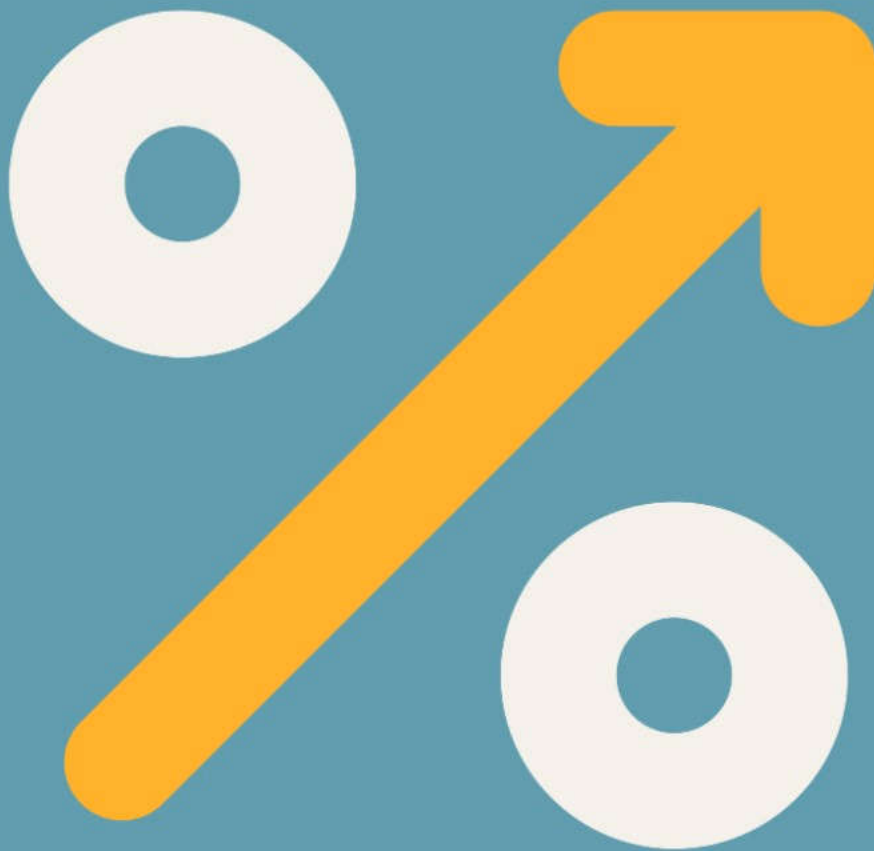


1st

quarter
results



2022.

contents

Q1 2022: broad-based revenue growth
and strong margin expansion.

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performance

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Q1 2022: broad-based revenue growth and strong margin expansion.



Q1 2022 organic growth

15.2%

Q1 2022 underlying EBITA

€ 286m

Q1 2022 EBITA margin

4.3%

global market leadership expansion through scale and breadth of services, driving strong revenue growth across all geographies.

gross margin of 20.5%, up 130 bp YoY; gross profit mix reflecting a larger portion of high margin fee activities and a positive pricing environment.

EBITA margin up 60bp YoY; strong adaptability, with ICR of 30%.

record high perm and RPO activity levels; perm org. revenue +63% YoY, RPO org. revenue +125% YoY.

sound balance sheet; DSO of 51.8 and ROIC of 21.6%.

volumes in early April indicate a positive continuation of current trend; macro-economic uncertainties remain.

Sander van 't Noordende, CEO of Randstad, said: "We have had a strong start to the year, with revenues up 15% and gross profit up 22%, underpinned by our diverse portfolio, scale and market leading insights. This market-leading growth was broad-based across geographies and segments, while our gross margin benefitted from both value based pricing and mix. We saw record high perm and RPO activity levels, while staffing revenue continued its strong momentum increasing by 14% against the same period last year.

The world of work is increasingly talent-led which means it is getting harder for customers to find the people they need. As a strategic talent partner, we offer clients access to a very diverse pool of talent while our digital investments and data give us capabilities to anticipate our customers' needs, matching jobs with talent across geographies, services and sectors. I am excited to have joined a company with such a strong culture, where people are placed at the heart of everything we do.

The performance in the quarter gives us a strong platform for the remainder of the year, with volumes in early April indicating a positive continuation of the trends we have seen in the first quarter. We are confident that our broad range of services, global footprint and continued investment in our digital capabilities, positions us to benefit from the structural drivers underpinning the labor market. While there remains a high degree of macroeconomic uncertainty, our operational flexibility gives us the ability to respond quickly and effectively to changes in market conditions."

financial performance.

