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

4^{th} quarter & annual results 2009

classical recovery patterns in final quarter of a difficult year

Ben Noteboom, CEO
Robert-Jan van de Kraats, CFO

Randstad Holding nv
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disclaimer

Certain statements in this document comprise forecasts on Randstad Holding's future financial condition and results from operations and certain plans and goals. By their nature, such forecasts generate risk and uncertainty because they concern events in the future and depend on circumstances which then apply. Any number of factors can cause actual results and developments to deviate from those expressed in the forecasts stated here. Such factors can be, but are not limited to, general economic conditions, scarcity on the employment market, the variation in the demand for (flexible) personnel, changes in employment legislation, future currency exchange rates and interest rates, future corporate mergers, acquisitions and divestments and the speed of technical change. The forecasts speak only as at the date of this document. Quarterly figures and pro forma figures are unaudited.

agenda

- performance
- financial results & outlook
- summary

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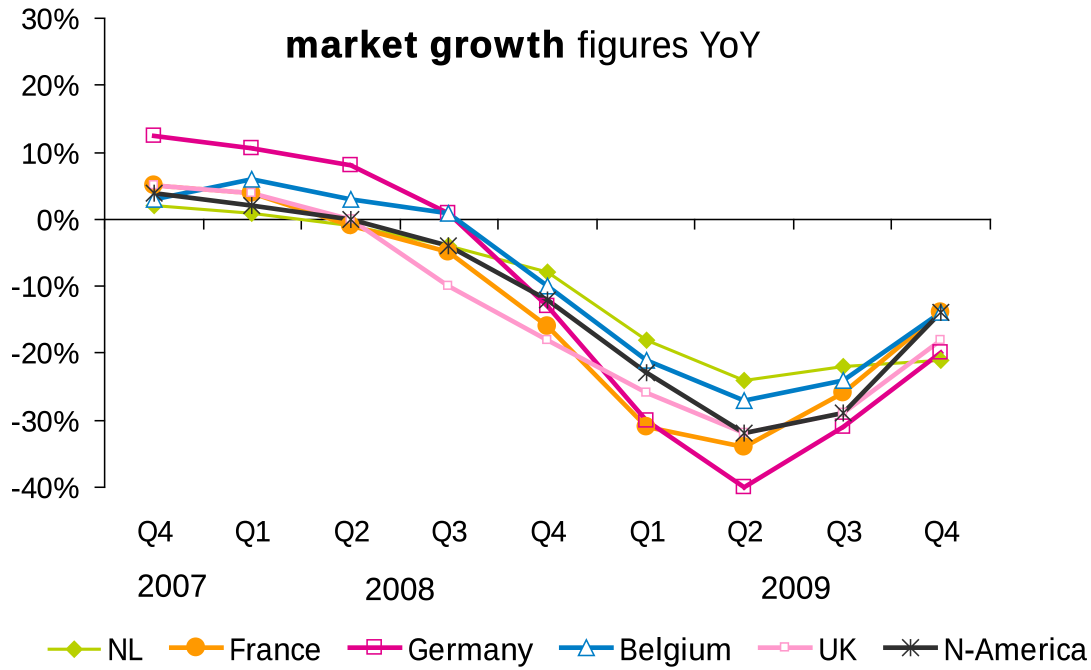
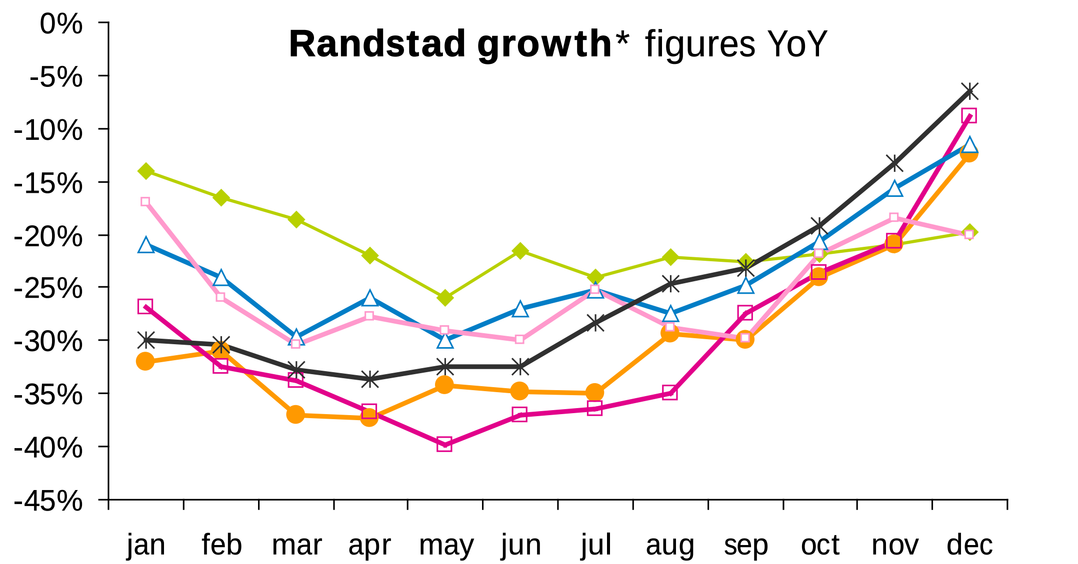
performance

Ben Noteboom

revenue development

- main markets passed the trough
- staffing markets improving
- professionals markets on average recovering slowly





