: +3%)
- EBITA margin at 5.8% vs. 6.0% LY
 - balancing client profitability with market performance



the Netherlands: solid growth on tougher comparables

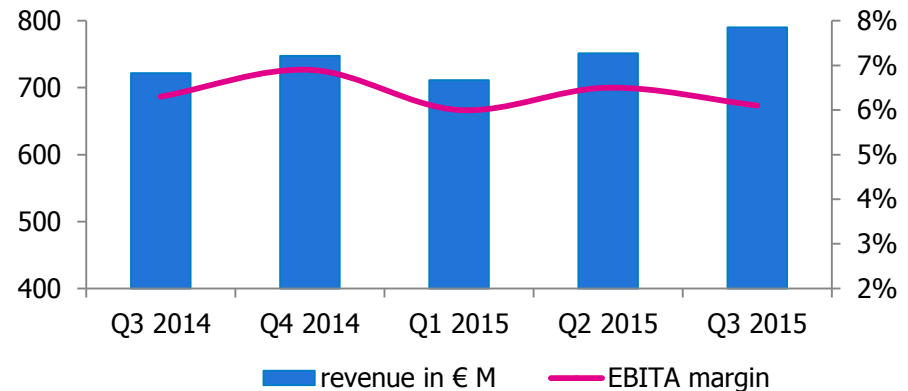
- revenue at +10% (Q2: +15%)
 - perm growth accelerated to +28% (Q2: +21%)
 - 4% tougher comparison base

- combined Staffing & Inhouse businesses
 - +9% YoY (Q2: +15%)
 - broadly in line with the market

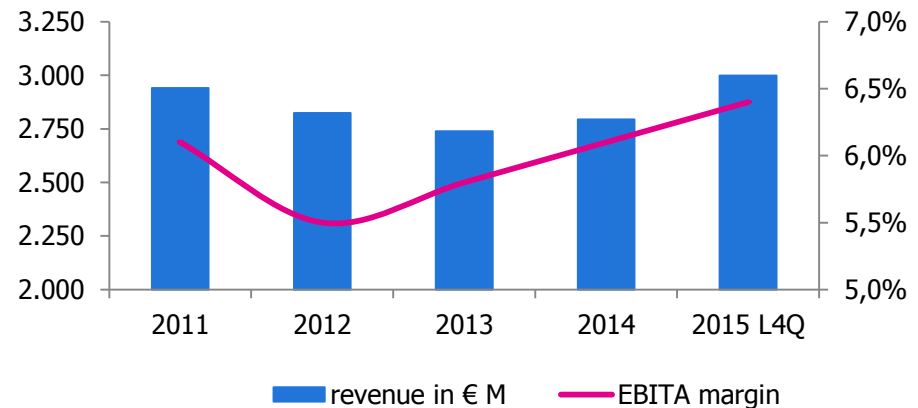
- Professionals
 - up 20% (Q2: +12%)

- EBITA margin at 6.1% vs. 6.3% LY

performance the Netherlands - quarterly



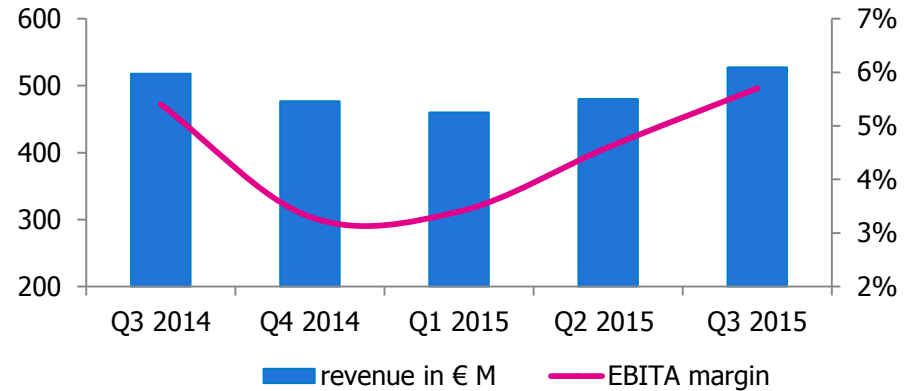
performance the Netherlands - annually



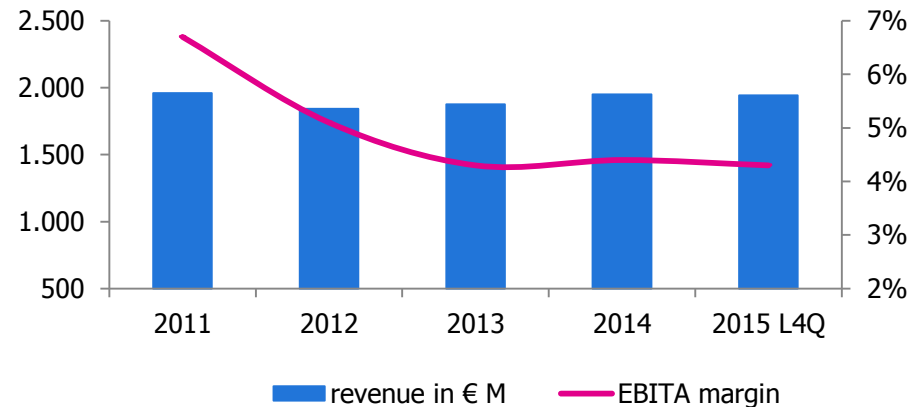
Germany: returning to growth

- revenue growth +2% YoY (Q2: 0%)
- perm growth of +15% (Q2: +26%)
- gross profit up 2% (Q2: -/-1%)
- SME outgrowing large clients
- EBITA margin at 5.7% vs. 5.4% LY
- strong operating leverage

