

2nd quarter results 2022.

record revenue
& continued margin expansion.

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26 July 2022 | Randstad N.V.

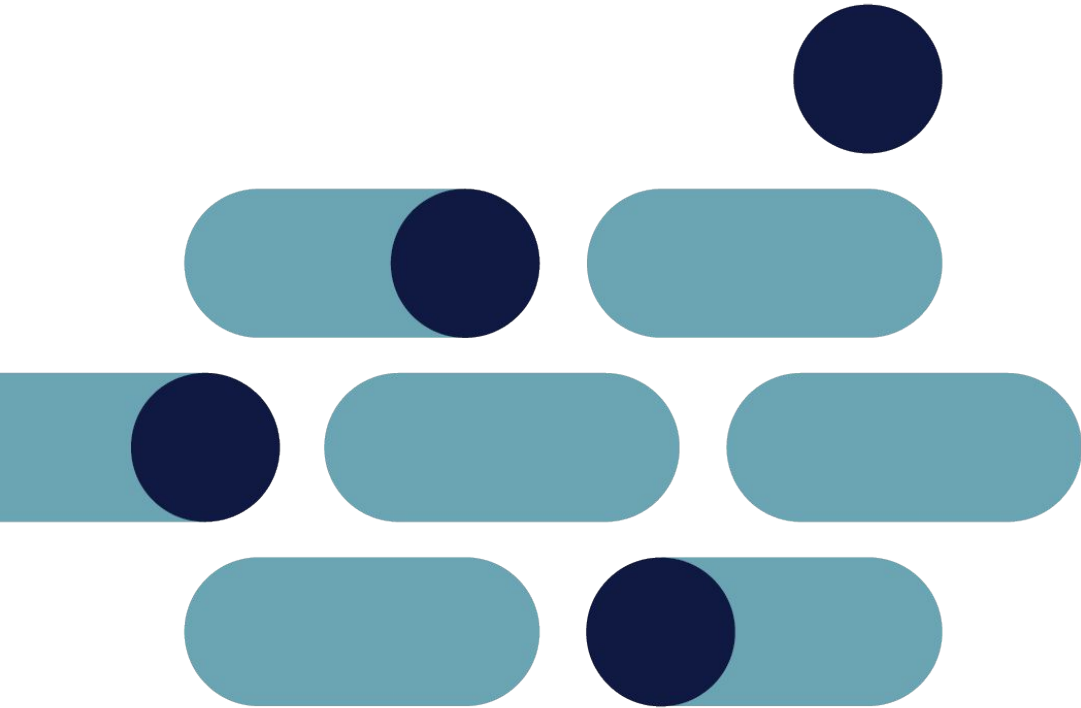


disclaimer.

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.

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performance.



Q2 2022: record revenue & strong margin expansion.



highlights

strong demand & talent scarcity

continued portfolio diversification
and targeted investments

record high perm & RPO



Q2 key financials

revenue +9.1% YoY

gross margin 21.2%, +170bp YoY

EBITA € 308m, 4.5% margin



focus & adaptability

unique market dynamics

strategic talent partner

operational flexibility

north america

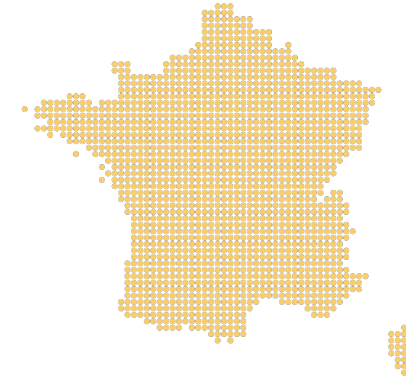
strong performance.



- revenue up 10% (Q1: up 13%)
 - perm up 46% (Q1: up 87%)
- US Staffing & Inhouse revenue up 8% (Q1: up 9%)
- US Professionals revenue up 13% (Q1: up 16%)
- Canada revenue up 16% (Q1: up 28%)
- EBITA margin at 6.2% vs. 4.7% LY

france

solid quarter, led by business mix.



