

4th quarter & FY 2020 results.

Randstad delivers solid and competitive performance in an exceptional 2020.

Jacques van den Broek, CEO
Henry Schirmer, CFO

Randstad N.V.
9 February 2021

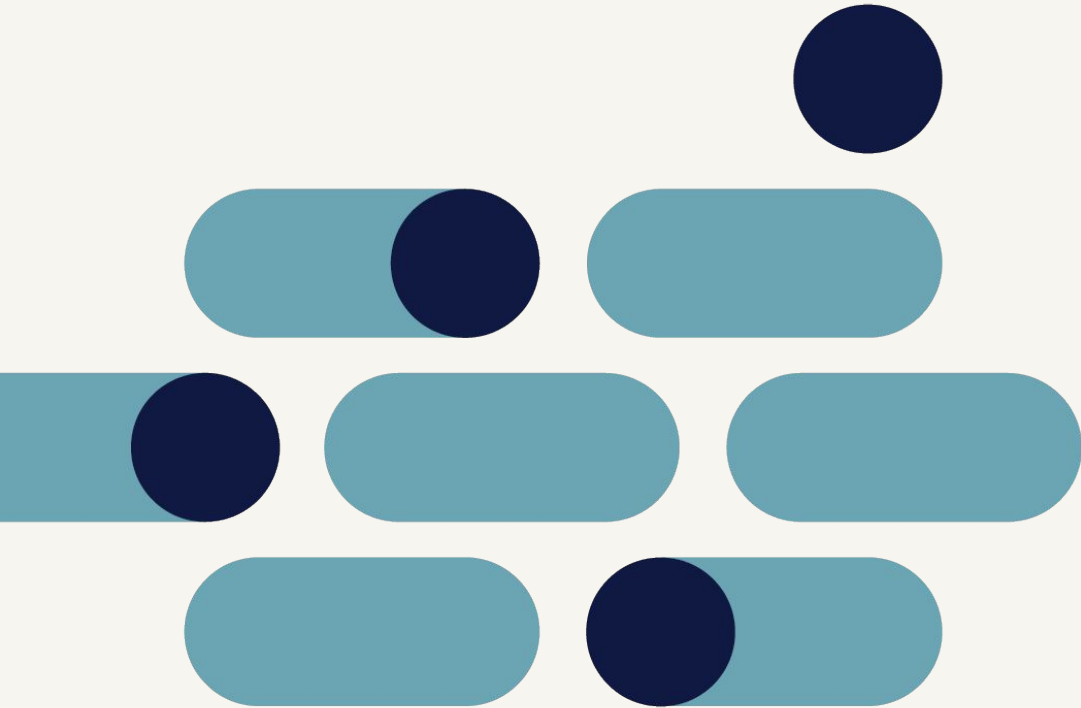


disclaimer.

Certain statements in this document concern prognoses about the future financial condition, risks, investment plans, and the results of operations of Randstad N.V. and its operating companies, as well as certain plans and objectives. Obviously, such prognoses involve risks and a degree of uncertainty, since they concern future events and depend on circumstances that will apply then. Many factors may contribute to the actual results and developments differing from the prognoses made in this document. These factors include, but are not limited to, general economic conditions, shortages on the job market, changes in the demand for personnel (including flexible personnel), achievement of cost savings,

changes in the business mix, changes in legislation (particularly in relation to employment, staffing and tax laws), the role of industry regulators, future currency and interest fluctuations, availability of credit on financially acceptable terms, the successful completion of company acquisitions and their subsequent integration, successful disposals of companies, the rate of technological developments, the impact of pandemics and our ability to identify other relevant risks and mitigate their impact. These prognoses therefore apply only on the date on which this document was compiled. The quarterly results as presented in this press release are unaudited.

definitions.



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

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

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

agenda.

performance	5
financial results & outlook	12
Q&A	18
appendices	19

performance



moving forward.

Q4 and FY 2020: significant recovery, solid performance.