core data

in millions of €, unless otherwise indicated - underlying	Q1 2022	Q1 2021	yoy change	% org.
Revenue	6,621	5,528	20%	15%
Gross profit	1,360	1,060	28%	22%
Operating expenses	1,074	858	25%	21%
EBITA, underlying ¹	286	202	42%	37%
Integration costs and one-offs	(6)	27		
EBITA	280	229	22%	
Amortization and impairment of intangible assets ²	(4)	(14)		
Operating profit	276	215		
Net finance income/(costs)	5	(5)		
Income before taxes	281	210	34%	
Taxes on income	(72)	(57)		
Net income	209	153	37%	
Adj. net income for holders of ordinary shares ³	214	141	52%	
Free cash flow	133	4	3225%	
Net debt	361	186	94%	
Leverage ratio (net debt/12-month EBITDA) ⁴	0.2	0.2		
Leverage ratio (net debt/12-month EBITDA) excluding IFRS 16 ⁵	(0.2)	(0.5)		
DSO (Days Sales Outstanding), moving average	51.8	52.6		
Margins (in % of revenue)				
Gross margin	20.5%	19.2%		
Operating expenses margin	16.2%	15.5%		
EBITA margin, underlying	4.3%	3.7%		
Share data				
Basic earnings per ordinary share (in €)	1.13	0.82	38%	
Diluted earnings per ordinary share, underlying (in €) ³	1.16	0.76	53%	

1 EBITA adjusted for integration costs and one-offs.

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

3 Before amortization and impairment of acquisition-related intangible assets and goodwill, integration costs and one-offs. See table 'Earnings per share' on page 22.

4 Leverage ratio including IFRS 16.

5 Leverage ratio excluding IFRS 16, based on best estimates.

revenue

Organic revenue per working day grew by 15.2% in Q1 2022 resulting in revenue of € 6,621 million (Q4 2021: up 16.3%). Reported revenue was up 19.8% YoY, of which working days had a positive impact of 1.2% effect while FX had a positive effect of 2.7%. M&A contributed 0.7%.

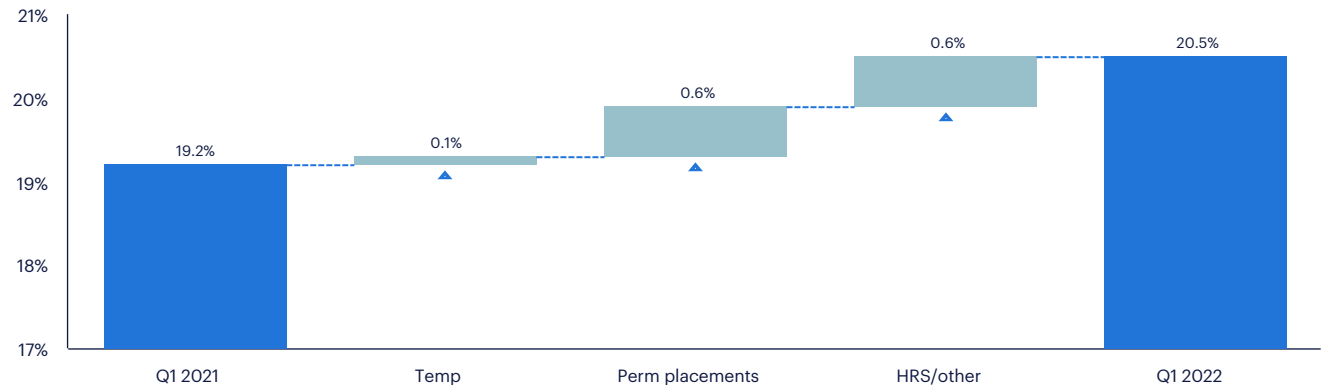
In North America, revenue per working day was up 13% (Q4 2021: up 14%). Growth in the US was up 11% (Q4 2021: up 12%), while Canada was up 28% YoY (Q4 2021: up 28%). In Europe, revenue per working day grew by 15% (Q4 2021: up 15%). Revenue in France was up 12% (Q4 2021: up 10%), while the Netherlands was up 13% (Q4 2021: up 16%). Germany was up 12% (Q4 2021: up 15%), while sales growth in Belgium was up 12% (Q4 2021: up 7%). Revenue in Italy was up 26% (Q4 2021: up 32%), while revenue in Iberia was up 17% (Q4 2021: up 15%). In the 'Rest of the world' region, revenue was up by 15% (Q4 2021: up 20%); Japan increased by 13% (Q4 2021: up 13%), while Australia & New Zealand rose by 23% (Q4 2021: up 35%).

Perm fees increased by 63% YoY (Q4 2021: up 69%), with Europe up 49% YoY (Q4 2021: up 52%) and North America up 87% YoY (Q4 2021: up 87%). In the 'Rest of the world' region, perm fees increased by 62% (Q4 2021: up 88%). Perm fees made up 13.1% of gross profit.

gross profit

In Q1 2022, gross profit amounted to € 1,360 million. Organic growth was 22.1% YoY (Q4 2021: up 20.9%). Currency effects had a positive € 27 million impact on gross profit compared to Q1 2021.

year-on-year gross margin development (%)

