

A man with a beard, wearing a dark blue suit and a light pink shirt, is walking and talking to a woman. The woman is wearing a yellow blazer, a blue and white striped shirt, and yellow trousers. She has a black bag slung over her shoulder. They are walking on a paved sidewalk next to a brick building with large windows and greenery. The scene is brightly lit, suggesting a sunny day.

3rd quarter

results 2023.


randstad

human forward.

contents

Q3 2023: strong adaptability in a
challenging environment.

financial performance

- 4 core data
- 7 invested capital
- 8 cash flow summary

performance

- 9 performance by segment

other information

interim financial statements

Q3 2023: strong adaptability in a challenging environment.



Q3 2023 organic growth

-7.3%

Q3 2023 underlying EBITA

€ 273m

Q3 2023 EBITA margin

4.4%

gross profit -10% YoY; perm -22% & RPO -34% YoY, combined c. 16% of gross profit.

robust gross margin of 20.6%, -40bp YoY, reflecting mix & pricing; temp +10bp YoY.

solid EBITA margin, strong adaptability: opex down 4% QoQ down 8% YoY.

Europe, Latam and APAC more resilient regions, tougher market conditions in North America.

launch of Randstad Digital, global digital enablement partner.

in early October, trends broadly in line with Q3 2023.

Sander van 't Noordende, CEO of Randstad, commented: "We continued to perform resiliently in the third quarter amid the ongoing global macroeconomic challenges. Europe, Latam and Asia-Pacific were our better performing regions, while tough domestic market conditions impacted our performance in North America. I am particularly pleased with how our teams have adapted to the changing conditions in their markets and have been able to maintain margins and robust cashflow generation. This has contributed to solid profitability and margin performance, while our balance sheet position remains strong.

We made further strategic progress in the period with the launch of Randstad Digital. This is an important step, which positions Randstad as a digital enablement partner for transforming businesses by providing global talent, capacity, and solutions across specialized platforms. We are excited about the growth opportunities in this area.

Looking ahead, our markets continue to be defined by three prevailing trends; a scarcity of talent, clients seeking greater levels of support and the rapid proliferation of new technologies. We are confident in our ability to capture the growth opportunities in our markets and we are well positioned for growth when market sentiment improves. We will provide a broader update on our strategy at our Capital Markets Day in London on Tuesday 31 October 2023."

financial performance.

core data

in millions of €, unless otherwise indicated - underlying	Q3 2023	Q3 2022	yoy change	% org.
Revenue	6,260	7,054	(11)%	(7)%
Gross profit	1,293	1,481	(13)%	(10)%
Operating expenses	1,020	1,145	(11)%	(8)%
EBITA, underlying ¹	273	336	(19)%	(17)%
Integration costs and one-offs	(16)	(13)		
EBITA	257	323	(20)%	
Amortization and impairment of intangible assets ²	(12)	(7)		
Operating profit	245	316		
Net finance (costs) / income	(17)	(8)		
Share of profit of associates	1	-		
Income before taxes	229	308	(26)%	
Taxes on income	(59)	(78)		
Net income	170	230	(26)%	
Adj. net income for holders of ordinary shares ³	190	243	(22)%	
Free cash flow	297	257	16%	
Net debt	1,007	675	49%	
Leverage ratio (net debt/12-month EBITDA) ⁴	0.7	0.4		
Leverage ratio (net debt/12-month EBITDA) excluding IFRS 16 ⁵	0.3	0.1		
DSO (Days Sales Outstanding), moving average	53.4	52.5		
Margins (in % of revenue)				
Gross margin	20.6%	21.0%		
Operating expenses margin	16.3%	16.2%		
EBITA margin, underlying	4.4%	4.8%		
Share data				
Basic earnings per ordinary share (in €)	0.93	1.25	(26)%	
Diluted earnings per ordinary share, underlying (in €) ³	1.04	1.32	(21)%	

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 24.

4 Leverage ratio including IFRS 16.

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

revenue

Organic revenue per working day was down 7.3% YoY in Q3 2023 resulting in revenue of € 6,260 million (Q2 2023: down 5.1%). Reported revenue was down 11% YoY, of which working days had a negative impact of 1.5% while FX had a negative effect of 3.3%. M&A positively contributed 0.9%.