FY 2020
achievements

broad based recovery

successful #newways program

strong FCF: € 1,132m



Q4 key financials

organic growth -3.6%

EBITA € 264m, 4.6% margin

recovery ratio 61% (LQ4: 44%)



resilience & agility

diversified portfolio paying off

strong operational agility

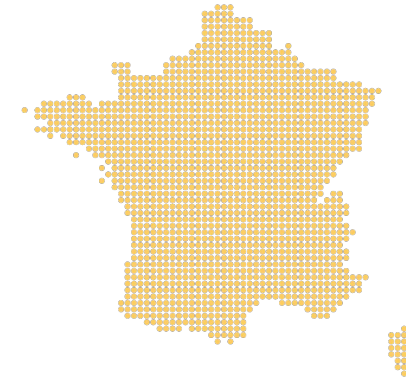
gearing up for growth

north america returned to growth.



- revenue up 1% (Q3: down 10%)
 - perm down 21% (Q3: down 33%)
- US Staffing & Inhouse revenue up 7% (Q3: down 9%)
- US Professionals revenue down 6% (Q3: down 10%)
 - IT down 1% (Q3: down 4%)
- Canada revenue down 5% (Q3: down 12%)
- EBITA margin stable at 6.0%

france market outperformance.



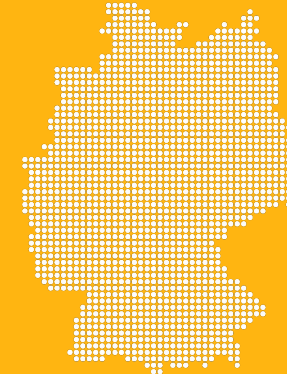
- revenue down 7% (Q3: down 16%)
 - perm down 10% (Q3: down 20%)
- Staffing & Inhouse down 6% (Q3: down 14%)
- Professionals down 9% (Q3: down 21%)
- EBITA margin at 5.3% vs. 6.6% LY

the netherlands strong social responsibility.



- revenue down 6% (Q3: down 17%)
 - perm down 25% (Q3: down 43%)
- Staffing & Inhouse down 7% (Q3: down 19%)
- Professionals down 1% (Q3: down 5%)
- EBITA margin at 6.2% vs. 6.4% LY

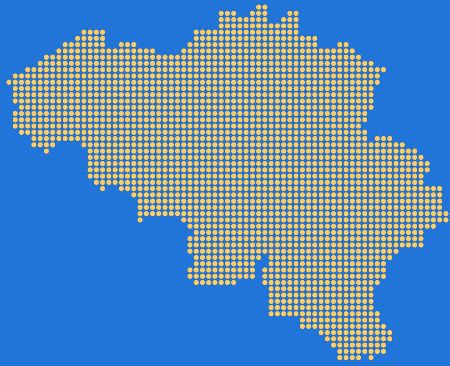
germany industrial sectors continued recovery.



- revenue down 5% (Q3: down 21%)
- Staffing & Inhouse down 4% (Q3: down 23%)
- Professionals down 11% (Q3: down 14%)
- EBITA margin at 2.9% vs. 1.4% LY

belgium

strengthening market leadership.



- revenue down 3% (Q3: down 12%)
 - Staffing & Inhouse down 3% (Q3: down 15%)
- EBITA margin at 7.1% vs. 6.4% LY
 - diversified portfolio contributing
- Top Employer Award; successful online training program

italy

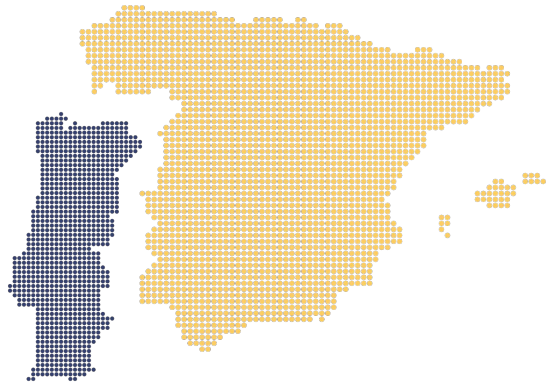
full recovery at strong margins.



- revenue stable (Q3: down 10%)
- perm down 12% (Q3: down 24%)
- EBITA margin at 7.1% vs. 6.7% LY

iberia

strong recovery continued.