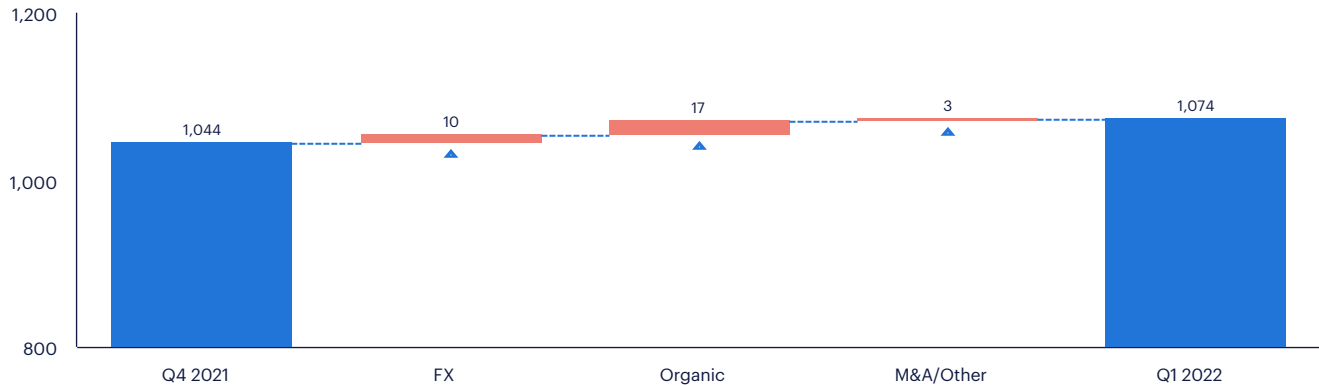


Gross margin was 20.5% in the quarter, 130bp above Q1 2021 (as shown in the graph above). Temporary staffing had a 10bp positive impact on gross margin (Q4 2021: 30bp negative impact). Permanent placements had a 60bp positive impact, while HRS/other had a 60bp positive impact.

operating expenses

On an organic basis, operating expenses increased by € 17 million sequentially to € 1,074 million. This includes selective investments in growth and digital initiatives. Compared to last year, operating expenses were up 21% organically (Q4 2021: up 20%), while currency effects had a € 23 million negative impact.

sequential OPEX development Q4 -> Q1 in € M



Personnel expenses were up 2% sequentially. Average headcount (in FTE) amounted to 44,180 for the quarter, organically up 22% YoY and up 3% sequentially (net addition of 1,100 FTE excl. M&A). Productivity (measured as gross profit per FTE) was stable YoY (Q4 2021: down 1%). We operated a network of 4,889 outlets end of period (Q4 2021: 4,927).

Operating expenses in Q1 2022 were adjusted for a total of € 6 million of integration costs and one-offs (Q1 2021: positive € 27 million). This mainly reflects restructurings in a few countries and integration costs for our recent acquisitions.

EBITA

Underlying EBITA increased organically by 37% YoY to € 286 million. Currency effects had a €4 million positive impact YoY. EBITA margin reached 4.3% in the quarter, 60bp above Q1 2021. Overall, we achieved a 30% organic incremental conversion for Q1 2022.

net finance costs

In Q1 2022, net finance income were € 5 million, compared to € 5 million net finance costs in Q1 2021. Interest expenses on our net cash / debt position were € 2 million (Q1 2021: € 2 million), and interest expenses related to lease liabilities were € 3 million (Q1 2021: € 3 million). Foreign currency and other effects had a positive impact of € 10 million (Q1 2021: € 0 million).

tax

The underlying effective tax rate before amortization and impairment of acquisition-related intangibles and goodwill, integration costs and one-offs amounted to 25.8% (Q1 2021: 27.4%), and is based on the estimated effective tax rate for whole year 2022. For FY 2022, we expect an effective tax rate before amortization and impairment of acquisition-related intangibles and goodwill, integration costs and one-offs of between 24% and 26%.

net income, earnings per share

In Q1 2022, adjusted net income was up 52% YoY to € 214 million. Diluted underlying EPS amounted to € 1.16 (Q1 2021: € 0.76). The average number of diluted ordinary shares outstanding for the quarter was 183.7 million (Q1 2021: 184.5 million).

invested capital

in millions of €, unless otherwise indicated	mar 31 2022	dec 31 2021	sep 30 2021	jun 30 2021	mar 31 2021	dec 31 2020
Goodwill and acquisition-related intangible assets	3,112	3,088	3,053	2,951	2,970	2,960
Operating working capital (OWC) ¹	1,102	997	857	897	795	658
Net tax assets ²	608	615	651	690	692	676
All other assets/(liabilities) ³	(299)	617	336	338	(6)	630
Employed capital	4,523	5,317	4,897	4,876	4,451	4,924
Financed by						
Total equity	4,162	4,902	4,663	4,440	4,265	4,669
(Net Cash)/Net debt excl. lease liabilities	(240)	(179)	(346)	(160)	(387)	(333)
Lease liabilities	601	594	580	596	573	588
Net debt incl. lease liabilities	361	415	234	436	186	255
Invested capital	4,523	5,317	4,897	4,876	4,451	4,924
Ratios						
DSO (Days Sales Outstanding), moving average	51.8	51.6	51.6	52.1	52.6	52.9
OWC as % of revenue over last 12 months	4.3%	4.0%	3.6%	4.0%	3.8%	3.2%
Leverage ratio (net debt/12-month EBITDA)	0.2	0.3	0.2	0.4	0.2	0.3
Return on invested capital ⁴	21.6%	16.8%	16.1%	14.0%	12.9%	10.4%

1 Operating working capital: Trade and other receivables minus the current part of financial assets, deferred receipts from disposed Group companies and interest receivable minus trade and other payables excluding interest payable.

2 Net tax assets: Deferred income tax assets and income tax receivables less deferred income tax liabilities and income tax liabilities.