performance Germany - quarterly



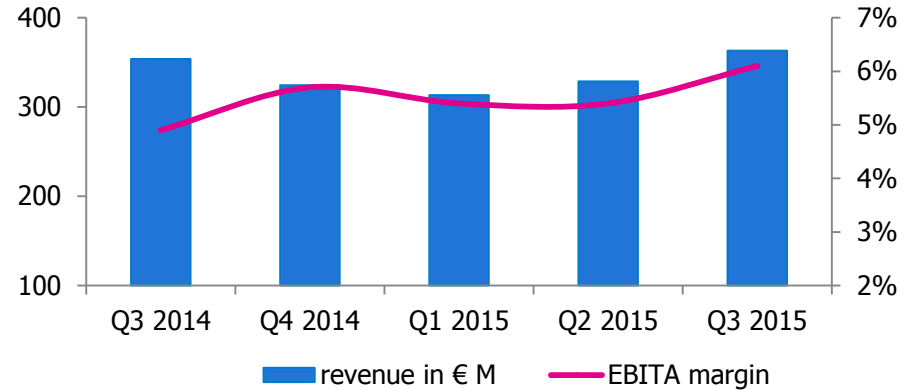
performance Germany - annually



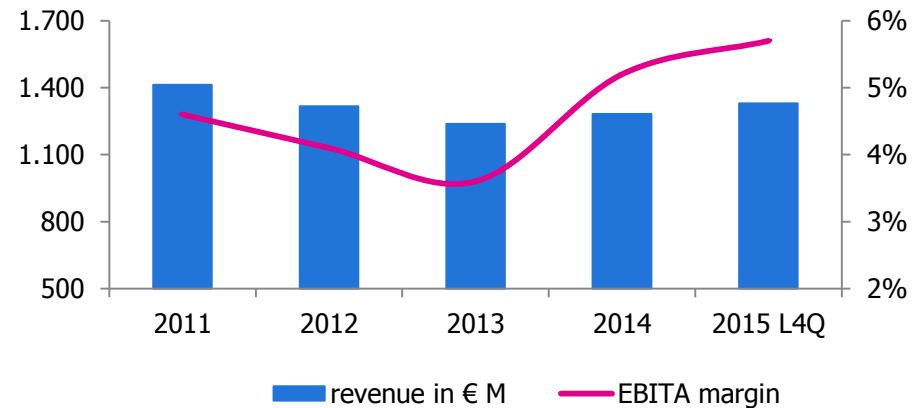
Belgium: focus on profitability

- revenue +1% (Q2: +6%)
 - Staffing and Inhouse growth at +1% (Q2: +7%)
- gross profit up 6% YoY (Q2: +5%)
- EBITA margin up to 6.1% vs. 4.9% LY
 - solid operating leverage maintained

performance Belgium - quarterly



performance Belgium - annually



Iberia: stable growth

▸ Iberia revenue stable; up 8% (Q2: +8%)

▸ Spain

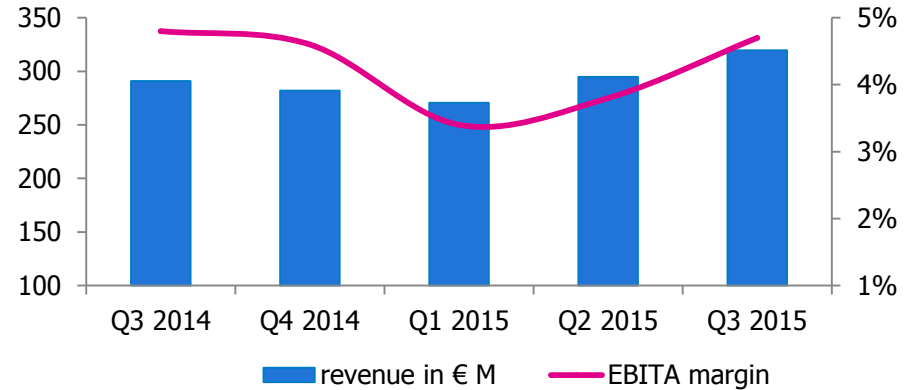
- revenue growth +12% (Q2: +14%)
- Professionals grew 68% despite tough comparables
- perm growth +32%
- investing in growth

▸ Portugal

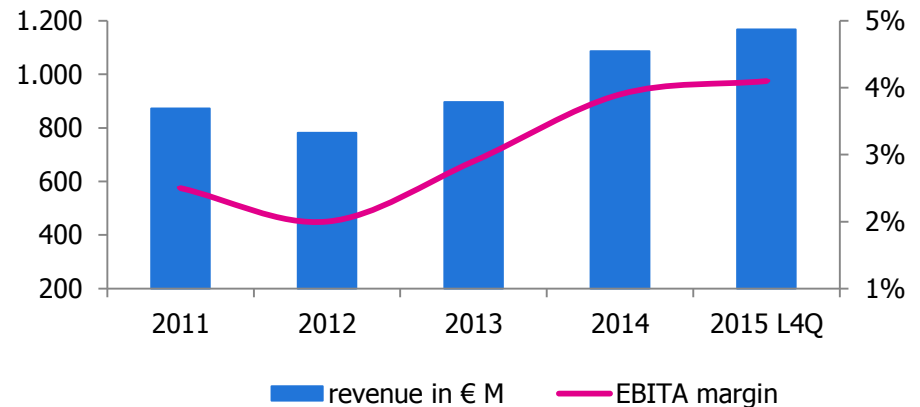
- revenue down 2% (Q2: -/- 3%), with focus on client profitability
- continued growth in call center business

▸ EBITA margin at 4.7% vs. 4.8% LY

performance Iberia - quarterly

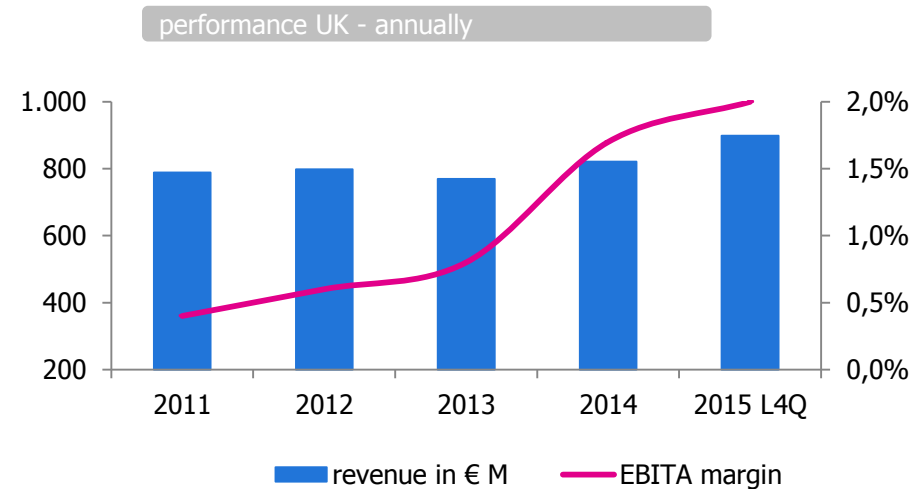
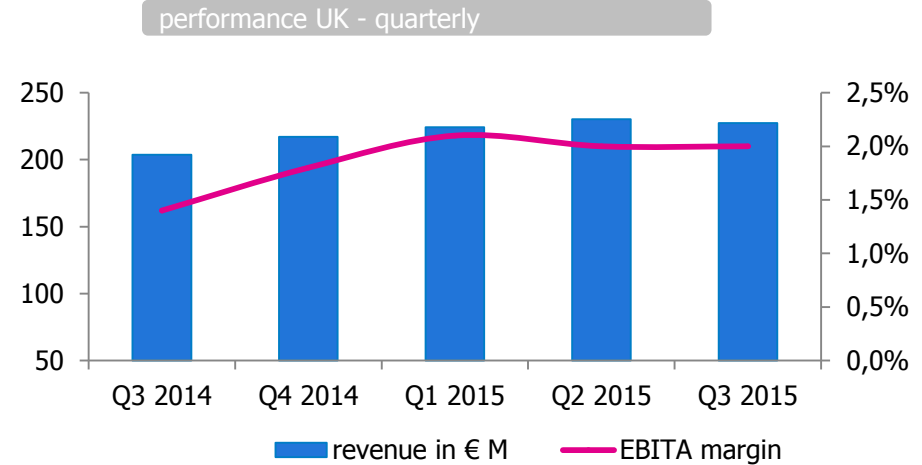


performance Iberia - annually



UK: improved profitability

- revenue up 1% YoY (Q2: 0%)
 - gross profit up 2% (Q2: +5%)
 - good performance in Construction & Education
 - perm fees up 4% (Q2: +5%)
- EBITA margin up to 2.0% vs. 1.4% LY