- spain revenue down 5% (Q3: down 16%)
- portugal revenue down 3% (Q3: down 13%)
- EBITA margin at 5.0% vs. 5.9% LY

other european countries

broad based recovery.



- UK revenue down 14% (Q3: down 23%)
- nordics down 13% (Q3: down 15%)
- switzerland down 1% (Q3: down 4%)
- poland up 23% (Q3: flat)
- EBITA margin at 3.4% vs. 2.3% LY

rest of the world solid performance.



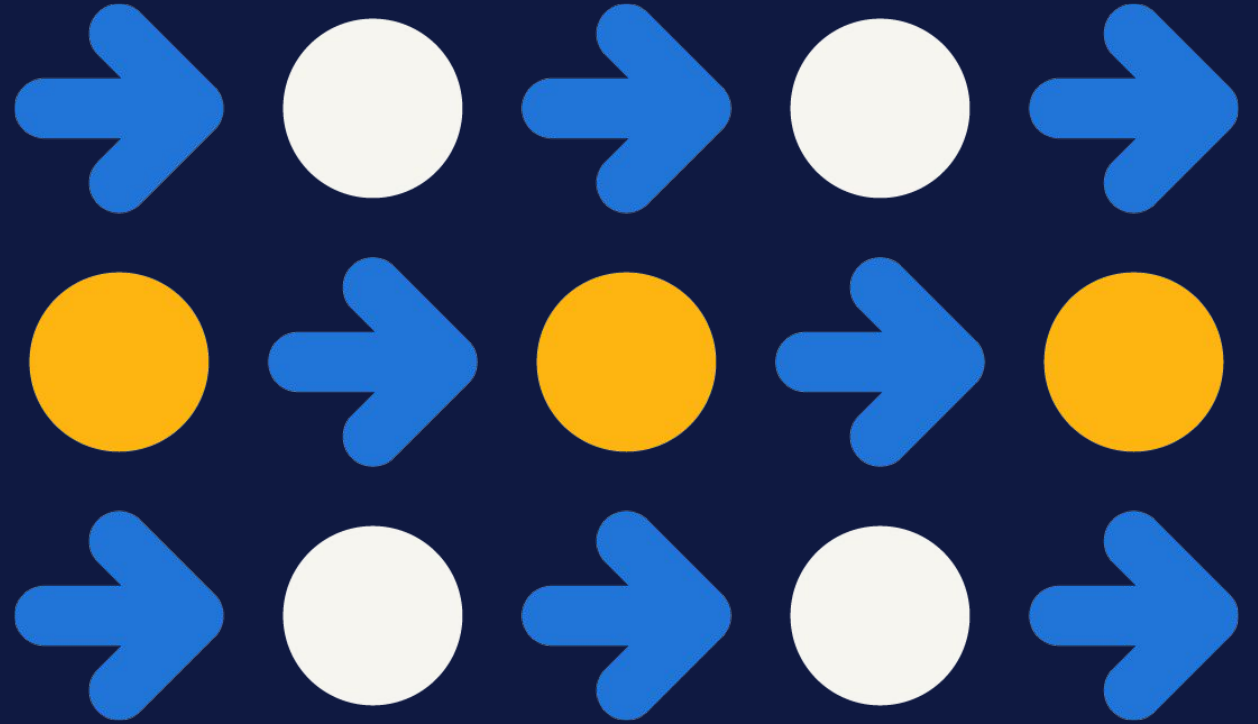
- japan down 4% (Q3: down 3%)
- australia & new zealand down 5% (Q3: down 5%)
- india up 1% (Q3: up 5%)
- latin america up 24% (Q3: up 11%)
- EBITA margin at 4.8% vs. 3.8% LY

global businesses reskilling initiatives paying off.



- global businesses down 7% (Q3: down 17%)
- monster revenue down 26% (Q3: down 29%)
- sourceright down 2% (Q3: down 16%)
- risesmart up 131% (Q3: up 97%)
- EBITA margin at 2.2% vs. 4.1% LY

financial
results



& outlook.

Q4 2020 continued improving momentum.