3 All other assets/(liabilities), mainly containing property, plant & equipment, right of use assets, software plus financial assets and associates, less provisions and employee benefit obligations and other liabilities. As at March 31, 2022, € 922 million dividends payable is included (March 31, 2021 € 604 million)

4 Return on invested capital: underlying EBITA (last 12 months) less income tax paid (last 12 months) as percentage of invested capital.

Return on invested capital (ROIC) amounted to 21.6%, an increase of 870bp YoY. This is a reflection of an improvement of our 12-month rolling EBITA and the timing of the dividend announcement (€ 922 million) in Q1 2022.

The moving average of Days Sales Outstanding (DSO) was 51.8 (Q4 2021: 51.6).

At the end of Q1 2022, net debt including lease liabilities was € 361 million, compared to € 186 million at the end of Q1 2021. A further analysis of the cash flow is provided in the next section.

cash flow summary

in millions of €	Q1 2022	Q1 2021
EBITA	280	229
Depreciation, amortization and impairment of property, plant, equipment, right-of-use assets, and software	73	78
EBITDA	353	307
Operating working capital	(88)	(114)
Provisions and employee benefit obligations	4	3
Gain on disposal subsidiaries and associates	-	(35)
All other items	10	10
Income taxes	(69)	(72)
Net cash flow from operating activities	210	99
Net capital expenditures	(25)	(45)
Repayments of lease liabilities	(52)	(50)
Free cash flow	133	4
Net (acquisitions)/disposals	-	53
Net purchase of own ordinary shares	(71)	-
Net finance costs paid	(3)	(3)
Translation and other effects	(5)	15
Net decrease of net debt	54	69

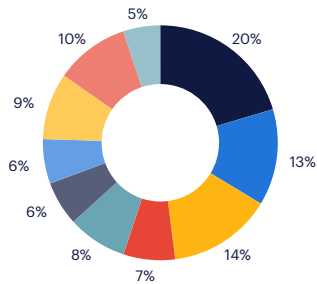
In the quarter, free cash flow amounted to € 133 million, up € 129 million YoY (Q1 2021: € 4 million). The YoY increase is mainly due to the strong improvement in EBITA and working capital movement compared to last year, which included a negative impact of € 85 million due to postponed payments of government relief measures.

performance.

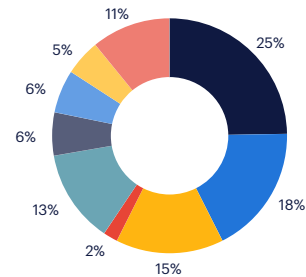
performance by geography

split by geography

Q1 2022: revenue € 6,621 million



Q1 2022: EBITA € 286 million



- North America
- France
- Italy
- Iberia
- Rest of the world
- Netherlands
- Germany
- Belgium & Luxembourg
- Other European countries
- Global Businesses

revenue in millions of €	Q1 2022	Q1 2021	organic Δ% ¹
North America	1,302	1,033	13%
France	941	833	12%
Netherlands	886	776	13%
Germany	488	428	12%
Italy	543	423	26%
Belgium & Luxembourg	415	352	12%
Iberia	392	328	17%
Other European countries	615	527	14%
Rest of the world	682	571	15%
Global businesses	357	257	30%
Revenue	6,621	5,528	15%

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

EBITA in millions of €, underlying	Q1 2022	EBITA margin ¹	Q1 2021	EBITA margin ¹	organic Δ% ²
North America	82	6.3%	39	3.8%	86%
France	49	5.3%	40	4.8%	25%
Netherlands	58	6.5%	50	6.4%	17%
Germany	6	1.3%	4	1.0%	40%
Italy	41	7.5%	22	5.2%	86%
Belgium & Luxembourg	20	4.8%	16	4.4%	17%
Iberia	19	4.8%	14	4.4%	30%
Other European countries	17	2.7%	10	1.9%	73%
Rest of the world	36	5.3%	31	5.4%	14%
Global businesses	(1)	(0.3)%	(2)	(0.8)%	48%
Corporate	(41)		(22)		
EBITA before integration costs and one-offs ³	286	4.3%	202	3.7%	37%
Integration costs and one-offs	(6)		27		
EBITA	280		229		

1 EBITA in % of total revenue per segment.

2 Organic change is measured excluding the impact of currencies, acquisitions, disposals, and reclassifications. For revenue, the organic change has been adjusted for the number of working days.

3 Operating profit before amortization and impairment of acquisition-related intangible assets and goodwill, integration costs and one-offs.

north america

In North America, revenue was up 13% YoY (Q4 2021: up 14%). Perm fees were up 87% YoY (Q4 2021: up 87%). In Q1 2022, revenue of our combined US businesses was up 11% YoY (Q4 2021: up 12%). US Staffing/Inhouse Services grew by 9% YoY (Q4 2021: up 11%). US Professionals revenue was up 16% YoY (Q4 2021: up 14%). In Canada, revenue was up 28% YoY (Q4 2021: up 28%). EBITA margin for the region came in at 6.3% for the quarter, compared to 3.8% in Q1 last year.

france

In France, revenue was up 12% YoY (Q4 2021: up 10%). Perm fees were up 18% compared to last year (Q4 2021: up 13%). Staffing/Inhouse Services revenue was up 11% YoY (Q4 2021: up 9%), while our Professionals business was up 14% YoY (Q4 2021: up 13%). EBITA margin was 5.3% compared to 4.8% last year.