Other European countries: solid growth continues

overall revenue growth +11% (Q2: +9%)

Italy

- revenue growth at 20% continued to accelerate (Q2: 16%)
- focus on specialties and perm (+44%) paying off

Switzerland

- growth was flat (Q2: +2%)
- ahead of a difficult market

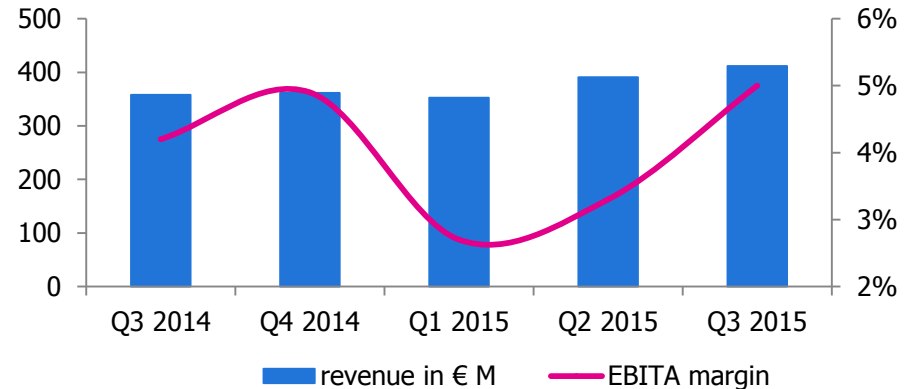
Poland

- growth accelerated to +7% (Q2: +2%)
- continued impact of candidate scarcity and tough comparison base

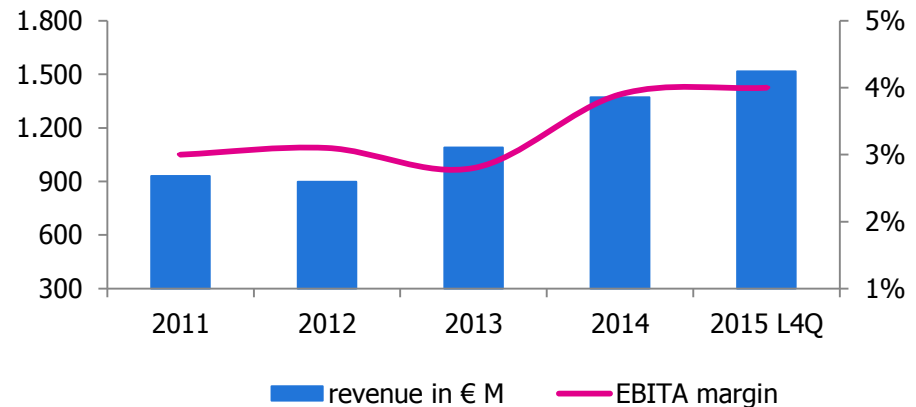
EBITA margin at 5.0% vs. 4.2% LY

- profitability improving in most countries

performance ROE - quarterly

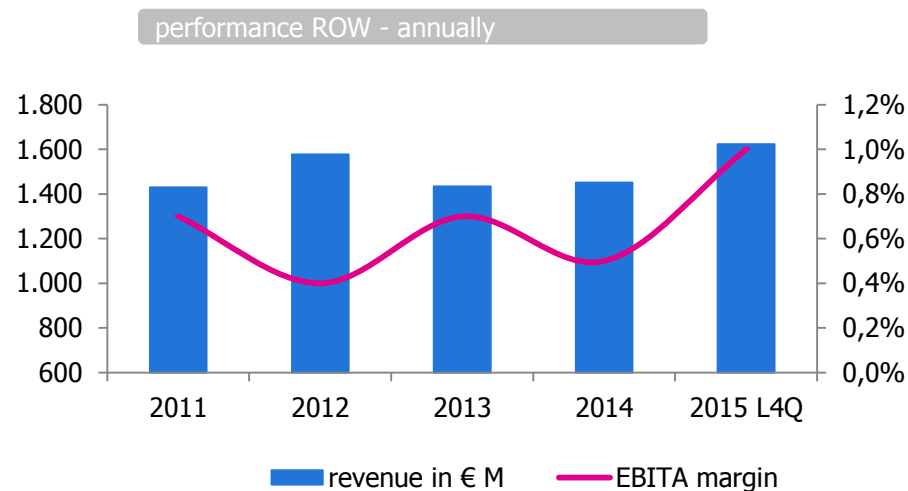
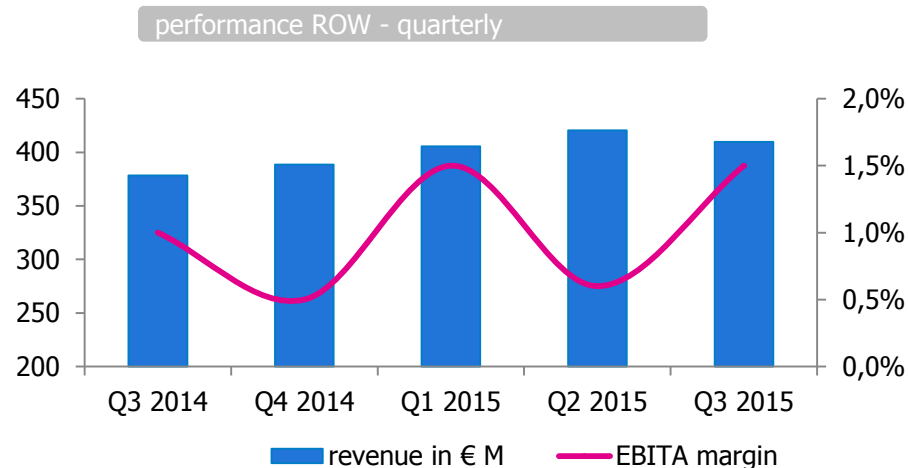


performance ROE - annually



Rest of the world: stable growth

- ↗ overall revenue growth stable at +11% (Q2: +12%)
- ↗ Japan, growth at +6% YoY (Q2: +6%)
 - perm grew 63% (Q2: +25%)
- ↗ Australia / New Zealand grew 11% (Q2: +16%)
 - perm grew 11%
- ↗ Asia, growth at +10% (Q2: +9%)
 - India growing 16%, China +27%
 - investing in growth across region
- ↗ Latin America, up 15% (Q2: +16%)
- ↗ EBITA margin up to 1.5% from 1.0% LY
 - focus shifting to growth and profitability



financial results & outlook

income statement Q3 2015

€ million	Q3 '15	Q3 '14	% Org.	L4Q '15	L4Q '14	% Org.
revenue	4,977	4,516	+5%	18,720	17,032	+5%
gross profit	934	835	+6%	3,492	3,125	+6%
<i>gross margin</i>	<i>18.8%</i>	<i>18.5%</i>		<i>18.7%</i>	<i>18.3%</i>	
operating expenses*	685	625	+4%	2,676	2,460	+3%
<i>opex margin</i>	<i>13.8%</i>	<i>13.8%</i>		<i>14.3%</i>	<i>14.4%</i>	
EBITA*	249	210	+13%	816	664	+18%
<i>EBITA margin*</i>	<i>5.0%</i>	<i>4.7%</i>		<i>4.4%</i>	<i>3.9%</i>	
integration costs & one-offs	8	6		53	49	
reported EBITA	241	205		763	615	
amortization & impairment	-/- 26	-/- 37		-/- 137	-/- 145	
net finance costs	-/- 6	-/- 11		-/- 45	-/- 22	
income before taxes	210	157		582	449	
tax	-/- 57	-/- 43		-/- 162	-/- 133	
net income	153	113		421	316	
<i>adjusted*** net income**</i>	<i>172</i>	<i>139</i>		<i>540</i>	<i>440</i>	
<i>diluted EPS***</i>	<i>0.93</i>	<i>0.77</i>		<i>2.94</i>	<i>2.44</i>	

* Before integration costs and one-offs.