* organic growth per working day

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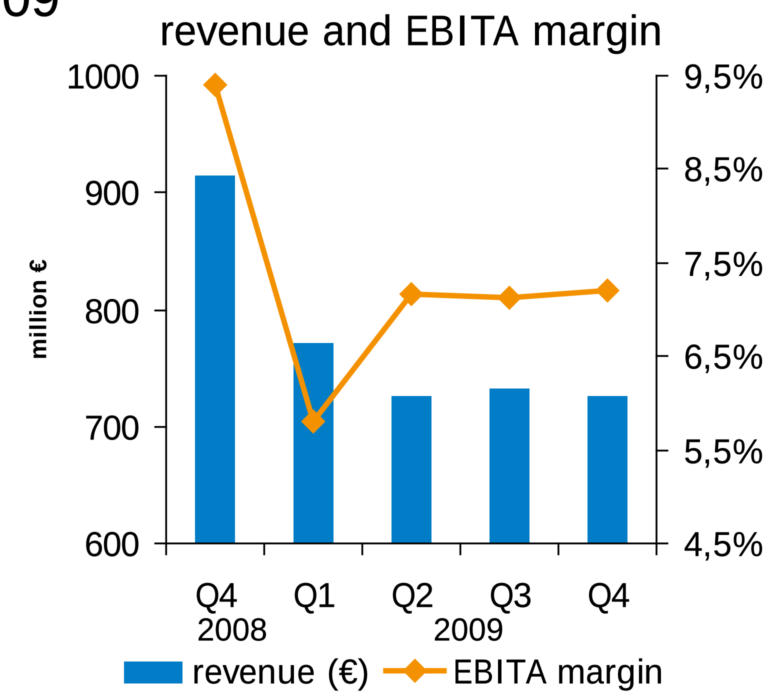
Q4 2009: classical recovery patterns visible

- revenue amounted to € 3,179 (-18% YoY organically per working day)
  - revenue trend improving through the quarter to -13% in December (easier comparison base)
  - inhouse and the industrial part of the staffing segment show clearest recovery
  - professionals segment recovering slowly
- pressure on gross margin remained
  - commercial pressure intensified, mix changing
- operating expenses in line with outlook at € 500 million, 22% lower than in Q4 2008
  - sequential decline limited due to additional marketing expenses
- EBITA* reached € 106 million vs. € 178 million in Q4 2008
  - EBITA margin reached 3.3% vs. 4.6% in Q4 2008

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

the Netherlands: late cyclical character visible

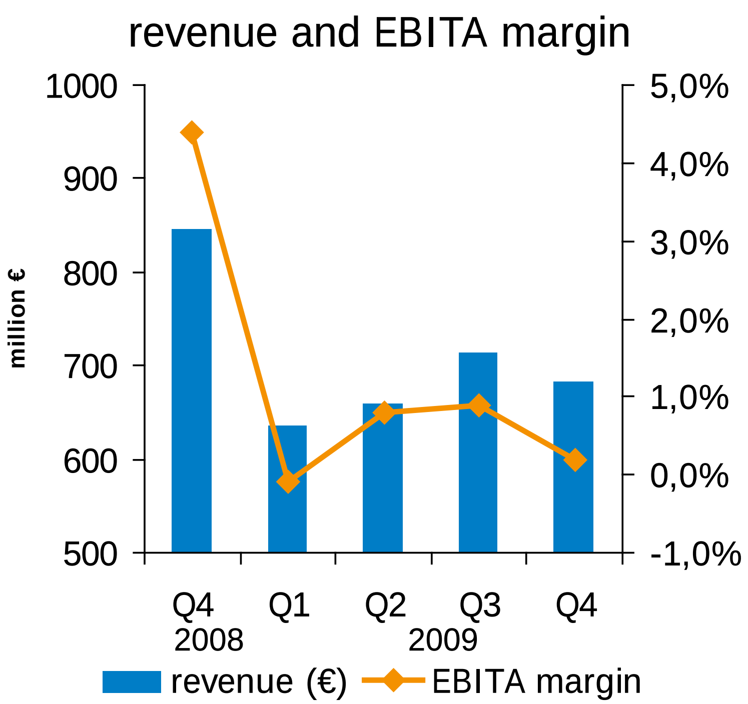
- organic revenue p/wd* -21% in Q4 2009
  - late cyclical market is stabilizing
  - Tempo-Team & Randstad in line with market
- gross margins under pressure
  - most impact at large account segment
- EBITA margin 7.2% versus 9.4% LY
  - synergies & good cost control helped to maintain healthy profitability
- trend in professionals stabilizing



* p/wd = adjusted for working days

France: trending the right way

- organic revenue p/wd -19% in Q4 2009
  - staffing, inhouse and perm. revenue recovered
  - professional segment bottomed out vs. LY
  - healthcare business shows growth (YoY)
  - marketing campaign boosted brand awareness
  - focus at re-gaining market share
- more pressure on gross margin
  - pricing and client mix
- continued focus on cost structure
  - social plan almost fully executed
  - additional marketing expenses in Q4
- EBITA margin 0.1% vs. 4.4% LY
- DSO improved
  - 8 days improvement YoY in Q4 (mainly due to 60-day payment law)



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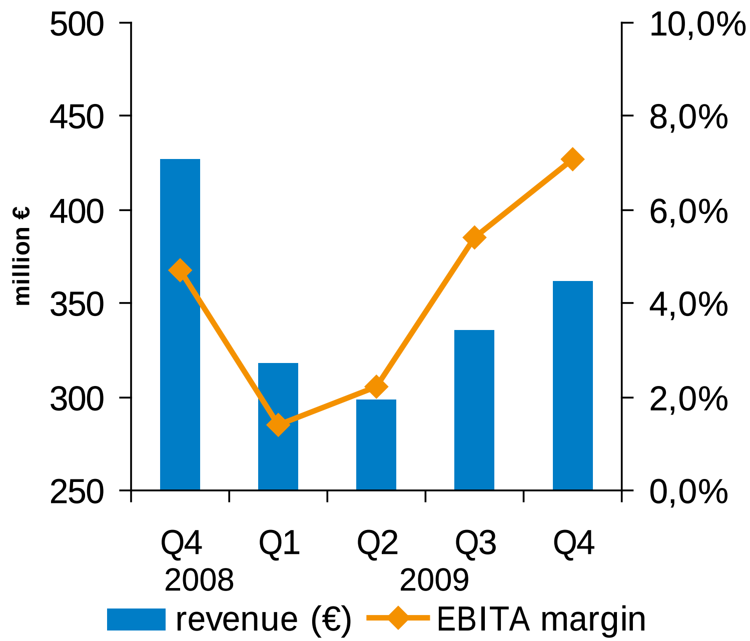
Germany: strong productivity improvement

- organic revenue p/wd -18% in Q4 2009
  - revenue improving through the quarter
- gross margin pressure remains
  - pressure mostly commercial
  - good idle time management
- operating expenses 26% lower YoY
  - no more short-time workers at general staffing
- mixed performance professionals
  - continued growth in IT (Gulp)
  - engineering stabilized
- EBITA margin 7.1% from 4.7% LY
  - increased volume provided strong operating leverage