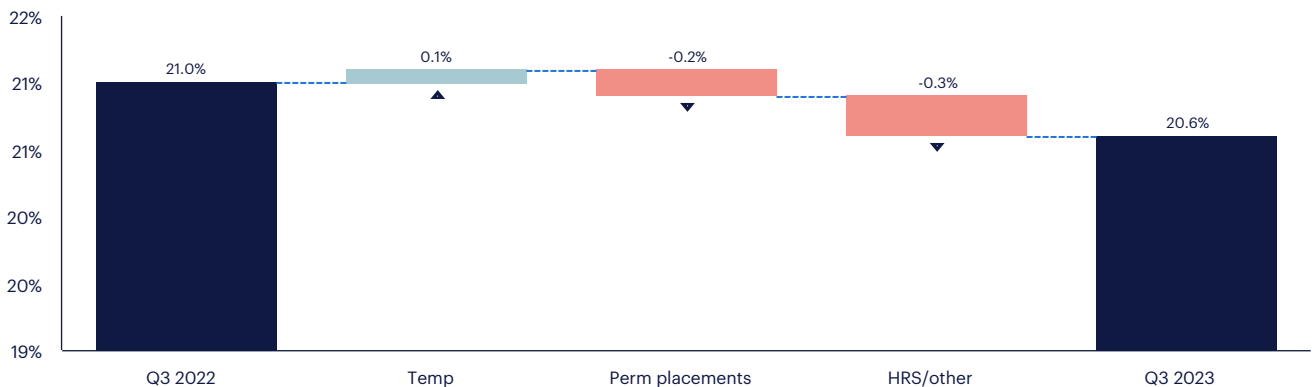
In North America, revenue per working day was down 16% (Q2 2023: down 14%). Revenue in the US was down 15% YoY (Q2 2023: down 13%), while Canada was down 16% YoY (Q2 2023: down 15%). In Northern Europe, revenue per working day was down 7% (Q2 2023: down 6%). Revenue in the Netherlands was down 8% (Q2 2023: down 9%), while Germany was down 9% (Q2 2023: down 4%). Revenue in Belgium and Luxembourg was down 6% (Q2 2023: down 8%). In Southern Europe, UK and Latin America, revenue was down 4% (Q2 2023: down 1%). Revenue in France was down 3% (Q2 2023: up 2%) and in Italy revenue was down 2% (Q2 2023: down 5%). Revenue in Iberia was down 2% (Q2 2023: down 3%). In the Asia Pacific region, revenue was up 2% (Q2 2023: up 5%); revenue in Japan was up 5% YoY (Q2 2023: up 7%), while revenue in Australia & New Zealand was down 2% YoY (Q2 2023: up 3%). Global Businesses revenue was down 12% YoY organically (Q2 2023: down 6%). Enterprise solutions revenue down 12% YoY (Q2 2023: down 5%), as the decline in RPO was partially offset by growth from outplacement and career mobility services. Monster revenue was down 12% YoY (Q2 2023: down 14%).

Perm fees decreased by 22% YoY (Q2 2023: down 16%). Perm fees in Northern Europe were down 5% YoY (Q2 2023: up 1%) and Southern Europe, UK and Latin America were down 13% (Q2 2023: down 7%). North American perm fees were down 40% (Q2 2023: down 36%). In the Asia Pacific region, perm fees were down 17% (Q2 2023: down 5%). Perm fees made up 10.6% of gross profit.

gross profit

In Q3 2023, gross profit amounted to € 1,293 million, down 10% YoY organically (Q2 2023: down 6.6%). Currency effects had a negative € 64 million impact on gross profit compared to Q3 2022.

year-on-year gross margin development (%)