** Attributable to holders of ordinary shares.

*** Before amortization and impairment acquisition-related intangible assets and goodwill, badwill, integration costs and one-offs.

Figures stated in table are rounded

performance by revenue category

Staffing in € M	Q3 2015	Q3 2014	*% organic	L4Q 2015	L4Q 2014	*% organic
revenue	2,918	2,681	5%	10,934	10,136	4%
EBITA	151	127	20%	479	404	21%
<i>EBITA margin</i>	<i>5.2%</i>	<i>4.7%</i>		<i>4.4%</i>	<i>4.0%</i>	

- continued focus on activity-based field steering
- FTE investments in growth markets

Inhouse in € M	Q3 2015	Q3 2014	*% organic	L4Q 2015	L4Q 2014	*% organic
revenue	1,090	959	9%	4,048	3,543	10%
EBITA	58	51	4%	217	178	11%
<i>EBITA margin</i>	<i>5.3%</i>	<i>5.3%</i>		<i>5.3%</i>	<i>5.0%</i>	

- continued transfer of clients from Staffing to ensure right delivery model is offered
- good growth continues across our industrial and logistics clients

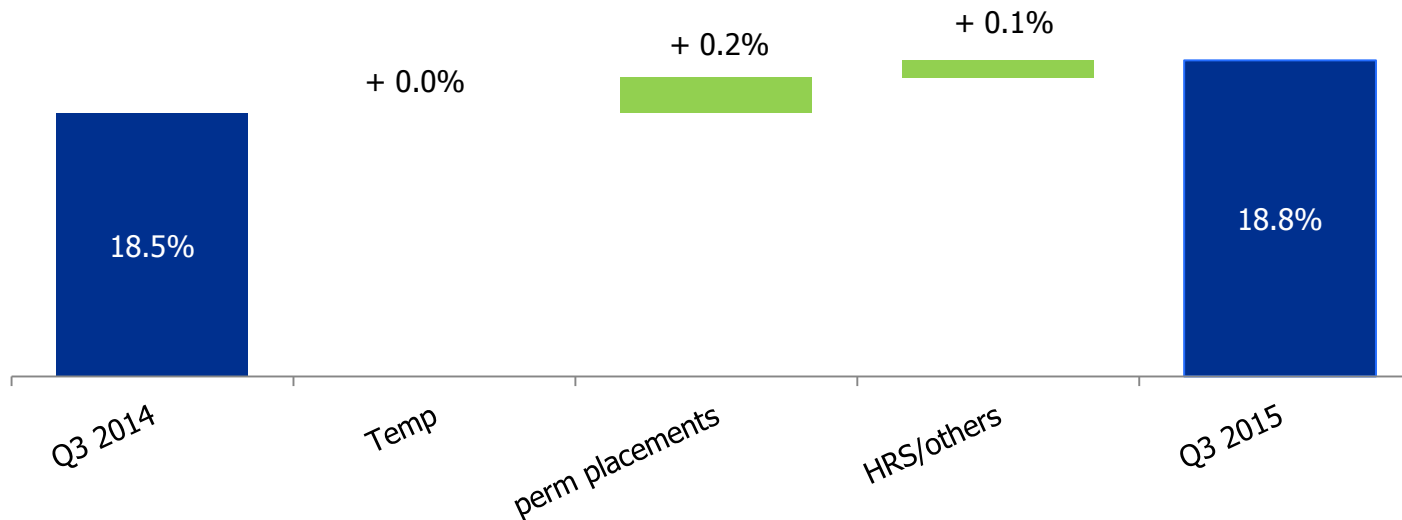
Professionals in € M	Q3 2015	Q3 2014	*% organic	L4Q 2015	L4Q 2014	*% organic
revenue	969	877	4%	3,739	3,353	3%
EBITA	55	48	5%	182	142	19%
<i>EBITA margin</i>	<i>5.7%</i>	<i>5.5%</i>		<i>4.9%</i>	<i>4.2%</i>	

- US Professionals; F&P Mgt change, IT segments performing well
- Strong profitable growth in Dutch Professionals

* Organic change in revenue is per working day.

gross margin bridge

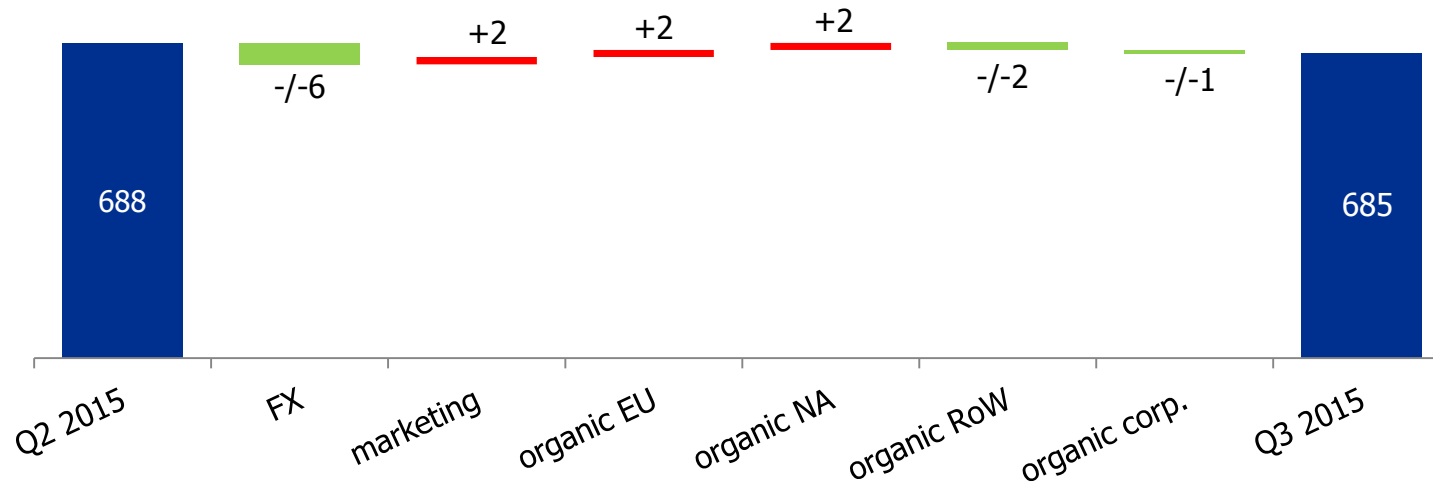
YoY gross margin development



- temp margin stable, mix offsetting price
- perm fees grew 13% YoY organically
 - 10.5% of GP (up from 9.8% LY)
- HRS/others improvement driven by growth of MSP/RPO (Sourceright)

operating expenses bridge

sequential OPEX development in € M



- OPEX up € 3M organically (sequentially)
- favorable FX impact; slight euro rebound