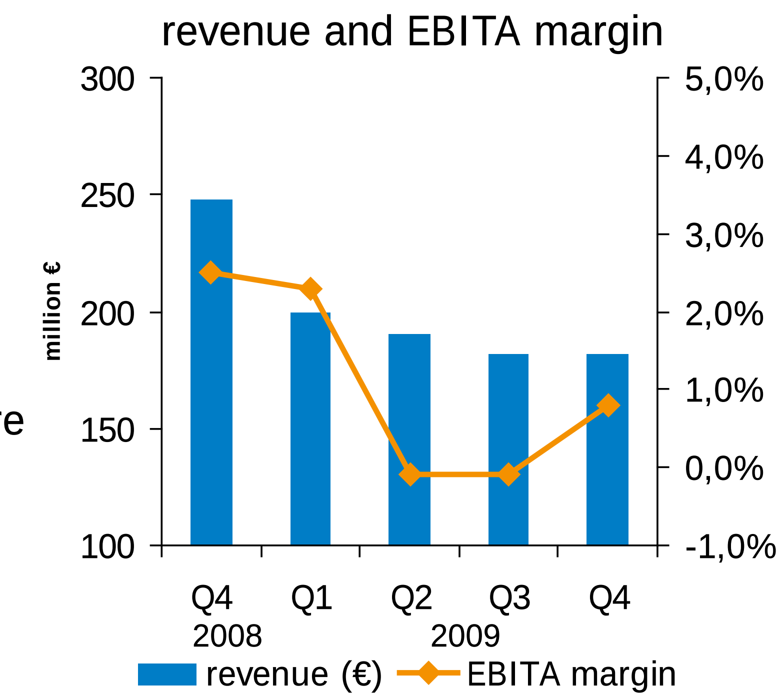
revenue and EBITA margin



UK: mixed picture

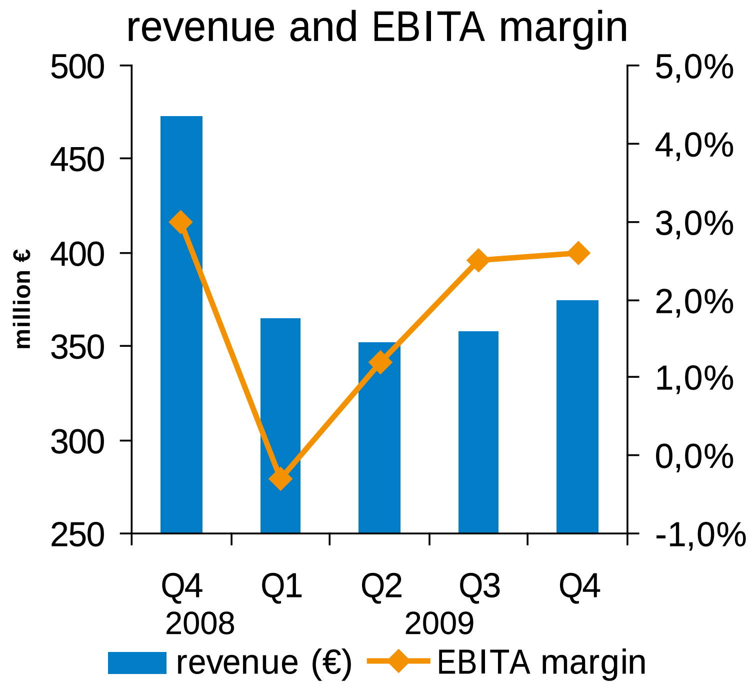
- organic revenue p/wd -19% in Q4 2009
- inhouse growing again YoY
- general staffing is slightly recovering
- professionals mixed picture
  - recovery in finance, HR
  - continued challenging market in engineering/construction
  - healthcare/education somewhat under pressure
  - decline in perm fees easing
- EBITA margin 0.8% from 2.5% LY
- structural changes
  - integration professionals ahead of plan:
    BBT & Hill McGlynn into Randstad CPE (engineering)
    BBT & Reliance Care into Randstad Care (healthcare)
    MWA & Joslin Rowe (finance)

approx. 35% of revenue



North America: back to growth in general staffing

- organic revenue p/wd -13% in Q4 2009
  - US staffing & inhouse returned to growth (YoY) halfway Q4 after 3 years of decline
  - revenue trend at US professionals eased
  - Canada later in cycle than US
- gross margin still under pressure
  - competitive pricing
  - negative impact SUI* charges expected
- good cost management
  - operating expenses down 25% YoY
- EBITA margin 2.6% vs. 3.0% LY
- structural operational changes
  - larger variable pay component in wages
  - structured steering based on KPI data
  - management profile adjustments



* SUI = state unemployment insurance

market share development Q4 2009

	Q4 market growth*	Randstad Group	variance Q4
the Netherlands	-21%	-21%	0%
France	-14%	-19%	-5%
Germany	-20%	-18%	2%
United States**	-12%	-11%	1%
Belgium	-14%	-16%	-2%
UK	-18%	-19%	-1%
Spain	-18%	-16%	2%
Italy	-24%	-34%	-10%

- FR: aftermath difficulties social plan, too early to see impact marketing campaign (started Sep. 2009)
- IT: clean up of client portfolio
- BE: implementation new front & back-office

* not all market growth data are final, as not all official figures have been published yet for some markets, like UK, no market data available so estimates also partly based on competitor analysis

** broadened definition of market in line with larger proportion professionals in Randstad revenue mix (staffing & profs)

FY 2009: good operational performance in a very difficult economical environment

- revenue down € 4.6 billion to € 12,400 (-27% YoY)
  - on average 145,000 staffing employees less YoY
  - no loss of any strategic clients
  - many new clients due to combined offering with Vedior
- increasing pressure on gross margin
- operating expenses down € 607 m. to € 2,099 m., 22% lower YoY
  - around 1,100 offices (-21%) and 7,200 corp. employees (-23%) less than LY
  - flexible cost structure and good cost control proved their worth in an extremely difficult market
- EBITA* reached € 316 million vs. € 834 million in FY 2008
  - EBITA margin reached 2.5% vs. 4.9% in FY 2008
- integration of Randstad and Vedior completed
  - € 100 cost synergies + €40 million cash tax savings fully realized