netherlands

In the Netherlands, revenue was up 13% YoY (Q4 2021: up 16%). Overall perm fees were up 55% YoY (Q4 2021: up 58%). Our combined Staffing and Inhouse Services business was up 14% YoY (Q4 2021: up 15%), while our Professionals business was up 8% YoY (Q4 2021: up 19%). EBITA margin in the Netherlands was 6.5%, compared to 6.4% last year.

germany

In Germany, revenue per working day was up 12% YoY (Q4 2021: up 15%). Perm fees were up 83% compared to last year (Q4 2021: up 79%). Our combined Staffing/Inhouse Services business was up 15% YoY (Q4 2021: up 20%), while Professionals was down 1% YoY (Q4 2021: down 7%). EBITA margin in Germany was 1.3%, compared to 1.0% last year.

italy

Revenue per working day in Italy was up 26% YoY (Q4 2021: up 32%). Overall perm fees were up 73% YoY (Q4 2021: up 77%). EBITA margin was 7.5%, compared to 5.2% last year.

belgium & luxembourg

In Belgium & Luxembourg, revenue was up 12% YoY (Q4 2021: up 7%). Our Staffing/Inhouse Services business was up 13% (Q4 2021: 10%). Our EBITA margin was 4.8%, compared to 4.4% last year.

iberia

In Iberia, revenue per working day was up 17% YoY (Q4 2021: up 15%). Perm fees were up 81% compared to last year (Q4 2021: up 104%). Staffing/Inhouse Services combined was up 16% YoY (Q4 2021: up 14%). Spain was up 23% YoY (Q4 2021: up 23%), while in Portugal revenue was stable YoY (Q4 2021: down 7%). Overall EBITA margin was 4.8%, compared to 4.4% last year.

other european countries

Across 'Other European countries', revenue per working day was up 14% YoY (Q4 2021: up 13%). In the UK, revenue was up 19% YoY (Q4 2021: up 36%), while in the Nordics, revenue was up 19% YoY on an organic basis (Q4 2021: up 20%). Revenue in our Swiss business was up 16% YoY (Q4 2021: down 1%). Overall EBITA margin for the 'Other European countries' region was 2.7% compared to 1.9% last year.

rest of the world

Total revenue in the 'Rest of the world' region increased by 15% organically YoY (Q4 2021: up 20%). In Japan, revenue grew 13% YoY (Q4 2021: up 13%). Revenue in Australia/New Zealand was up 23% YoY (Q4 2021: up 35%), while revenue in China increased by 15% YoY (Q4 2021: up 28%). Our business in India was up 14% YoY (Q4 2021: up 21%), while in Latin America revenue grew 5% YoY (Q4 2021: up 6%), primarily driven by Brazil and Argentina. Overall EBITA margin in this region was 5.3%, compared to 5.4% last year.

global businesses

Total organic revenue growth per working day was up 30% YoY (Q4 2021: up 36%). Randstad Sourceright revenue increased by 40% YoY (Q4 2021: up 44%), while Monster revenue was up 9% YoY (Q4 2021: up 12%). Overall EBITA margin came in at -0.3% compared to -0.8% last year.

performance by revenue category

revenue in millions of €	Q1 2022	Q1 2021	organic Δ% ¹
Staffing	3,167	2,733	14%
Inhouse Services	1,612	1,344	16%
Professionals	1,485	1,194	17%
Global Businesses	357	257	30%
Revenue	6,621	5,528	15%

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

Total revenue of permanent placements in the revenue categories 'Staffing', 'Inhouse', and 'Professionals', amounted to € 183 million in Q1 2022 (Q1 2021: € 110 million). Revenue of recruitment process outsourcing within Global businesses amounted to € 98 million in Q1 2022 (Q1 2021: € 41 million).

other information.

outlook

Organic revenue per working day increased by 15% YoY in Q1 2022.

The development of volumes in early April indicates a positive continuation of the trends seen in Q1, with strong demand from both clients and talent. Although we remain cautious as visibility remains limited, Randstad is well positioned to respond quickly and effectively amidst an unprecedented macro environment, through our diverse portfolio, our scale and data insights, and high operational adaptability and flexibility.

Q2 2022 gross margin and operating expenses are both expected to be broadly in line sequentially.

For Q2 2022, we are steering towards an incremental conversion ratio of 25%-30%.

There will be an adverse 0.1 working day impact in Q2 2022.

acquisition of avanzo

On March 28 2022, Randstad announced the acquisition of Avanzo, an expert in training and development solutions. The acquisition of Avanzo reinforces Randstad's leadership position by boosting its learning and training business, key solutions for accelerating its clients' talent growth. It also positions Randstad in Spain and Portugal as a leader in corporate learning solutions, reskilling, and talent development platforms.

working days

	Q1	Q2	Q3	Q4
2022	63.2	62.1	64.8	62.7
2021	62.4	62.2	65.1	63.9
2020	63.6	61.6	65.1	63.7

financial calendar

Publication of second quarter results 2022	July 26, 2022
Ex-dividend date of special dividend	September 29, 2022
Record date of special dividend	September 30, 2022
Special dividend ordinary shares available for payment	October 4, 2022
Publication of third quarter results 2022	October 25, 2022

analyst and press conference call

Today (April 26, 2022), at 09.00 AM CET, Randstad N.V. will be hosting an analyst conference call. The dial-in numbers are:

- International: +44 33 0551 0200

- Netherlands: +31 20 708 5073

To gain access to the conference please tap or state the password 'Randstad'

You can listen to the call through a real-time audio webcast. You can access the webcast and presentation at <https://www.randstad.com/results-and-reports/quarterly-results>. A replay of the presentation and the Q&A will be available on our website by the end of the day.