- FTE growth in North America and Europe
- continued investment in emerging markets

net debt at € 453M

leverage ratio at 0.5

€ million	September 30, 2015	September 30, 2014
goodwill and intangible assets	2,637	2,617
operating working capital	708	601
net tax assets	567	514
other assets and liabilities	216	137
invested capital	4,129	3,869
equity	3,676	3,208
net debt	453	661
invested capital	4,129	3,869
<i>DSO, Days Sales Outstanding**</i>	<i>50.8</i>	<i>52.0</i>
<i>working capital as % of revenue</i>	<i>3.8%</i>	<i>3.5%</i>
<i>leverage ratio</i>	<i>0.5</i>	<i>0.9</i>
<i>return on invested capital*</i>	<i>16.2%</i>	<i>14.0%</i>

* Based on underlying EBITA (last 12 months) less income taxes paid (last 12 months) as a percentage of invested capital. For September 30, 2014, ROIC calculation income taxes paid in Q4 2013 have been adjusted for the payment of a liability of € 131M to the Dutch tax authority.

** DSO, (Days Sales Outstanding), moving average

Figures stated in table are rounded

Q3 '15 free cashflow

€ million	Q3 '15	Q3 '14	L4Q '15	L4Q '14
EBITDA	257	220	829	680
change in OWC	30	103	-/- 106	7
income taxes	-/- 32	-/- 37	-/- 147	-/- 255
provisions & employee benefit obl.	-/- 12	-/- 4	-/- 3	-/- 38
net additions in PPE and software	-/- 16	-/- 13	-/- 65	-/- 63
other items	-/- 21	-/- 20	-/- 70	-/- 60
financial receivables	-	-	-/- 7	-/- 7
free cash flow	208	250	431	263
net acquisitions/disposals/buyouts	-/- 90	-/- 1	-/- 92	-/- 4
net issue/purchase of ordinary shares	-	-	-/- 19	-/- 22
net finance	1	-/- 11	-/- 11	-/- 25
dividend paid	-	-	-/- 94	-/- 68
translation effects and other items	4	-/- 21	-/- 7	-/- 15
decrease of net debt	123	217	208	129

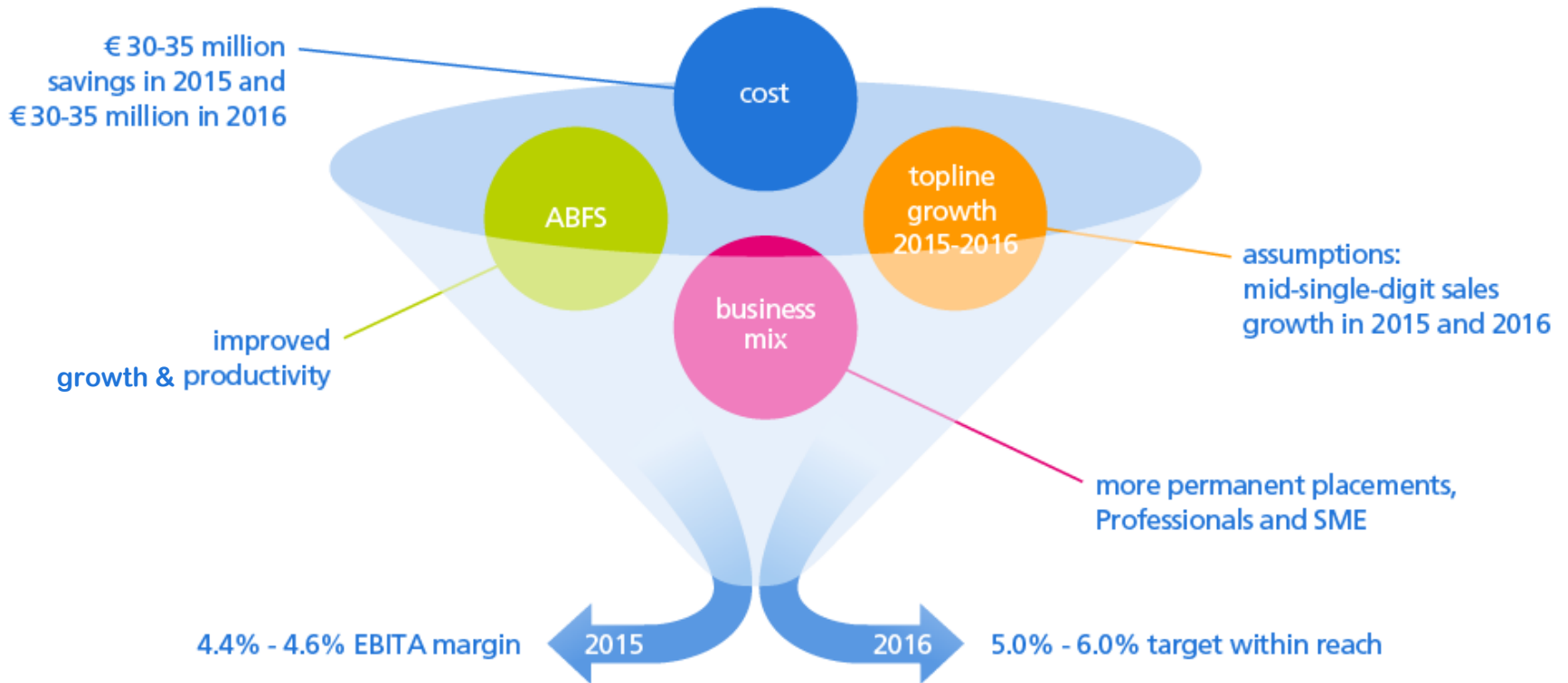
☛ L4Q '14 free cash flow of € 394M (when adjusted for the payment of a liability of € 131M to the Dutch tax authority)

outlook

- ↻ organic revenue growth was 5.4% in Q3 and in September 5.7%
 - volumes in October so far indicate a continuation of the trend
- ↻ gross margin is expected to be stable sequentially
- ↻ there is no significant working day impact in Q4
- ↻ for Q4 we expect a minor increase in operating expenses (on an organic basis)