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

integration Vedior: achievements so far

strong concepts
- staffing integration completed
- professionals best practices defined and integration ahead of plan
- further roll-out inhouse concept

best people
- talent review in place
- global People Survey
- share incentive programs aligned
- management development system in place

excellent execution
- reporting integration complete
- DSO and other best practices being implemented
- fiscal structure optimized
- legal frameworks, governance structures & risk management frameworks mostly in place

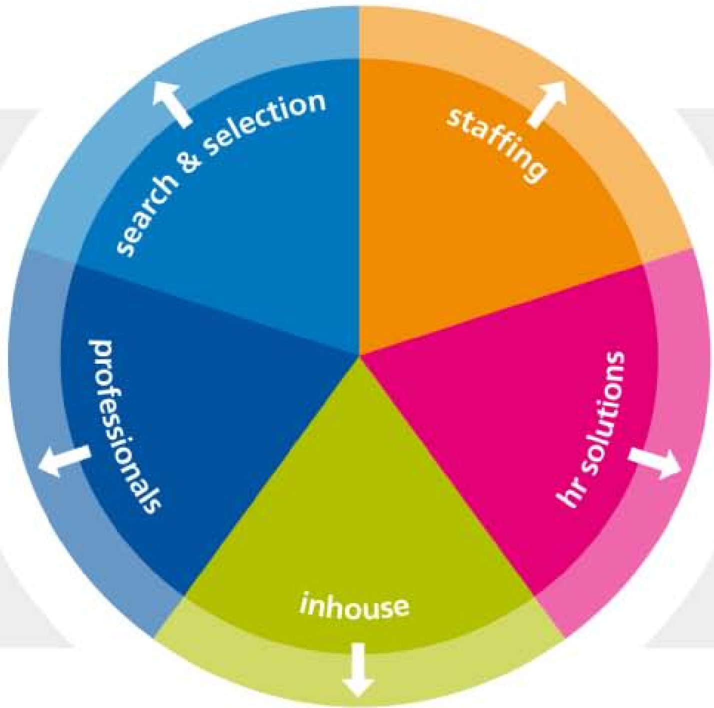
superior brands
- staffing brand integration completed
- joint professionals style being implemented
- joint campaign materials in use
- new web platforms implemented in 14 countries (50% of revenue)

growth drivers & strategy

Growth drivers & strategy

Building blocks

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



Growth drivers

- need for flexibility
- increasing penetration
- deregulation
- clients looking for total offering

targets

- EBITA margin of 5% to 6% through the cycle, not below 4% in normal downturn
- mid-term EBITA margins of 4 to 5% for inhouse services, 5 to 7% for staffing and 10 up to 15% for professionals
- continuous market share gains
- sound financial position; leverage ratio of between 0 and 2

extracting the value of the new Randstad

- continue copy & paste best practices
  - proven track record in general staffing, specialties and inhouse services
  - extend copy & paste into our professionals segment
- inhouse services offering significant early potential as economies recover
  - at least 15% of the staffing market suitable for inhouse, France highest potential
- actively capturing best practices in professionals
- clients look for less suppliers
  - Randstad is well placed due to its broad service offering

financial results & outlook

Robert-Jan van de Kraats

Q4 2009: financial key points

- gross margin mostly impacted by decline in temp margin
  - gross profit € 606, down 26% YoY
- underlying operating expenses in line with guidance of € 500 million
  - current trends give reason to maintain the network
- diluted EPS down 35% to €0.47
- DSO improved by 1 day (YoY) to 58 days
  - clients pursuit to pay later offset by focus on the internal process (cash collection)
  - doubtful debts well under control so far
- free cash flow in Q4 2009 of € 168 million
- net debt improved to € 1,015 vs. € 1,167 in Q3 2009
  - leverage ratio at the end of Q4 2009 is 2.5
  - next mandatory repayment (€ 135 million) on the syndicated loan due in May 2011

income statement Q4 2009

€ million	Q4 2009	Q4 2008	% change	% organic
revenue	**3,180**	3,906	*-19%*	*-17%*
gross profit	**606**	819	*-26%*	*-24%*
gross margin	***19.1%***	*21.0%*		
operating expenses*	**500**	641	*-22%*	*-19%*
opex as % of revenue	***15.7%***	*16.4%*		
EBITA**	**106**	178	*-40%*	*-39%*
EBITA margin	***3.3%***	*4.6%*		
income before taxes	**47**	-455		
tax	**1**	223		
effective tax rate	*-2%*	*49%*		
net income	**48**	231		
adjusted net income (attr. to ordinary shareholders)	**80**	122		
diluted EPS**	**0.47**	0.72		

* before impairment and one-offs

** before amortization and impairment acquisition-related intangible assets and goodwill and one-offs.

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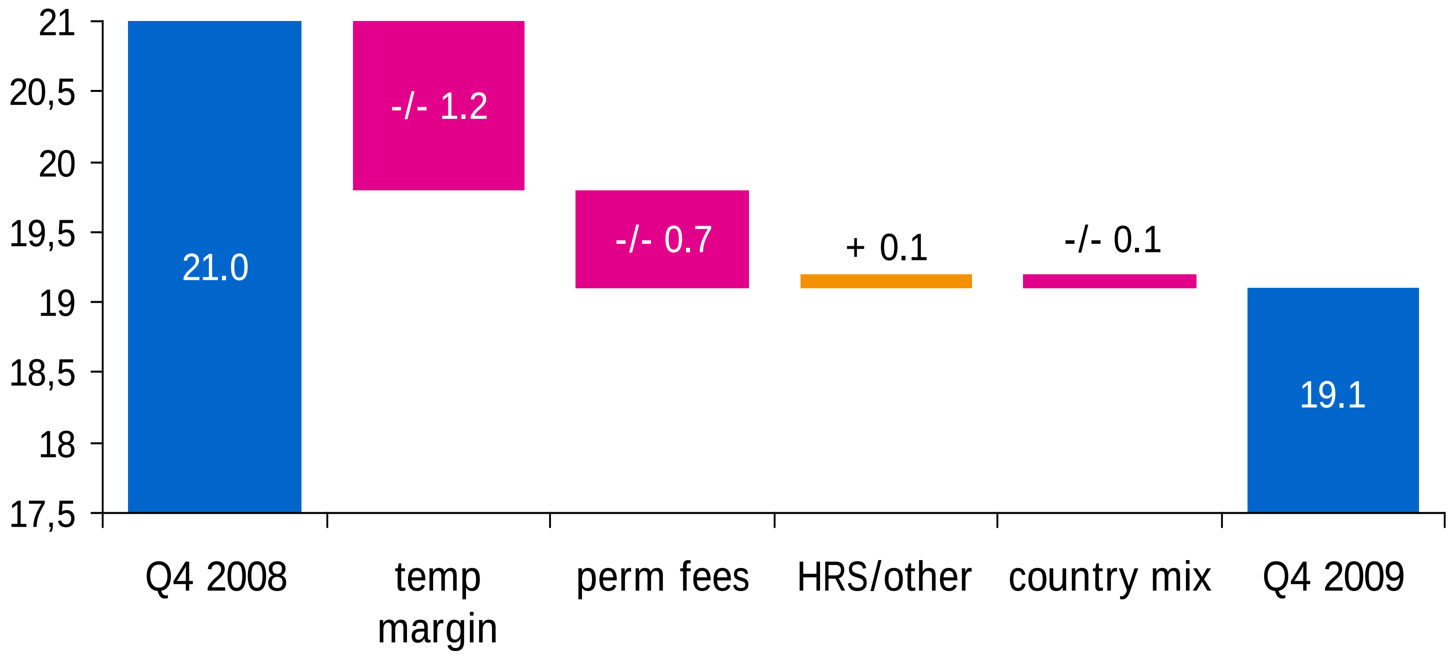
gross margin development Q4 2009