Q4 performance

€ million	Q4 '20	Q4 '19	% org.
revenue	5,693	5,995	(4)%
gross profit	1,108	1,201	(6)%
gross margin	19.5%	20.0%	
operating expenses*	844	909	(4)%
opex %	14.8%	15.2%	
EBITA*	264	292	(8)%
EBITA margin*	4.6%	4.9%	
integration costs & one-offs	-/-32	-/-38	
amortization & impairment	-/-17	-/-24	
net finance income/(costs)	2	-/-12	
tax	-/-10	-/-52	
reported net income**	208	167	
adjusted net income	167	209	(20)%



Q4 key financials

- organic revenue down 4%, improving momentum throughout the quarter
- EBITA € 264m, 4.6% EBITA margin
- recovery ratio 61% (LQ4: 44%), supported by strong operational agility and flexibility of our cost base

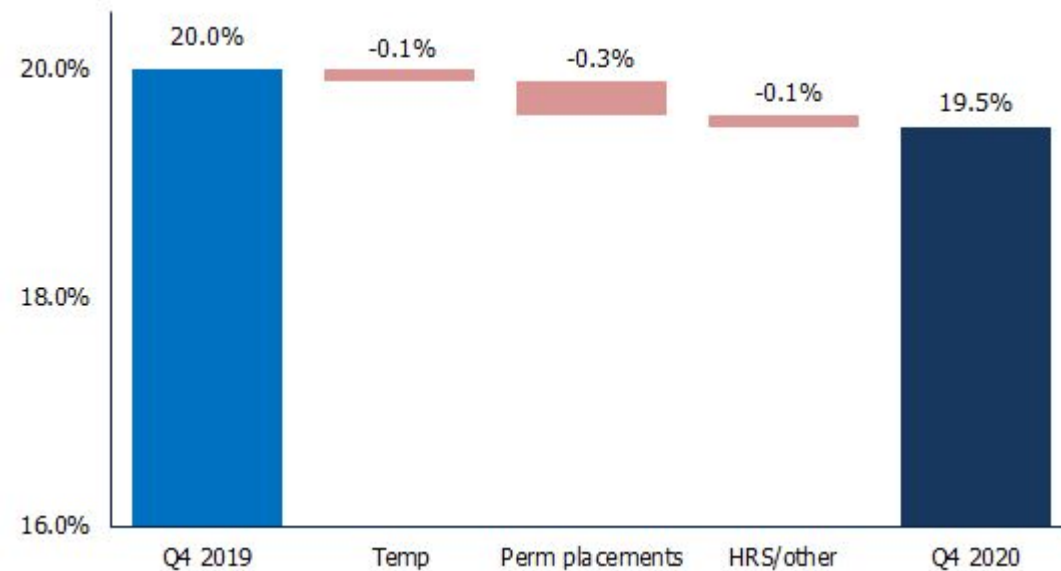


* before integration costs & one-offs.
** including share of profit of associates.

Q4 2020 gross margin impacted by mix, stable pricing.