on track

Targets within reach



Q & A

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organic growth +5.4%;
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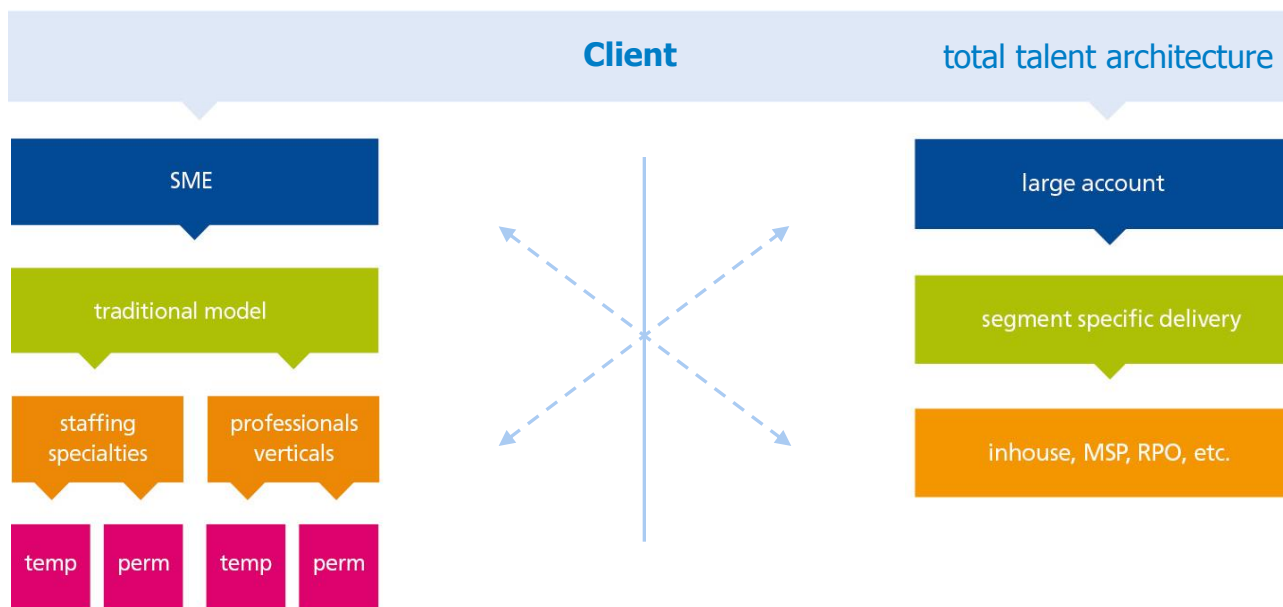
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indicate a continuation of
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Randstad acquires
Risesmart, an
outplacement innovator

appendices

our priorities



Staffing

- ☞ leverage our expertise in specialty staffing
- ☞ focus on permanent placements
- ☞ SME

Professionals

- ☞ implementing global concept per segment
- ☞ focus on permanent placements
- ☞ SME

Inhouse

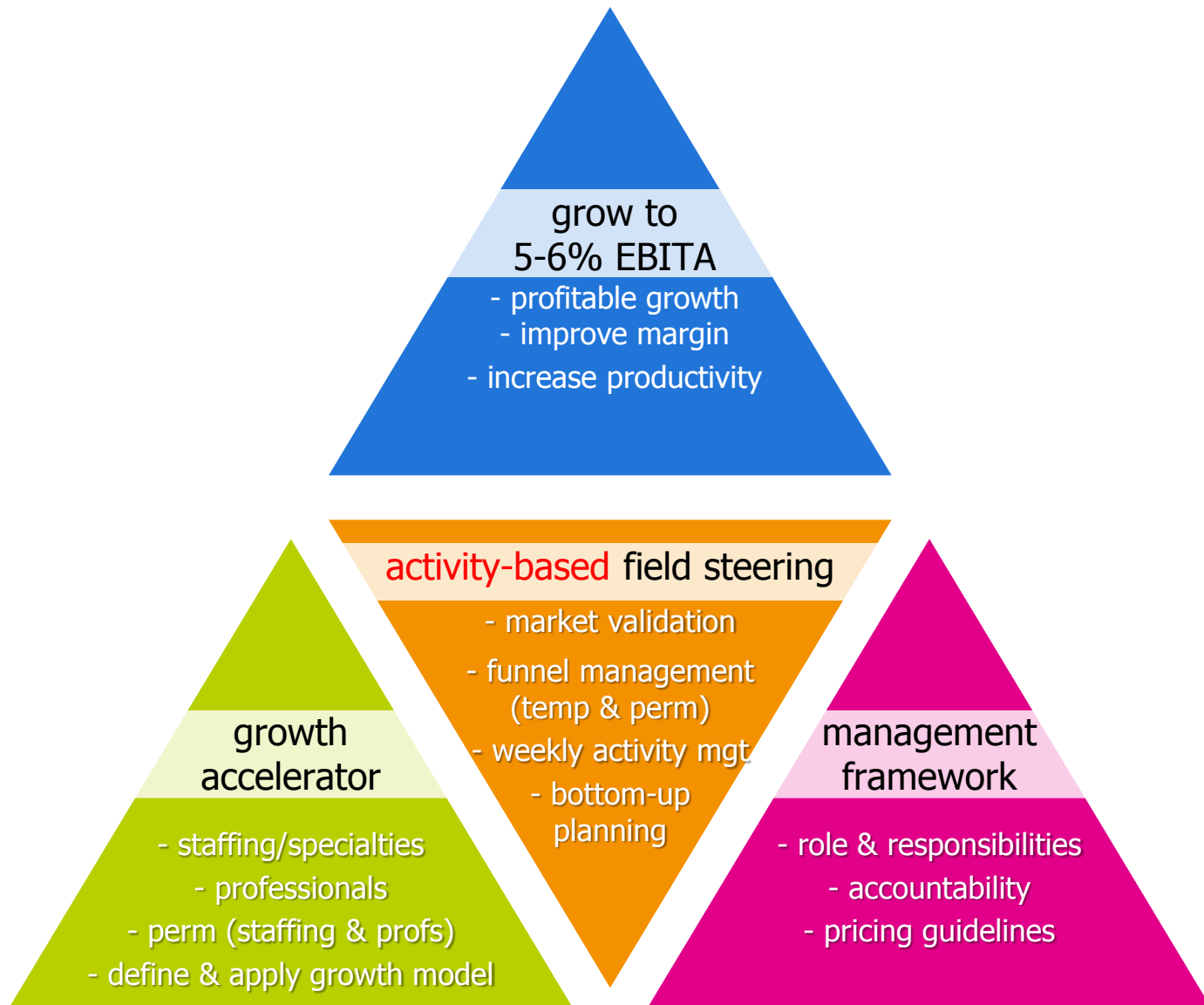
- ☞ expand in white-collar and professionals
- ☞ increase share of wallet

HRS

- ☞ grow in MSP and RPO
- ☞ support TTA approach:
 - ☞ payrolling
 - ☞ outplacement
 - ☞ outsourcing

setting the ambition

profitable organic growth through **activity-based** field steering



integrated approach of line management & all functional disciplines

strategic roadmap

driven by best people, strong concepts, excellent execution and superior brands

Our strategy

Randstad core values: to know, serve and trust, striving for perfection and the simultaneous promotion of all interests

structural growth drivers

- flexibility & outsourcing
- demographics
- clients look for a total offering
- regulation