- increasing pressure on temp margins
- perm fees declined 46% organically (YoY) vs. -/- 55% in Q3 2009
  - perm fees are now 7.1% of gross profit vs. 9.7% LY

restructuring

charges (€* million)	Q4 2008	Q1 2009	Q2 2009	Q3 2009	Q4 2009
France	-	25.4	-	-	-/-3.8
the Netherlands	12.3	15.6	1.5	-	12.6
Germany	6.4	1.0	-	-	-/-0.4
Belgium	3.6	-	-	-	-
UK	-	-	2.8	-	3.4
Italy	-	5.0	-	-	-
Spain	1.7	3.5	-/-1.2	-	-
ROW	-	0.5	2.8	2.1	1.6
Japan	3.5	-	0.8	-	-
North America	3.5	2.7	0.9	1.1	-
total	**31.0**	**53.7**	**7.6**	**3.2**	**13.4**

savings (€* million)	Q4 2008	Q1 2009	Q2 2009	Q3 2009	Q4 2009
total (per quarter)	-	7	11	18	23
annualized		28	44	72	92

- earn-back on restructuring charges is 12 months
- no significant restructuring expected going forward

consolidated cash flow statement

€ million	Q4 2009	Q4 2008
cash flow from operations before OWC	129	143
release / (usage) of OWC	52	185
additions of PPE	-/-10	-/-17
additions of software	0	-/-10
financial receivables	-/-8	-/-20
dividend	-	-
disposals of PPE	5	1
free cash flow	168	280

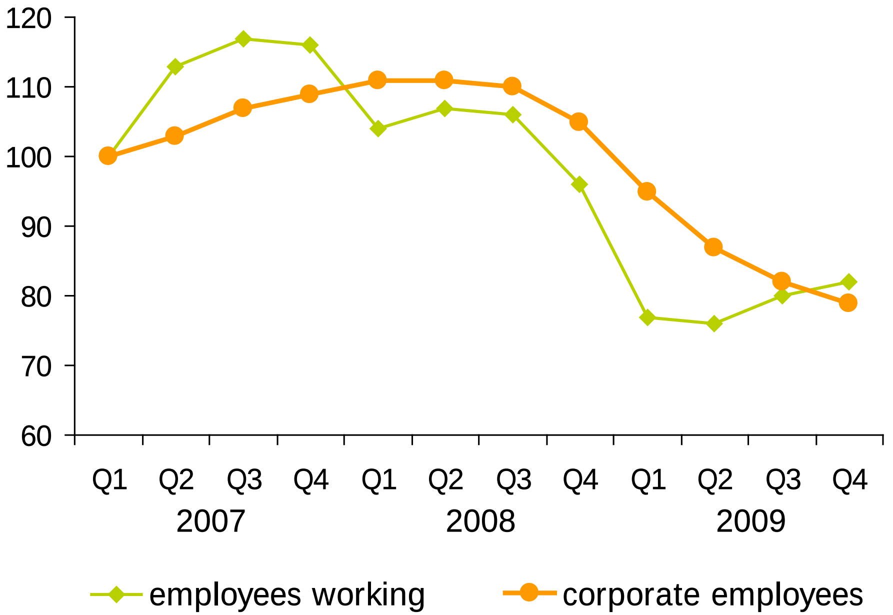
€ million	Q4 2009
free cash flow	**168**
net (acquisition)/ disposals	1
interest	-/-6
dividend	-
translation / other on borrowings	-/-11
net debt (increase) / reduction Q3 2009 –> Q4 2009	**152**

FY 2009: good financial performance in a very difficult economical environment

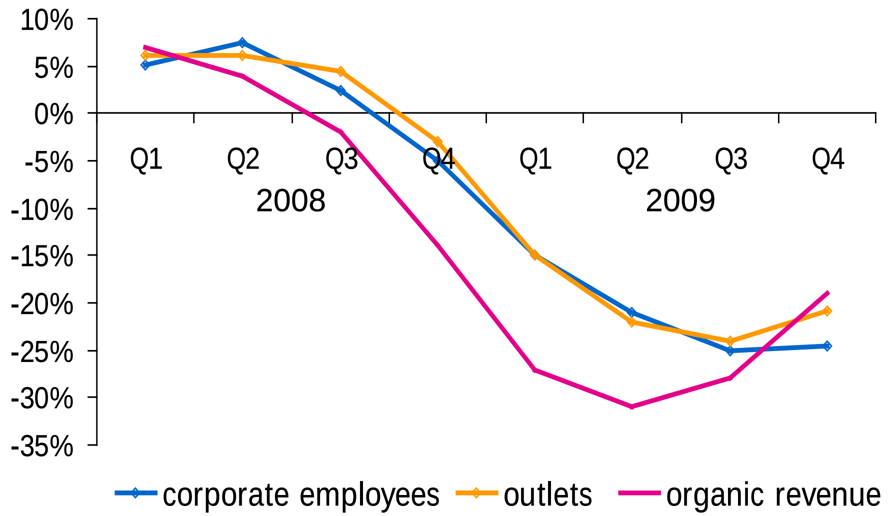
- satisfied with managing through the cycle
- timely adaption of cost structure
- net debt reduced by € 626 million YoY
  - leverage ratio at 2.5, safe below covenant of max. 3.5
  - successful cash flow management
  - unwinding of FCF at the start of the year
- DSO improved by 1 day (58 days) despite pressure on payment terms
  - strong working capital management
- EVA accretion extended beyond 2010 due to recession