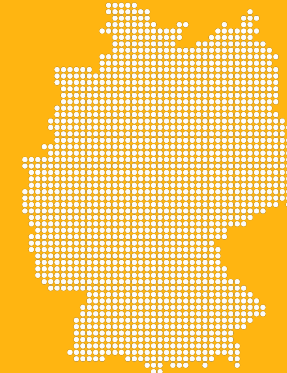
- revenue up 7% (Q1: up 12%)
 - perm up 20% (Q1: up 18%)
- Staffing & Inhouse up 5% (Q1: up 11%)
- Professionals up 14% (Q1: up 14%)
- EBITA margin at 4.9% vs. 5.7% LY

the netherlands resilient performance.



- revenue up 1% YoY (Q1: up 13%)
 - perm up 65% YoY (Q1: up 55%)
- Staffing & Inhouse down 1% (Q1: up 14%)
- Professionals up 12% (Q1: up 8%)
- EBITA margin at 5.8% vs. 6.7% LY

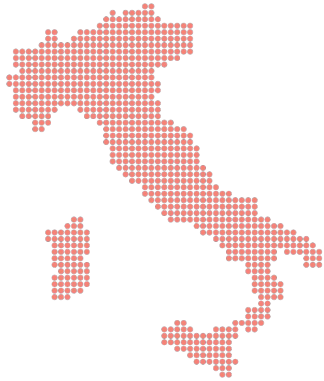
germany modest growth, improving margin.



- revenue up 4% (Q1: up 12%)
 - perm up 52% YoY (Q1: up 83%)
- Staffing & Inhouse up 4% (Q1: up 15%)
- Professionals up 3% (Q1: down 1%)
- EBITA margin at 2.3% vs. 1.7% LY

italy

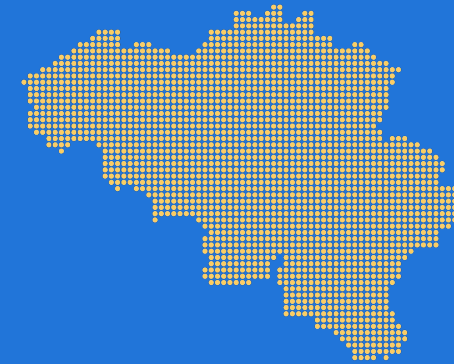
another excellent quarter.



- revenue up 20% (Q1: up 26%)
- perm up 50% (Q1: up 73%)
- EBITA margin at 6.8% vs. 6.3% LY

belgium

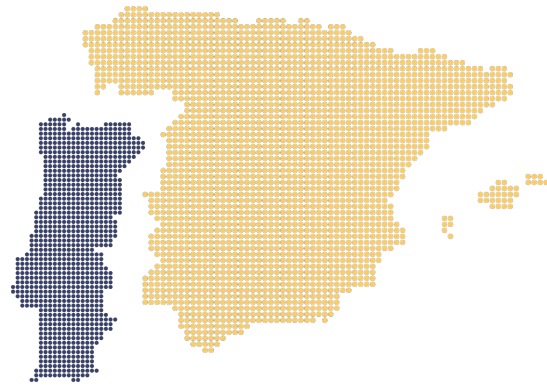
solid performance.



- revenue up 4% (Q1: up 12%)
 - Staffing & Inhouse up 6% (Q1: up 13%)
- EBITA margin at 4.6% vs. 5.5% LY

iberia

continued excellent performance.



- spain revenue up 15% (Q1: up 23%)
 - perm up 69% (Q1: up 71%)
- portugal revenue up 9% (Q1: stable)
- EBITA margin at 6.1% vs. 5.5% LY

other european countries

good growth, improving profitability.



- UK revenue up 5% (Q1: up 19%)
- nordics up 14% (Q1: up 19%)
- switzerland up 10% (Q1: up 16%)
- poland down 8% (Q1: down 3%)
- EBITA margin at 3.6% vs. 2.7% LY

rest of the world
strong growth and profitability.



- japan up 11% (Q1: up 13%)
- australia & new zealand up 16% (Q1: up 23%)
- india up 16% (Q1: up 14%)
- latin america revenue stable (Q1: up 5%)
- EBITA margin at 4.9% vs. 4.9% LY