Q4 gross margin development YoY



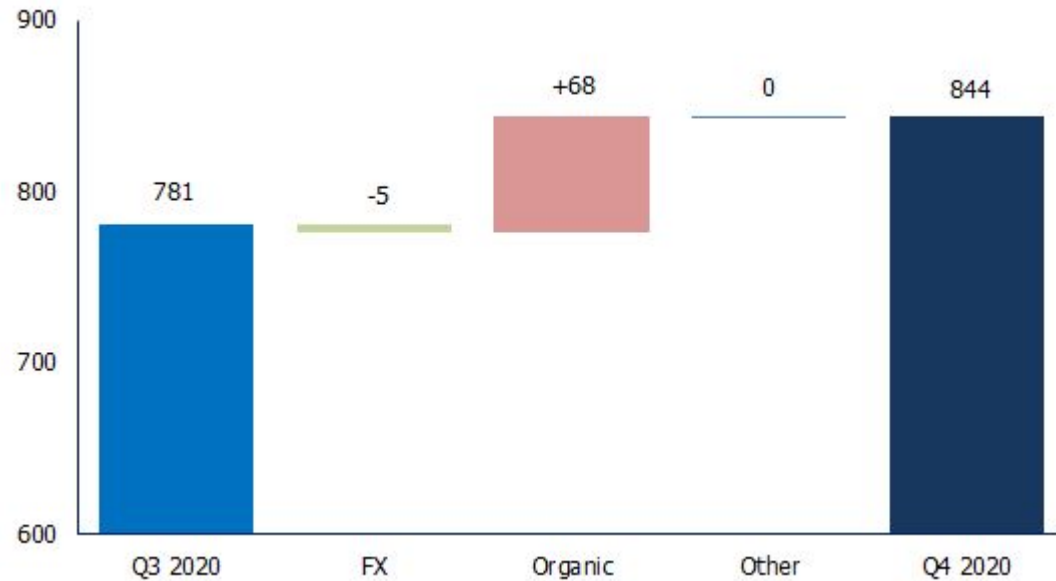
Q4 highlights

- temp margin down 10bp YoY, impacted by mix related effects, pricing climate stable
- perm fees declined 19% YoY, -30bp mix impact on gross margin
- HRS/other -10bp YoY, impacted by mix effects

utilizing the flexibility of **our cost base.**



Q4 sequential opex bridge



tapping into the flexibility of the cost base

- good momentum for accelerating investments in growth and digitalization
- cost optimization program of € 120m on track
- safeguarding future fit investments

strong FCF generation in FY 2020.



Q4 2020 free cash flow

- Q4 FCF € 120m (vs. € 424m in Q4 2019)
 - reflects investments in working capital driven by topline momentum
 - DSO 52.9, down vs. 53.5 in Q4 2019
-



sound balance sheet

- net cash € 333m excluding lease liabilities (incl. CICE sale in Q3 2020)
 - leverage ratio excl. IFRS 16: -0.4 (Q4 2019: 0.7)
 - dividend proposal of € 3.24 per share: reflecting a regular floor dividend of € 1.62 and a special dividend of € 1.62
-

conclusion and outlook: gearing up for growth.



Q1 2021 outlook

- volumes in January are reaching last year's pre-pandemic levels, with continued improved momentum
- gross margin expected to be modestly lower sequentially due to seasonality
- operating expenses expected to be broadly in line sequentially
- negative 1.2 working day impact in Q1 2021



January activity momentum vs Q4

NAM	↗
FR	→
NL	↗
GER	↗
BEL	→
IBE	↗
IT	↗
RoE	↗
RoW	↗
GLO	→

↗ momentum improving
→ momentum stabilizing

questions



& answers.

appendices



randstad.

outlets by region.

end of period	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019
North America	1,158	1,130	1,106	1,136	1,153
France	642	643	643	649	640
the Netherlands	583	603	603	647	653
Germany	493	487	489	487	582
Belgium & Luxembourg	321	329	325	328	327
Italy	263	263	262	262	259
Iberia	379	384	388	388	382
Other European countries	488	468	486	480	482
Rest of the world	252	279	269	243	244
Global businesses	136	136	139	143	139
total	4,715	4,722	4,710	4,763	4,861

corporate staff by region.

average	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019
North America	5,860	5,660	5,680	5,880	5,830
France	4,290	4,090	3,460	4,610	4,690
the Netherlands	3,580	3,640	3,740	3,970	4,090
Germany	2,510	2,140	2,170	2,590	2,640
Belgium & Luxembourg	1,940	1,820	1,460	1,940	2,040
Italy	2,140	1,950	1,730	2,240	2,240
Iberia	1,870	1,710	1,570	2,080	2,140
Other European countries	3,200	3,250	3,440	3,640	3,710
Rest of the world	4,970	4,860	5,020	5,420	6,080
Corporate	280	280	280	280	260
Global businesses	4,370	4,260	4,480	4,430	4,650
total	35,010	33,660	33,030	37,080	38,370

staffing employees by region.

average	Q4 2020	Q4 2019
North America	98,000	97,900
France	79,700	84,800
the Netherlands	69,500	75,200
Germany	34,900	37,800
Belgium & Luxembourg	42,400	46,500
Italy	45,600	53,800
Iberia	58,500	65,400
Other European countries	63,100	61,800
Rest of the world	125,800	120,800
Global businesses	8,800	11,600
total	626,300	655,600

randstad

human forward