FY 2009: timely adaption of cost structure

adjustment corporate FTE vs. development employees working



Randstad performance: YoY development



geographic performance FY 2009

€ million	FY 2009	FY 2008	organic growth
revenue:			
the Netherlands	2,963	3,757	*-21%*
France	2,692	3,889	*-31%*
Germany	1,321	1,881	*-30%*
Belgium/Luxembourg	1,191	1,563	*-24%*
United Kingdom	753	1,150	*-26%*
Iberia	796	1,144	*-28%*
North America	1,450	1,888	*-26%*
EBITA margin:			
the Netherlands	*6.8%*	*8.7%*	
France	*0.4%*	*3.9%*	
Germany	*4.2%*	*6.6%*	
Belgium/Luxembourg	*4.4%*	*5.8%*	
United Kingdom	*0.8%*	*3.9%*	
Iberia	*1.8%*	*3.5%*	
North America	*1.5%*	*3.5%*	

managing through the cycle

growth phase	decline phase	stabilization phase	growth phase
• market share gains • productivity mgt through unit steering • incremental conversion ratio ≥ 50% • EBITA target 5-6% • prepare for EBITA not below 4%	• market share gains • productivity mgt through unit steering • recovery ratio ≥ 50% • in normal down-turn EBITA not below 4%	• market share gains • productivity levels allow for growth, but no excessive overcapacity • in normal downturn return to 5-6% EBITA target ASAP • in abnormal downturn return to 4% EBITA ASAP	• market share gains • productivity mgt through unit steering • incremental conversion ratio ≥ 50% • EBITA target 5-6% • prepare for EBITA not below 4%

dividend proposal

conditions to re-instate payment of ordinary dividends:

- capital structure must allow for it
- aim for leverage ratio < 2 in order to be perceived investment grade
  - Q4 2009: leverage ratio is 2.5x
- confidence in current trends and outlook
  - recovery is there, but still fragile and visibility is low

conclusion:

- proposal not to pay dividend on ordinary shares for 2009

outlook

- revenue trend improved during Q4 2009
  - easier comparison base
- positive trend set through at the start of 2010
  - 5% organic revenue decline in January, further improvement early February
  - combined staffing and inhouse business showing growth in US, Germany, UK and France
  - professionals & late cyclical Dutch market move later
- gross margin still under pressure
- aim to maintain current network to be well prepared for future
- cost base should be relatively stable
- no significant working day impact in Q1 2010 (YoY)