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disclaimer

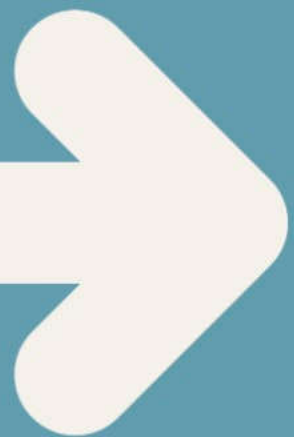
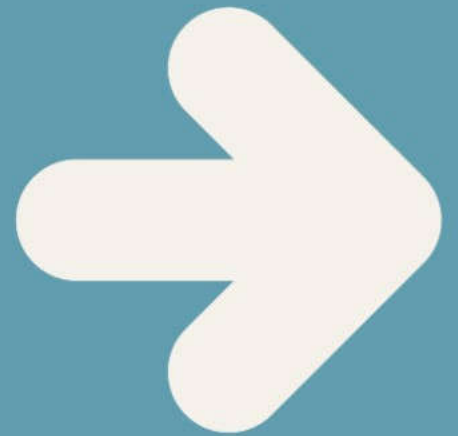
Certain statements in this document concern prognoses about the future financial condition, risks, investment plans, and the results of operations of Randstad N.V. and its operating companies, as well as certain plans and objectives. Obviously, such prognoses involve risks and a degree of uncertainty, 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.

randstad profile

Randstad is the world's largest HR services provider and is driven to become the world's most valued 'working life partner', supporting as many people as possible in realizing their true potential throughout their working life. We provide companies with the high quality, diverse, and agile workforces they need while helping people get rewarding jobs and stay relevant in the ever-changing world of work. In 2021, we helped more than two million people find a job that is right for them, advised 235,000 clients on their HR needs, from talent acquisition to total workforce management, and delivered training to over 450,000 people. We use data and technology to provide the right advice at the right moment at scale, while our consultants across almost 5,000 locations in 38 markets give talent and clients personal, dedicated human attention. It is this combination of Tech and Touch that makes our offer unique. Randstad was founded in 1960 and is headquartered in Diemen, the Netherlands. Randstad N.V. is listed on the Euronext Amsterdam (symbol: RAND). For more information, see www.randstad.com

interim

financial



statements

Q1 2022.

actuals

consolidated income statement

in millions of €, unless otherwise indicated	Q1 2022	Q1 2021
Revenue	6,621	5,528
Cost of services	5,261	4,469
Gross profit	1,360	1,059
Selling expenses	734	573
General and administrative expenses	346	292
Other income	-	(35)
Operating expenses	1,080	830
Amortization and impairment of acquisition-related intangible assets and goodwill	4	14
Total operating expenses	1,084	844
Operating profit	276	215
Net finance income/(costs)	5	(5)
Income before taxes	281	210
Taxes on income	(72)	(57)
Net income	209	153
Net income attributable to:		
Holders of ordinary shares Randstad N.V.	207	151
Holders of preference shares Randstad N.V.	2	2
Equity holders	209	153
Non-controlling interests	-	-
Net Income	209	153
Earnings per share attributable to the holders of ordinary shares of Randstad N.V. (in € per share):		
Basic earnings per share	1.13	0.82
Diluted earnings per share	1.13	0.82
Diluted earnings per share before amortization and impairment of acquisition-related intangible assets and goodwill, integration costs and one-offs	1.16	0.76

information by geographical area and revenue category

revenue by geographical area

in millions of €	Q1 2022	Q1 2021
North America	1,302	1,033
France	941	833
Netherlands	888	777
Germany	488	428
Italy	543	423
Belgium & Luxembourg	416	356
Iberia	393	328
Other European countries	620	532
Rest of the world	683	572
Global Businesses	361	260
Elimination of intersegment revenue	(14)	(14)
Revenue	6,621	5,528

EBITA by geographical area

in millions of €	Q1 2022	Q1 2021
North America	81	39
France	49	38
Netherlands	58	50
Germany	5	3
Italy	41	22
Belgium & Luxembourg	19	16
Iberia	19	14
Other European countries	16	10
Rest of the world	36	31
Global Businesses	(2)	28
Corporate	(42)	(22)
EBITA¹	280	229

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

revenue by revenue category

in millions of €	Q1 2022	Q1 2021
Staffing	3,177	2,744
Inhouse	1,612	1,344
Professionals	1,485	1,194
Global businesses	361	260
Elimination of intersegment revenue	(14)	(14)
Revenue	6,621	5,528

Total revenue of permanent placements in the revenue categories 'Staffing', 'Inhouse', and 'Professionals', amounted to € 183 million in Q1 2022 (Q1 2021: € 110 million). Revenue of recruitment process outsourcing within Global businesses amounted to € 98 million in Q1 2022 (Q1 2021: € 41 million).