strategic building blocks

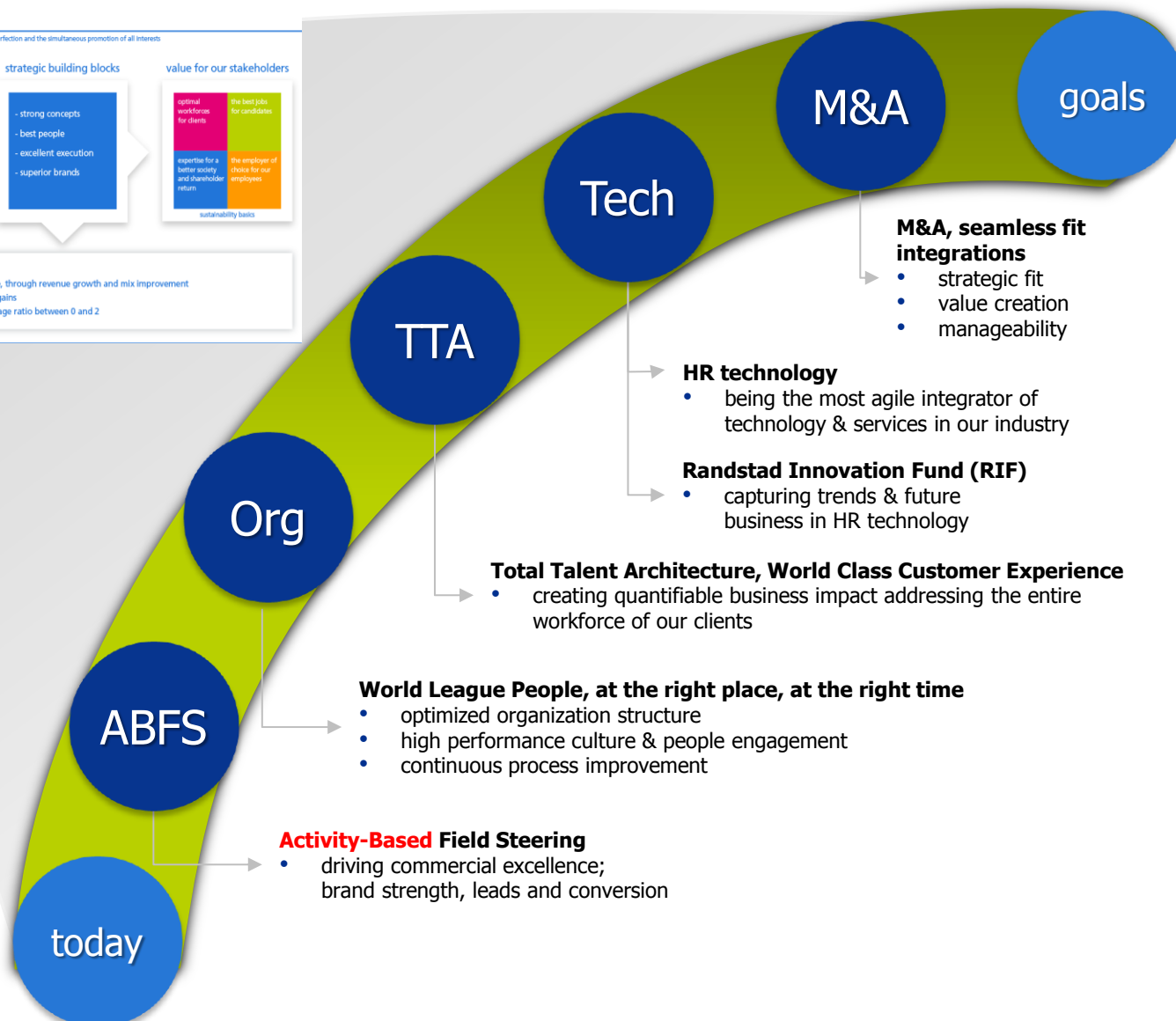
- strong concepts
- best people
- excellent execution
- superior brands

value for our stakeholders

- | | |
|---|--|
| optimal workforces for clients | the best jobs for candidates |
| expertise for a better society and shareholder return | the employer of choice for our employees |
- sustainability basis

financial targets

- EBITA margin of 5% to 6% over time, through revenue growth and mix improvement
- continuous profitable market share gains
- sound financial position with a leverage ratio between 0 and 2



today

ABFS

Org

TTA

Tech

M&A

goals

Activity-Based Field Steering

- driving commercial excellence; brand strength, leads and conversion

World League People, at the right place, at the right time

- optimized organization structure
- high performance culture & people engagement
- continuous process improvement

Total Talent Architecture, World Class Customer Experience

- creating quantifiable business impact addressing the entire workforce of our clients

Randstad Innovation Fund (RIF)

- capturing trends & future business in HR technology

HR technology

- being the most agile integrator of technology & services in our industry

M&A, seamless fit integrations

- strategic fit
- value creation
- manageability

Shape the world of work

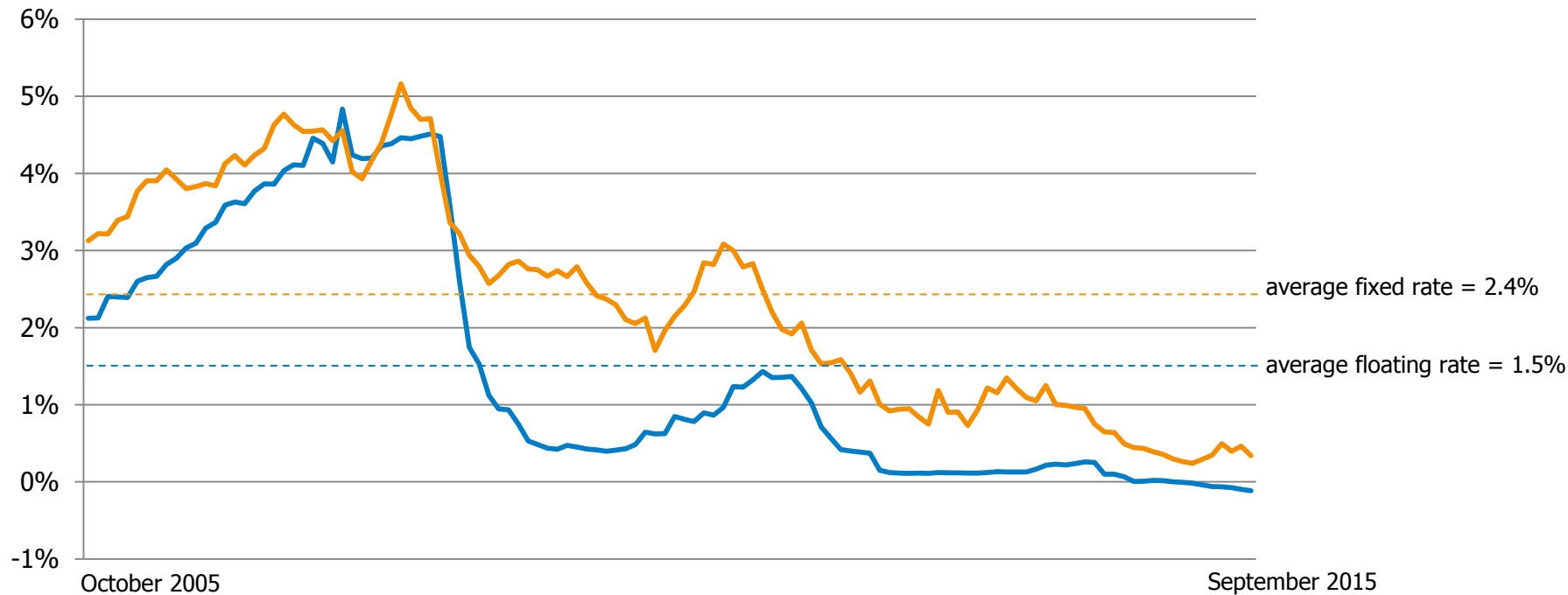
- optimal workforces for clients
- the best jobs for candidates