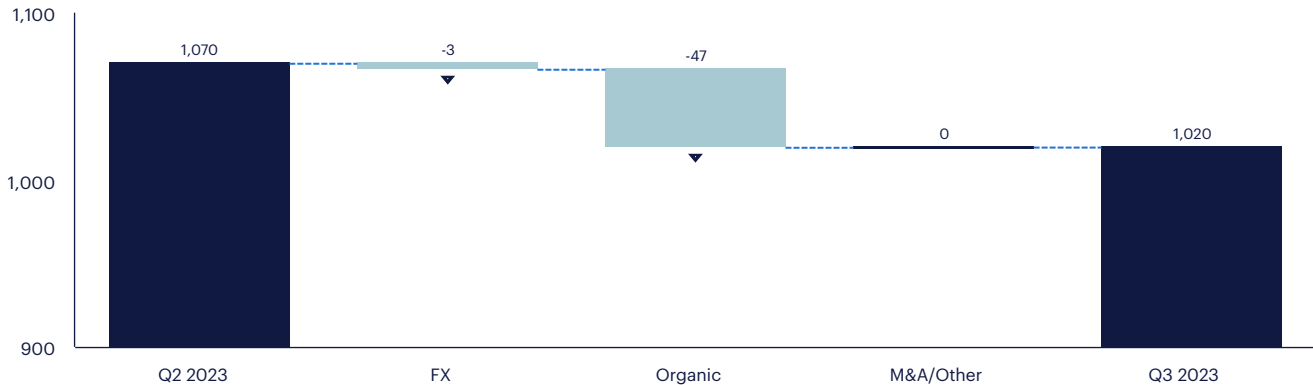


Gross margin was 20.6% in the quarter, 40bp below Q3 2022 (as shown in the graph above). Temporary placements had a 10bp positive impact on gross margin (Q2 2023: 10bp positive impact). Permanent placements had a 20bp negative impact, while HRS/other had a 30bp negative impact.

operating expenses

On an organic basis, operating expenses decreased by € 47 million sequentially to € 1,020 million. Compared to last year, operating expenses were down 8% YoY organically (Q2 2023: down 6%), while currency effects had a € 49 million positive impact.

sequential OPEX development Q2-> Q3 in € M



Personnel expenses were down 5% sequentially. Average headcount (in FTE) amounted to 43,210 for the quarter, organically down 9% YoY and down 1% sequentially (net reduction of 320 FTE). Productivity (measured as gross profit per FTE) was down 1.5% YoY (Q2 2023: down 1%). We operated a network of 4,862 outlets end of period (Q2 2023: 4,820).

Operating expenses in Q3 2023 were adjusted for a total of € 16 million of integration costs and one-offs (Q3 2022 € 13 million). This mainly reflects integration costs for our recent acquisitions and restructurings in a few countries.

EBITA

Underlying EBITA was down 17% YoY to € 273 million. Currency effects had a € 15 million negative impact YoY. EBITA margin reached 4.4% in the quarter, 40bp below Q3 2022. Overall, we achieved a recovery ratio of 61% in Q3 2023.

net finance costs

In Q3 2023, net finance costs were € 17 million, compared to € 8 million in Q3 2022. Interest expenses on our net debt position were € 14 million (Q3 2022: € 3 million), and interest expenses related to lease liabilities were € 7 million (Q3 2022 € 4 million). Foreign currency and other effects had a positive impact of € 4 million (Q3 2022: negative impact of € 1 million).

tax

The underlying effective tax rate before amortization and impairment of acquisition-related intangibles and goodwill, integration costs and one-offs amounted to 25.2% (Q3 2022: 25.6%). For FY 2023, we expect an effective tax rate before amortization and impairment of acquisition-related intangibles and goodwill, integration costs and one-offs of between 25% and 27%.

net income, earnings per share

In Q3 2023, adjusted net income was down 22% YoY to € 190 million. Diluted underlying EPS amounted to € 1.04 (Q3 2022: € 1.32). The average number of diluted ordinary shares outstanding for the quarter was 182.1 million (Q3 2022: 183.6 million).