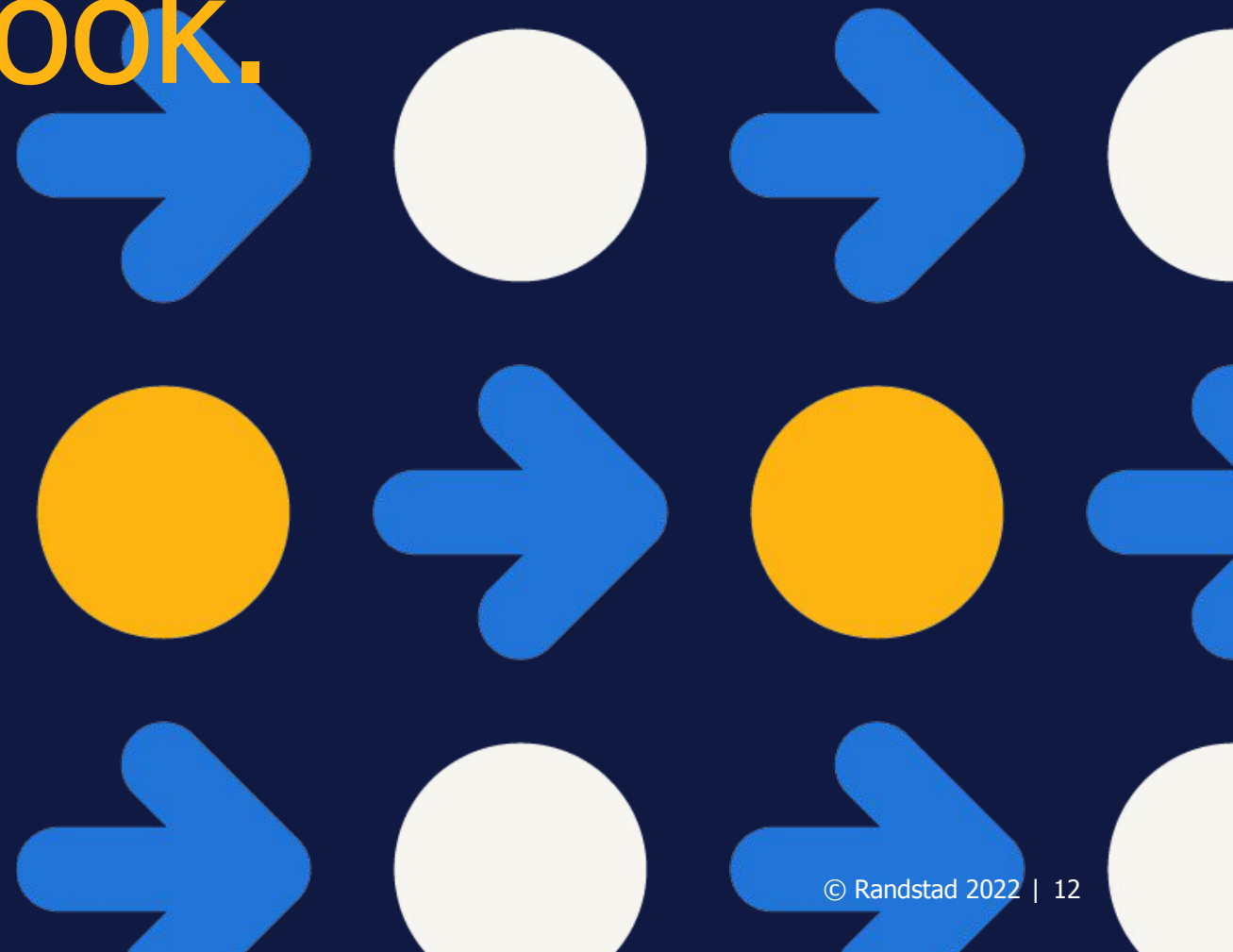
global businesses
another record quarter in RPO.



- global businesses up 25% (Q1: up 30%)
- monster revenue up 1% (Q1: up 9%)
- sourceright up 32% (Q1: up 40%)
- EBITA margin at 1.8% vs. 0.6% LY

financial results

& outlook.



record revenue and strong margin expansion.