consolidated balance sheet

in millions of €

march 31, 2022

december 31, 2021

march 31, 2021

assets

Property, plant and equipment	150	151	140
Right-of-use assets	518	507	491
Intangible assets	3,224	3,200	3,109
Deferred income tax assets	606	619	658
Financial assets and associates	194	195	178
Non-current assets	4,692	4,672	4,576
Trade and other receivables	5,579	5,432	4,551
Income tax receivables	117	77	135
Cash and cash equivalents	548	859	622
Current assets	6,244	6,368	5,308
Total assets	10,936	11,040	9,884

equity and liabilities

Issued capital	26	26	26
Share premium	2,323	2,323	2,323
Reserves	1,812	2,552	1,915
Shareholders' equity	4,161	4,901	4,264
Non-controlling interests	1	1	1
Total equity	4,162	4,902	4,265
Borrowings (including lease liabilities)	685	1,071	388
Deferred income tax liabilities	20	18	35
Provisions and employee benefit obligations	269	256	257
Other liabilities	-	-	2
Non-current liabilities	974	1,345	682
Borrowings (including lease liabilities)	224	203	420
Trade and other payables	4,466	4,426	3,742
Dividend	922	-	604
Income tax liabilities	95	63	66
Provisions and employee benefit obligations	89	97	103
Other liabilities	4	4	2
Current liabilities	5,800	4,793	4,937
Total liabilities	6,774	6,138	5,619
Total equity and liabilities	10,936	11,040	9,884

consolidated statement of cash flows

in millions of €	Q1 2022	Q1 2021
Operating profit	276	215
Amortization and impairment of acquisition-related intangible assets and goodwill	4	14
EBITA	280	229
Depreciation, amortization and impairment of property, plant, equipment, right-of-use assets, and software	73	78
EBITDA	353	307
Provisions and employee benefit obligations	4	3
Share-based compensations	11	12
Gain on disposal of subsidiaries and associates	-	(35)
Other items	(1)	(2)
Cash flow from operations before operating working capital and income taxes	367	285
Operating working capital assets	(104)	(102)
Operating working capital liabilities	16	(12)
Operating working capital	(88)	(114)
Income taxes	(69)	(72)
Net cash flow from operating activities	210	99
Net additions in property, plant and equipment, and software	(25)	(45)
Acquisition of subsidiaries, associates and equity investments	(2)	-
Disposal of subsidiaries, associates and equity investments	2	53
Net cash flow from investing activities	(25)	8
Net purchase of own ordinary shares	(71)	-
Net repayments of non-current borrowings	(400)	-
Net increase of current borrowings	22	94
Repayments of lease liabilities	(52)	(50)
Net financing	(501)	44
Net finance costs paid	(3)	(3)
Net reimbursement to financiers	(3)	(3)
Net cash flow from financing activities	(504)	41
Net (decrease)/increase in cash, and cash equivalents	(319)	148
Cash, and cash equivalents at beginning of period	859	474
Net movement	(319)	148
Translation and currency gains	8	-
Cash, and cash equivalents at end of period	548	622
Free cash flow	133	4

consolidated statement of changes in total equity and consolidated statement of total comprehensive income

in millions of €	january 1 - march 31	
	2022	2021
Begin of period		
Shareholders' equity	4,901	4,668
Non-controlling interests	1	1
Total equity	4,902	4,669
Net income for the period, equity shareholders	209	153
Non-controlling interest	-	-
Net income for the period	209	153
Items that subsequently may be reclassified to the income statement	29	35
Items that will never be reclassified to the income statement	-	(1)
Total other comprehensive income, net of taxes	29	34
Total comprehensive income	238	187
Other changes in period		
Dividend payable on ordinary shares	(914)	(596)
Dividend payable on preference shares	(8)	(8)
Share-based compensations	11	12
Tax on share-based compensations	4	1
Net purchase of ordinary shares	(71)	-
Total other changes in period	(978)	(591)
End of period	4,162	4,265
Shareholder's equity	4,161	4,264
Non-controlling interests ¹	1	1
Total equity	4,162	4,265

¹ Changes in 'Non-controlling interests', are negligible for all periods.

notes to the consolidated interim financial statements

reporting entity

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

The consolidated interim financial statements of Randstad N.V. as at and for the three month period ended March 31, 2022 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, 2021.

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, 2021.

The consolidated financial statements of the Group as at and for the year ended December 31, 2021 are available upon request at the Company's office or on www.randstad.com.

estimates

The preparation of consolidated interim financial statements requires the Group to make certain judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

In preparing these consolidated interim financial statements, the significant judgments, estimates, and assumptions are the same as those applied to the consolidated financial statements as at and for the year ended December 31, 2021.

covid-19

The global outbreak of COVID-19 has resulted in a significant disruption in our main markets resulting in unprecedented declines in GDP in these markets during 2020. The impact on our business was fairly limited in 2021 and remains limited in 2022. The impact on our cash flow in 2022 was limited as well (Q1 2021: negative impact of € 85 million due to postponed payments of government relief measures).