invested capital

in millions of €, unless otherwise indicated	sep 30 2023	jun 30 2023	mar 31 2023	dec 31 2022	sep 30 2022	jun 30 2022
Goodwill and acquisition-related intangible assets	3,246	3,224	3,251	3,280	3,414	3,180
Operating working capital (OWC) ¹	1,204	1,294	1,257	1,239	1,320	1,238
Net tax assets ²	662	649	623	619	564	630
All other assets/(liabilities) ³	600	608	109	647	102	95
Employed capital	5,712	5,775	5,240	5,785	5,400	5,143
Financed by						
Total equity	4,705	4,567	4,495	4,915	4,725	4,397
(Net Cash)/Net debt excl. lease liabilities	419	616	145	272	74	147
Lease liabilities	588	592	600	598	601	599
Net debt incl. lease liabilities	1,007	1,208	745	870	675	746
Invested capital	5,712	5,775	5,240	5,785	5,400	5,143
Ratios						
DSO (Days Sales Outstanding), moving average	53.4	53.3	53.0	52.9	52.5	52.1
OWC as % of revenue over last 12 months	4.6%	4.8%	4.6%	4.5%	4.8%	4.7%
Leverage ratio (net debt/12-month EBITDA)	0.7	0.8	0.5	0.6	0.4	0.5
Return on invested capital ⁴	16.3%	17.6%	19.7%	17.9%	18.6%	19.2%

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, 2023, € 530 million dividends payable is included (September 30, and June 30, 2022 € 514 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 16.3%, a decrease of 230bp YoY. This decrease is primarily driven by the lower 12-month rolling EBITA and higher invested capital in Q3 2023 compared to last year.

The moving average of Days Sales Outstanding (DSO) was 53.4 (Q2 2023: 53.3).

At the end of Q3 2023, net debt including lease liabilities was € 1,007 million, compared to € 675 million at the end of Q3 2022. A further analysis of the cash flow is provided in the next section.

cash flow summary

in millions of €	Q3 2023	Q3 2022	change
EBITA	257	323	(20)%
Depreciation, amortization and impairment of property, plant, equipment, right-of-use assets, and software	70	74	
EBITDA	327	397	(18)%
Operating working capital	104	(13)	
Provisions and employee benefit obligations	2	8	
All other items	16	8	
Income taxes	(75)	(52)	
Net cash flow from operating activities	374	348	7%
Net capital expenditures	(25)	(38)	
Financial assets	-	-	
Repayments of lease liabilities	(52)	(53)	
Free cash flow	297	257	16%
Net (acquisitions)/disposals	(1)	(170)	
Net purchase of own ordinary shares	(81)	-	
Net finance costs paid	(13)	(6)	
Translation and other effects	(1)	(10)	
Net decrease of net debt (incl. lease liabilities)	201	71	

In the quarter, free cash flow amounted to € 297 million, up € 40 million YoY (Q3 2022: € 257 million). Free cash flow mainly reflects a decline in EBITA more than offset by countercyclical working capital dynamics.

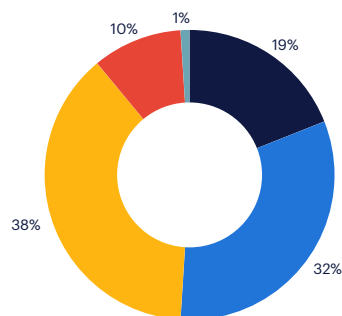
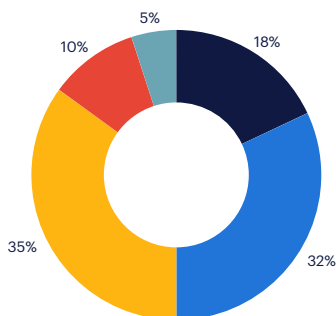
performance.

performance by segment

split by segment

Q3 2023: revenue € 6,260 million

Q3 2023: EBITA € 273 million



● North America
 ● Northern Europe
 ● Southern Europe, UK & Latin America
 ● Asia Pacific
 ● Global Businesses