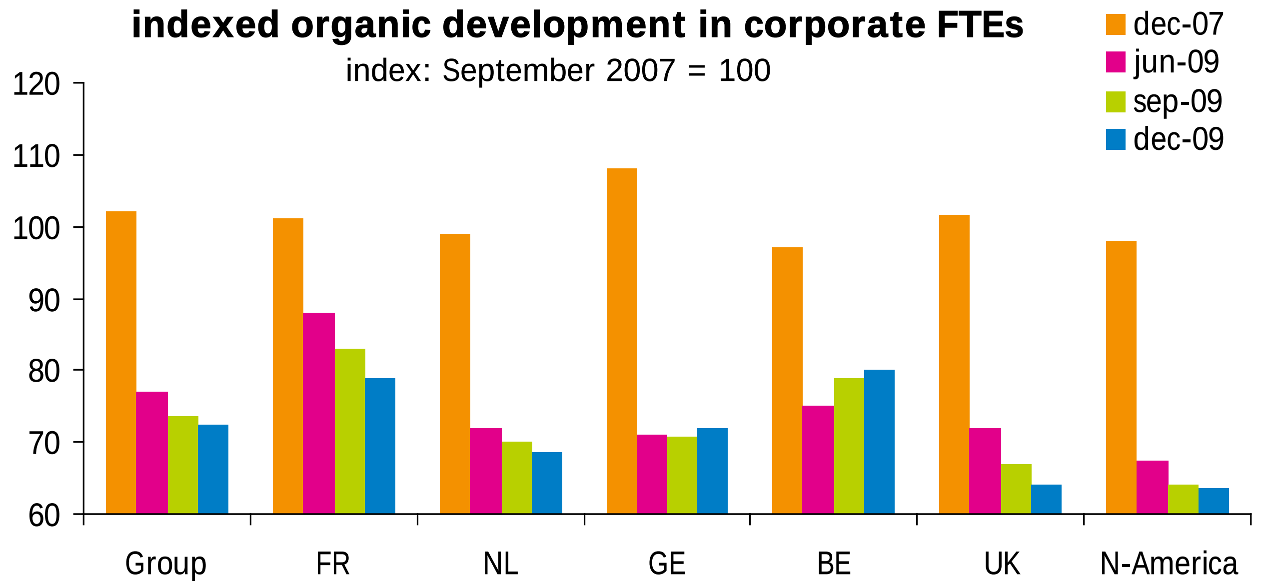
summary

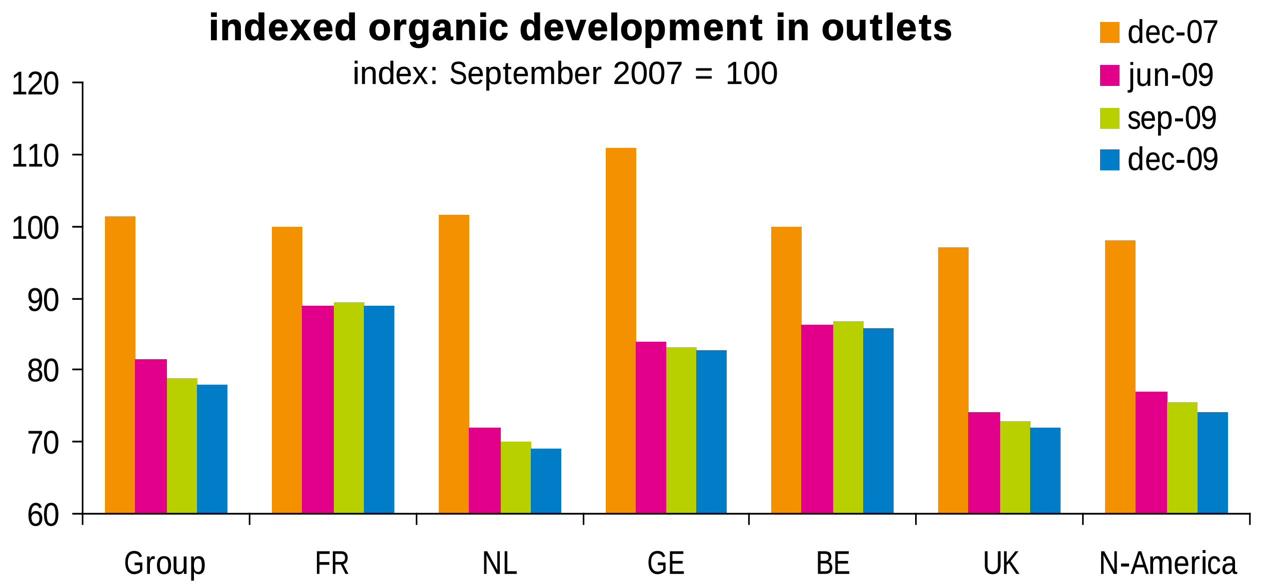
- negative market development; fastest and deepest ever
  - very difficult to fully adapt
  - classical recovery trend visible but recovery still fragile
- pressure on gross margin remains
  - commercial pressure still increasing
- good cost control, timely adaption
- EBITA under pressure due to abnormal recession
- continued focus on:
  - extracting the value of the new Randstad
  - cost management; timely adaption to market development
  - productivity; usage overcapacity
  - marketing campaigns & market share
  - DSO

Q&A

appendices

development in corp. employees & outlets





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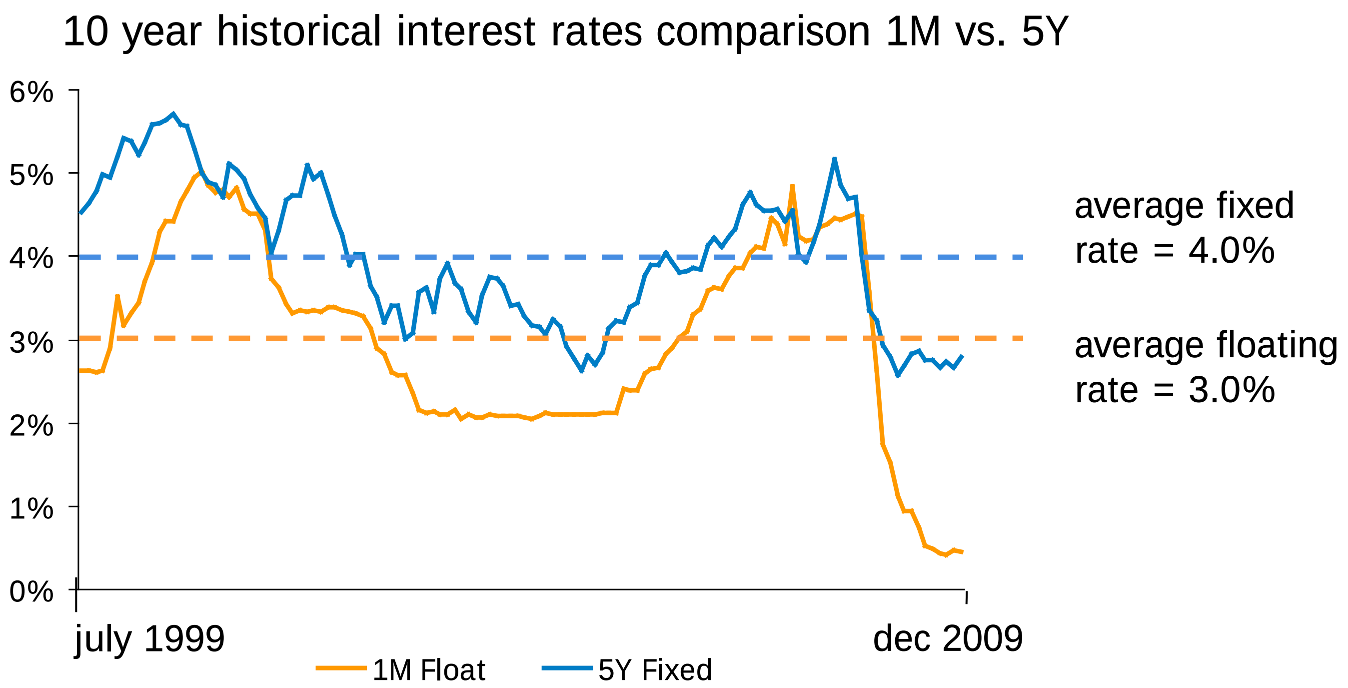
financing: fixed vs. floating interest rates



- we use floating interest rates as a natural hedge
  - spread above Euribor of 50-115 bps.
- decoupling of Euribor and money market in 2008 due to banking crisis
- trend normalizing again since Q4 2008

tax

driver / impact	effective* tax rate	cash tax rate	explanation
growth operating companies	+	+	less impact of permanent differences
growth opcos and mix effects	+	+	higher weight countries with high CIT rate
changes in corporate income tax (CIT) rates	+ or -/-	+ or -/-	dependent on direction of change
repayment € 150 m. (Dutch tax)		+	
payment regarding recapture obligation		+	tax payment NL based on German profits
timing differences		+ or -/-	dependent on changes in deferred taxes

expected tax rates (%)	effective* tax rate	cash tax rate (compared to the effective tax rate)	
2009	20-22	slightly above	estimated cash tax rate is excl. €150 m. tax repayment
2010	20-22	slightly above	
2011-2013	24-30	in line	