Grow to 5-6% EBITA

- profitable growth
- improve margin
- increase productivity

financing: fixed vs. floating interest rates

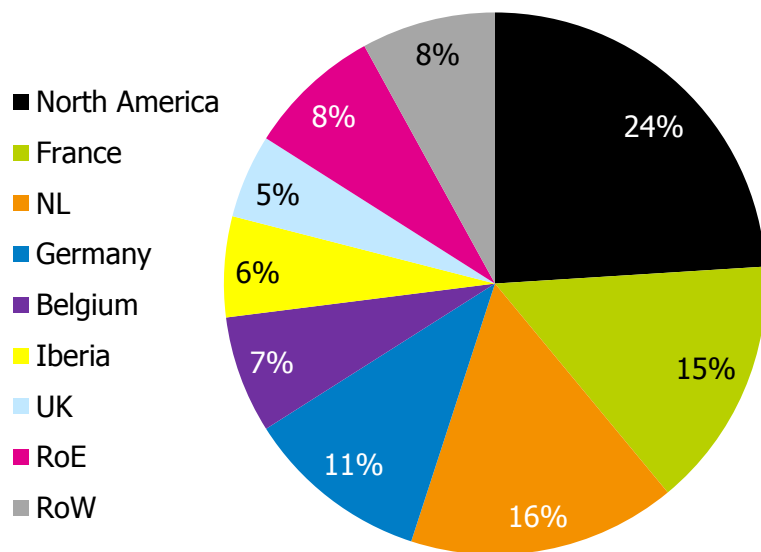
10 year historic interest rates comparison 1M vs. 5Y



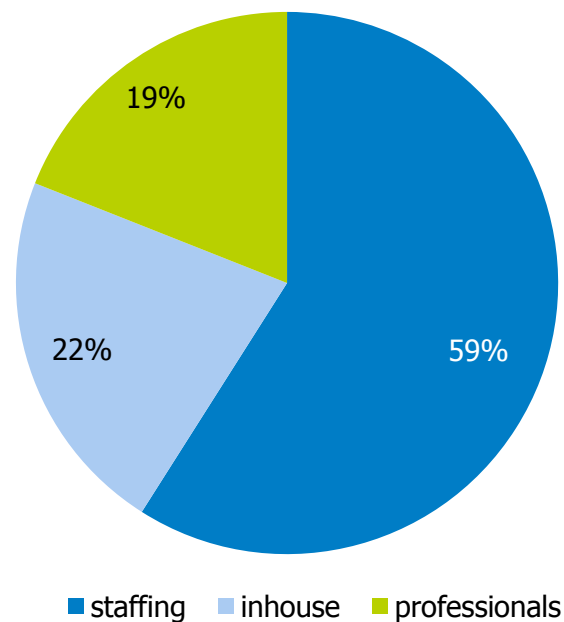
we use floating interest rates as a natural hedge
- spread above Euribor of 50-115 bps

revenue split Q3 2015

geographical areas

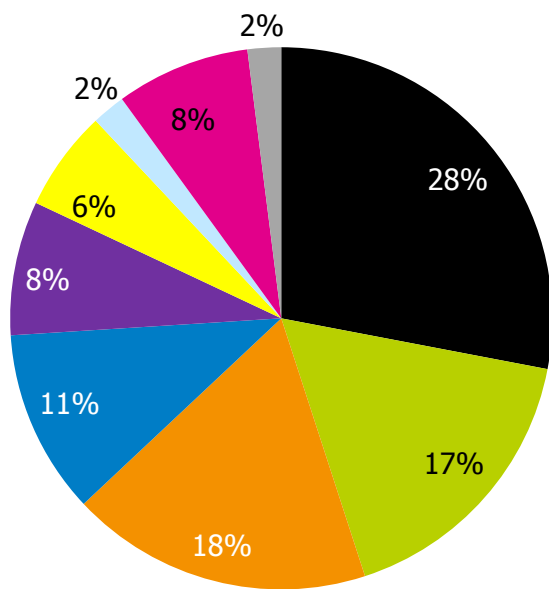


revenue categories

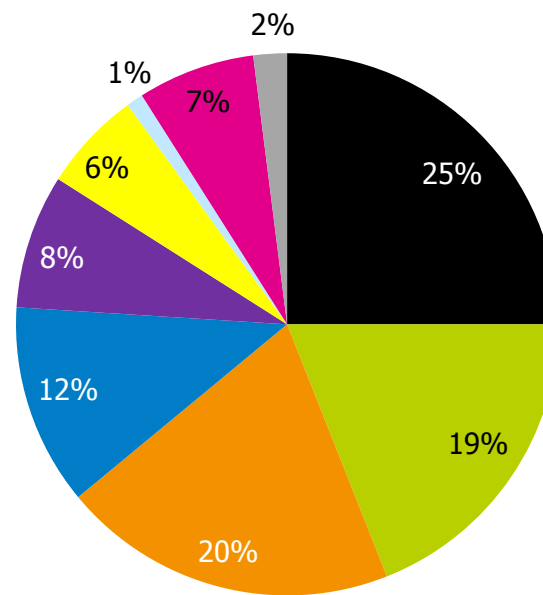


EBITA breakdown by geography

Q3 2015



Q3 2014



- North America
- France
- NL
- Germany
- Belgium
- Iberia
- UK
- RoE
- RoW

outlets* by region

end of period	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014
North America	1,102	1,084	1,065	1,084	1,074
France	729	741	739	741	743
the Netherlands	648	644	659	689	666
Germany	547	547	556	555	548
Belgium/Lux	311	303	306	310	314
United Kingdom	130	134	131	140	141
Iberia	303	302	295	292	288
Rest of Europe	374	389	389	391	389
Rest of the world	274	272	271	209	213
total	4,418	4,416	4,411	4,411	4,376

* Branches and inhouse locations.

corporate staff by region

average	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014
North America	6,460	6,410	6,250	6,230	6,160
France	3,500	3,410	3,390	3,430	3,410
the Netherlands	4,230	4,050	4,120	4,430	4,420
Germany	2,550	2,560	2,570	2,620	2,610
Belgium/Lux	1,910	1,870	1,880	1,780	1,790
United Kingdom	1,610	1,530	1,510	1,550	1,530
Iberia	1,790	1,720	1,650	1,630	1,600
Rest of Europe	2,880	2,740	2,650	2,570	2,480
Rest of the world	4,970	4,780	4,690	4,680	4,720
Corporate	190	190	190	200	200
total	30,090	29,260	28,900	29,120	28,920

staffing employees by region

average	Q3 2015	Q3 2014
North America	107,800	105,900
France	76,800	74,400
the Netherlands	75,300	74,900
Germany	47,100	47,700
Belgium/Lux	44,500	43,300
United Kingdom	15,300	15,900
Iberia	63,700	61,000
Rest of Europe	63,800	57,900
Rest of the world	115,200	107,800
total	609,500	588,800