Q2 performance

| € million | Q2 '22 | Q2 '21 | % org. |
|------------------------------|-------------|-------------|------------|
| revenue | 6,886 | 6,078 | 9% |
| gross profit | 1,457 | 1,183 | 17% |
| gross margin | 21.2% | 19.5% | |
| operating expenses* | 1,149 | 923 | 18% |
| opex % | 16.7% | 15.2% | |
| EBITA* | 308 | 260 | 13% |
| EBITA margin* | 4.5% | 4.3% | |
| integration costs & one-offs | -/- 43 | -/- 10 | |
| amortization & impairment | -/- 5 | -/- 11 | |
| net finance income/(costs) | 3 | -/- 5 | |
| tax | -/- 68 | -/- 59 | |
| reported net income** | 196 | 176 | |
| adjusted net income | 230 | 190 | 21% |



Q2 key financials

- organic revenue up 9% YoY
- perm revenue +38% YoY, RPO +108% YoY
- gross profit mix reflecting a larger portion of high margin fee activities and pricing discipline
- EBITA € 308m, 4.5% EBITA margin, +20bp YoY
- L4Q ICR of 28%

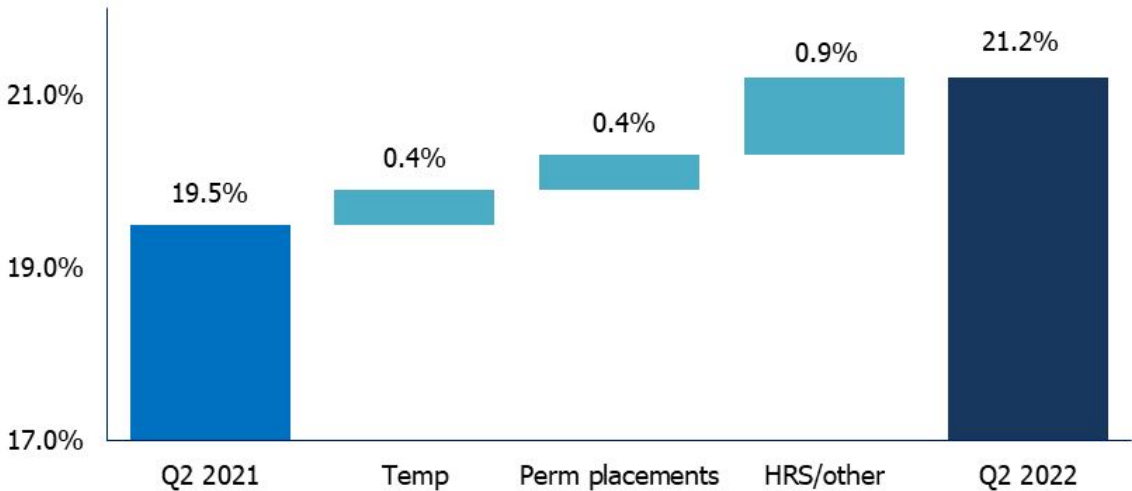


* before integration costs & one-offs.
** including share of profit of associates.

strong gross margin expansion driven by business mix and pricing discipline.



Q2 gross margin development YoY



Q2 highlights

- temp margin + 40bp YoY
- perm fees increased +38% YoY, +40bp impact on gross margin
- HRS/other +90bp YoY, reflecting continued strong growth in RPO

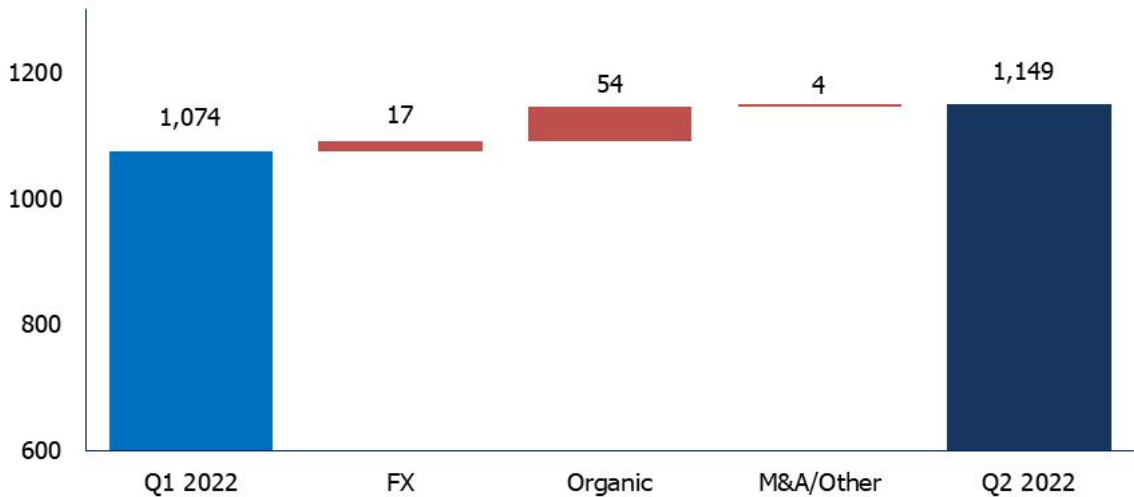
targeted investments in growth areas, operational flexibility.