* tax rate on the underlying profit before tax (before amortization acquisition related intangibles)

geographic performance Q4 2009

€ million	Q4 2009	Q4 2008	organic growth
revenue:			
the Netherlands	726	915	*-20%*
France	682	846	*-19%*
Germany	362	427	*-15%*
Belgium/Luxembourg	307	366	*-16%*
United Kingdom	182	248	*-19%*
Iberia	213	237	*-10%*
North America	375	473	*-13%*
EBITA margin:			
the Netherlands	*7.2%*	*9.4%*	
France	*0.1%*	*4.4%*	
Germany	*7.1%*	*4.7%*	
Belgium/Luxembourg	*5.1%*	*5.8%*	
United Kingdom	*0.8%*	*2.5%*	
Iberia	*4.1%*	*2.8%*	
North America	*2.6%*	*3.0%*	

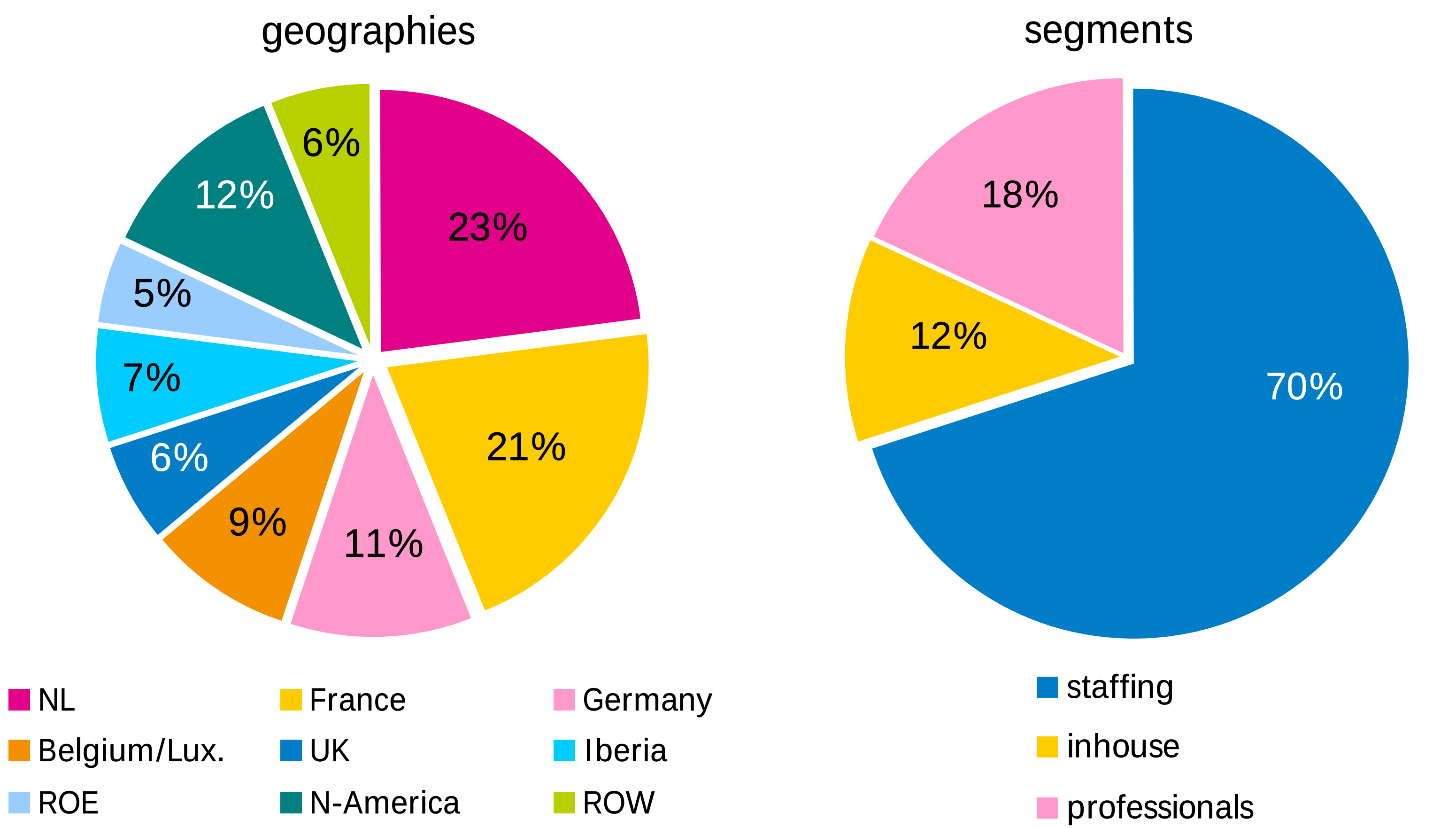
segment performance Q4 2009

€ million	Q4 2009	Q4 2008	organic growth
revenue:			
staffing	2,220	2,690	*-17%*
inhouse services	374	422	*-9%*
professionals	586	793	*-23%*

consolidated balance sheet

€ million	December 31, 2009	December 31, 2008
property, plant & equipment	151	191
intangible assets	3,158	3,315
deferred tax assets	465	422
other assets	2,684	3,795
group equity	2,493	2,421
non-current liabilities	1,865	2,937
current liabilities	2,100	2,365
balance sheet total	6,458	7,723
DSO (days)	58	59
net debt position	1,015	1,641

revenue split Q4 2009



outlets[1] by country

end of period	December 31, 2009	December 31, 2008
France	988	1,182
the Netherlands	754	885
Germany	428	597
Belgium/Lux	329	380
United Kingdom	292	381
Iberia	265	362
Other Europe	340	453
North America	494	614
Rest of world	239	379
total	**4,129**	**5,233**

1) branches and inhouse locations

staffing employees by country

averages	Q4 2009	Q4 2008
France	79,500	101,800
the Netherlands	92,200	118,500
Germany	42,000	49,000
Belgium / Lux.	41,100	44,600
United Kingdom	20,800	26,600
Iberia	52,300	56,600
Other Europe	29,400	34,200
North America	50,800	53,900
Rest of world	76,500	84,000
total	**484,600**	**569,200**

corporate employees by country

average	Q4 2009	Q4 2008
France	4,000	4,800
the Netherlands	5,610	7,450
Germany	2,320	3,200
Belgium / Lux.	2,050	2,370
United Kingdom	2,110	3,000
Iberia	1,500	1,940
Other Europe	1,460	2,240
North America	2,870	3,950
Rest of world	3,510	4,680
Holding	150	170
total	**25,580**	**33,800**