We are continuing to monitor and address the impacts of the COVID-19 outbreak in the next quarters although we currently expect limited impact on our business. However, we cannot predict with certainty what these impacts will be for the next quarters.

conflict in Ukraine

We closely follow the geopolitical developments in Eastern Europe. In addition to the human toll, we recognize that rising inflation and global supply-chain disruptions are already signs indicating that this war is increasingly affecting the global economy.

In Q1 2022, the impact on our business was fairly limited. Looking ahead, there continues to be a high degree of global macroeconomic and geopolitical uncertainty. We are continuously monitoring the situation, with the aim to respond as quickly and effectively as possible to the changing circumstances.

seasonality

The Group's activities are affected by seasonal patterns. The volume of transactions throughout the year fluctuates per quarter, depending on demand as well as on variations in items such as the number of working days, public holidays and holiday periods. The Group usually generates its strongest revenue and profits in the second half of the year, while the cash flow in the second quarter is usually negative due to the timing of payments of dividend and holiday allowances; cash flow tends to be strongest in the second half of the year.

effective tax rate

The effective tax rate for the three month period ended March 31, 2022 is 25.6% (Q1 2021: 27.0%), and is based on the estimated tax rate for the whole year 2022 (actual FY 2021: 24.6%).

acquisition and disposal of group companies, equity investments and associates

In Q1 2022, we had a net cash outflow of € 2 million mainly relating to the acquisition of Avanzo (Spain), an online training and development company. Randstad completed the acquisition of Avanzo on March 28, 2022. No full provisional purchase price allocation has been performed yet due to time constraints. A full provisional purchase price allocation will be performed in Q2 2022.

In Q1 2022, we completed our provisional purchase price allocation for our acquisition of Hudson Benelux, which took place on December 9, 2021. The provisional purchase price allocation resulted in € 12 million of goodwill and € 17 million of acquisition related intangibles.

In the quarter, we also had cash inflows of € 2 million in relation to the disposal of equity investments (Q1 2022: € 0 million).

shareholders' equity

Issued number of ordinary shares	2022	2021
January 1	183,959,312	183,303,552
Share-based compensations	-	655,760
March 31	183,959,312	183,959,312

As at March 31, 2022, the Group held 1,133,058 treasury shares (March 31, 2021: 5,120). As at December 31, 2021 the Group held 907,723 treasury shares. The average number of (diluted) ordinary shares outstanding has been adjusted for these treasury shares.

As at March 31 2022, December 31 2021 and March 31, 2021 the number of issued preference shares was 25,200,000 (type B) and 50,130,352 (type C).

earnings per share

in millions of €, unless otherwise indicated	Q1 2022	Q1 2021
Net income for holders of preference and ordinary shares	209	153
Net income attributable to holders of preference shares	(2)	(2)
Net income attributable to holders of ordinary shares	207	151
Amortization of intangible assets ¹	4	14
Integration costs and one-offs ²	6	(27)
Tax effect on amortization, integration costs, and one-offs	(3)	3
Adjusted net income for holders of ordinary shares	214	141
Average number of ordinary shares outstanding	182.8	183.7
Average number of diluted ordinary shares outstanding	183.7	184.5
Earnings per share attributable to the holders of ordinary shares of Randstad N.V. (in € per share):		
Basic earnings per share	1.13	0.82
Diluted earnings per share	1.13	0.82
Diluted earnings per share before amortization and impairment of acquisition-related intangible assets and goodwill, integration costs, and one-offs ³	1.16	0.76

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

2 FY2021 includes the one-off book profit of €35 million from the disposal of Alma Career Oy

3 Diluted EPS underlying

net debt position

Net debt including lease liabilities at March 31, 2022 amounted to € 361 million, and was € 175 million higher compared to March 31, 2021 (€ 186 million). The net cash position excluding lease liabilities as at March 31, 2022 was € 240 million and was € 147 million lower compared to the net cash position as at March 31, 2021 (€ 387 million).

breakdown of operating expenses

in millions of €	Q1 2022	Q1 2021
Personnel expenses	815	644
Other operating expenses	265	186
Operating expenses	1,080	830

depreciation, amortization, impairment of property, plant, equipment, right-of-use assets and software

in millions of €	Q1 2022	Q1 2021
Depreciation and impairment of property, plant and equipment	13	12
Amortization and impairment of software	14	18
Depreciation and amortization of software	27	30
Depreciation and impairment of right-of-use assets	46	48
Total	73	78

net additions to property, plant, equipment and software, statement of cash flows

in millions of €	Q1 2022	Q1 2021
Additions		
Property, plant and equipment & Software	(27)	(45)
	(27)	(45)
Disposals		
Proceeds property, plant and equipment	2	-
(Profit)/Loss	-	-
	2	-
Statement of cash flows	(25)	(45)

total comprehensive income

Apart from net income for the period, total comprehensive income comprises translation differences and related tax effects that subsequently may be reclassified to the income statement in a future reporting period, and, if any, fair value adjustments of equity investments and remeasurements of post-employment benefits (including tax effects), that will never be reclassified to the income statement.

related-party transactions

There are no material changes in the nature, scope, and (relative) scale in this reporting period compared to last year. More information is included in notes 28, 29 and 30 to the consolidated financial statements as at and for the year ended December 31, 2021.

commitments

There are no material changes in the nature and scope of commitments compared to December 31, 2021.

events after balance sheet date

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