Q2 sequential opex bridge



supporting growth and investments



- focused field steering
- targeted investments in perm, RPO and professionals
- operational adaptability & flexibility



strong balance sheet.



Q2 free cash flow

- Q2 FCF € 55m (vs. € 78m in Q2 2021)
 - DSO 52.1, stable vs Q2 2021
 - ROIC: 19.2% (Q2 2021: 14.0%)
-



strong balance sheet

- net debt € 147m excl. lease liabilities
 - leverage ratio excl. lease liabilities: 0.1
 - refinanced multicurrency RCF of € 1.75 bn
-

conclusion and outlook.



Q3 2022 outlook

- gross margin and operating expenses both expected to be broadly in line sequentially
- adverse 0.3 working day impact in Q3 2022



activity momentum

- demand for talent was strong in Q2
- similar trend in early July, with the number of employees placed on a temporary basis broadly in line with Q2; strong demand for perm and RPO
- exercising caution as visibility remains limited due to macroeconomic uncertainties

questions & answers.



appendices
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outlets by region.

| end of period | Q2 2022 | Q1 2022 | Q4 2021 | Q3 2021 | Q2 2021 |
|--------------------------|---------|---------|---------|---------|---------|
| North America | 1,235 | 1,211 | 1,208 | 1,201 | 1,189 |
| France | 648 | 643 | 645 | 645 | 641 |
| the Netherlands | 619 | 625 | 618 | 599 | 599 |
| Germany | 526 | 524 | 563 | 579 | 565 |
| Italy | 275 | 274 | 274 | 273 | 272 |
| Belgium & Luxembourg | 353 | 347 | 333 | 326 | 328 |
| Iberia | 387 | 388 | 380 | 381 | 389 |
| Other European countries | 498 | 483 | 520 | 510 | 505 |
| Rest of the world | 258 | 259 | 251 | 244 | 239 |
| Global businesses | 135 | 135 | 135 | 136 | 135 |
| total | 4,934 | 4,889 | 4,927 | 4,894 | 4,862 |

corporate staff by region.

| average | Q2 2022 | Q1 2022 | Q4 2021 | Q3 2021 | Q2 2021 |
|--------------------------|---------|---------|---------|---------|---------|
| North America | 7,090 | 6,940 | 6,890 | 6,820 | 6,410 |
| France | 4,800 | 4,670 | 4,620 | 4,540 | 4,370 |
| the Netherlands | 4,150 | 4,140 | 4,100 | 4,000 | 3,810 |
| Germany | 2,950 | 2,950 | 3,010 | 2,950 | 2,820 |
| Italy | 2,940 | 2,790 | 2,660 | 2,550 | 2,440 |
| Belgium & Luxembourg | 2,420 | 2,380 | 2,200 | 2,140 | 2,030 |
| Iberia | 2,660 | 2,530 | 2,390 | 2,260 | 2,060 |
| Other European countries | 4,030 | 3,890 | 3,900 | 3,860 | 3,590 |
| Rest of the world | 6,330 | 6,100 | 5,940 | 5,700 | 5,430 |
| Corporate | 420 | 400 | 350 | 330 | 310 |
| Global businesses | 8,440 | 7,450 | 6,780 | 5,820 | 5,100 |
| total | 46,230 | 44,240 | 42,840 | 40,970 | 38,370 |

number of employees working on a temporary basis by region.

| average | Q2 2022 | Q2 2021 |
|--------------------------|---------|---------|
| North America | 90,700 | 89,000 |
| France | 89,400 | 86,400 |
| the Netherlands | 71,900 | 76,400 |
| Germany | 38,600 | 38,700 |
| Italy | 60,500 | 52,700 |
| Belgium & Luxembourg | 44,100 | 43,400 |
| Iberia | 60,300 | 58,300 |
| Other European countries | 59,500 | 64,000 |
| Rest of the world | 138,900 | 134,400 |
| Global businesses | 8,500 | 9,100 |
| total | 662,400 | 652,400 |

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human forward.