revenue in millions of €	Q3 2023	Q3 2022	organic Δ% ¹	9M 2023	9M 2022	organic Δ% ¹
North America	1,122	1,458	(16)%	3,486	4,127	(13)%
Netherlands	772	855	(8)%	2,377	2,620	(9)%
Germany	457	511	(9)%	1,424	1,495	(4)%
Belgium/Luxembourg	404	437	(6)%	1,167	1,266	(7)%
Other NE Countries	364	391	(3)%	1,101	1,147	(2)%
Northern Europe	1,997	2,194	(7)%	6,069	6,528	(6)%
France	943	992	(3)%	2,894	2,930	(1)%
Italy	517	535	(2)%	1,609	1,671	(3)%
Iberia	409	427	(2)%	1,169	1,223	(4)%
Other SE Countries, UK & Latam	328	394	(9)%	1,047	1,112	(2)%
Southern Europe, UK & Latin America	2,197	2,348	(4)%	6,719	6,936	(2)%
Asia Pacific	610	646	2%	1,899	1,802	4%
Global Businesses	334	408	(12)%	1,070	1,168	(6)%
Revenue	6,260	7,054	(7)%	19,243	20,561	(6)%

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	Q3 2023	EBITA margin ¹	Q3 2022	EBITA margin ¹	organic Δ% ²	9M 2023	EBITA margin ¹	9M 2022	EBITA margin ¹	organic Δ% ²
North America	61	5.4%	93	6.5%	(31)%	182	5.2%	261	6.3%	(29)%
Netherlands	49	6.3%	49	5.7%	0%	147	6.1%	158	6.0%	(7)%
Germany	23	5.0%	22	4.1%	9%	58	4.1%	39	2.6%	48%
Belgium/Luxembourg	17	4.3%	22	5.1%	(22)%	52	4.5%	61	4.8%	(14)%
Other NE Countries	13	3.4%	17	4.8%	(32)%	34	3.1%	46	4.0%	(24)%
Northern Europe	102	5.1%	110	5.0%	(8)%	291	4.8%	304	4.7%	(4)%
France	51	5.4%	49	4.9%	4%	156	5.4%	148	5.1%	7%
Italy	35	7.0%	35	6.5%	4%	114	7.1%	116	6.9%	(1)%
Iberia	25	6.2%	26	5.8%	2%	70	6.0%	69	5.6%	2%
Other SE Countries, UK & Latam	11	3.1%	15	3.7%	(21)%	32	3.1%	39	3.5%	(13)%
Southern Europe, UK & Latin America	122	5.6%	125	5.2%	1%	372	5.5%	372	5.4%	2%
Asia Pacific	32	5.4%	32	5.0%	6%	97	5.1%	91	5.0%	1%
Global Businesses	2	0.5%	5	1.2%	(62)%	9	0.8%	11	0.9%	(12)%
Corporate	(46)		(29)			(141)		(109)		(13)%
EBITA before integration costs and one-offs ³	273	4.4%	336	4.8%	(17)%	810	4.2%	930	4.5%	(13)%
Integration costs and one-offs	(16)		(13)			(107)		(62)		
EBITA	257		323			703		868		

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 down 16% YoY (Q2 2023: down 14%). Perm fees were down 40% YoY (Q2 2023: down 36%). In Q3 2023, revenue of our combined US businesses was down 15% YoY (Q2 2023: down 13%). US Staffing/Inhouse Services was down 19% YoY (Q2 2023: down 18%). US Professionals revenue was down 11% YoY (Q2 2023: down 8%). In Canada, revenue was down 16% YoY (Q2 2023: down 15%). EBITA margin for the region came in at 5.4% for the quarter, compared to 6.5% last year.

northern europe

In the Netherlands, revenue was down 8% (Q2 2023: down 9%). Overall perm fees were down 24% YoY (Q2 2023: down 17%). Our combined Staffing and Inhouse Services business was down 5% YoY (Q2 2023: down 6%), while our Professionals business was down 26% YoY (Q2 2023: down 22%). EBITA margin in the Netherlands was 6.3%, compared to 5.7% last year.

In Germany, revenue per working day was down 9% YoY (Q2 2023: down 4%). Perm fees were up 29% compared to last year (Q2 2023: up 10%). Our combined Staffing/Inhouse Services business was down 10% YoY (Q2 2023: down 4%), while Professionals was down 6% YoY (Q2 2023: down 4%). EBITA margin in Germany was 5.0%, compared to 4.1% last year.

In Belgium and Luxembourg, revenue was down 6% YoY (Q2 2023: down 8%). Our Staffing/Inhouse Services business was down 7% YoY (Q2 2023: down 11%). EBITA margin was 4.3%, compared to 5.1% last year.

Across other Northern Europe countries, revenue per working day was down 3% YoY (Q2 2023: down 1%). In the Nordics, revenue was down 15% YoY (Q2 2023: down 6%), while in Switzerland, revenue was down 7% YoY (Q2 2023: down 3%). Revenue in Poland business was up 14% YoY (Q2 2023: up 3%). EBITA margin for other Northern Europe countries was 3.4% compared to 4.8% last year.

southern europe, uk & latin america

In France, revenue was down 3% YoY (Q2 2023: up 2%). Perm fees were down 6% compared to last year (Q2 2023: down 6%). Staffing/Inhouse Services revenue was down 8% YoY (Q2 2023: down 2%), while our Professionals business was up 8% YoY (Q2 2023: up 13%). EBITA margin was 5.4% compared to 4.9% last year.

Revenue per working day in Italy was down 2% YoY (Q2 2023: down 5%). Overall perm fees were up 5% YoY (Q2 2023: up 4%). EBITA margin was 7.0%, compared to 6.5% last year.

In Iberia, revenue per working day was down 2% YoY (Q2 2023: down 3%). Perm fees were down 8% compared to last year (Q2 2023: down 4%). Staffing/Inhouse Services combined was down 2% YoY (Q2 2023: down 4%). Spain was down 2% YoY (Q2 2023: down 4%), while in Portugal revenue was down 1% YoY (Q2 2023: up 2%). EBITA margin was 6.2%, compared to 5.8% last year.

Across other Southern Europe countries, UK & Latin America, revenue per working day was down 9% YoY (Q2 2023: up 1%). In the UK, revenue was down 16% YoY (Q2 2023: down 4%), while in Latin America revenue was up 7% YoY (Q2 2023: up 14%). EBITA margin for this region was 3.1% compared to 3.7% last year.

asia pacific

Total revenue in the Asia Pacific region was up 2% organically YoY (Q2 2023: up 5%). In Japan, revenue was up 5% YoY (Q2 2023: up 7%). Revenue in Australia/New Zealand was down 2% YoY (Q2 2023: up 3%), while revenue in China was down 7% YoY (Q2 2023: down 6%). Our business in India was up 7% YoY (Q2 2023: up 10%). Overall EBITA margin in this region was 5.4%, compared to 5.0% last year.

global businesses

Total organic revenue growth per working day was down 12% YoY (Q2 2023: down 6%). Enterprise solutions revenue was down 12% YoY (Q2 2023: down 5%), while Monster revenue was down 12% YoY (Q2 2023: down 14%). EBITA margin came in at 0.5% compared to 1.2% last year.

performance by revenue category

revenue in millions of €	Q3 2023	Q3 2022	organic Δ% ¹	9M 2023	9M 2022	organic Δ% ¹
Staffing	2,836	3,247	(8)%	8,718	9,685	(8)%
Inhouse Services	1,587	1,765	(7)%	4,861	5,048	(2)%
Professionals	1,503	1,634	(4)%	4,594	4,660	(3)%
Global Businesses	334	408	(12)%	1,070	1,168	(6)%
Revenue	6,260	7,054	(7)%	19,243	20,561	(6)%

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 revenues of permanent placements in the revenue categories 'Staffing', 'Inhouse', and 'Professionals', amounted to € 139 million in Q3 2023 (Q3 2022: € 187 million). Revenue of recruitment process outsourcing within Global businesses amounted to € 75 million in Q3 2023 (Q3 2022: € 121 million).

other information.

outlook

Q3 2023 revenue per working day decreased by 7.3% YoY organically.

The macroeconomic conditions we experienced in the third quarter have continued in early October, with the YoY growth rate of employees working in line with the Q3 2023 YoY growth rate.

Q4 2023 gross margin and operating expenses are both expected to be broadly in line sequentially.

Visibility remains limited. We remain cautious and we continue to work with scenario planning. We will continue to respond quickly and effectively, through our diverse portfolio of services, and operational adaptability provided by our field steering model.

There will be a negative 0.5 working day impact in Q4 2023.

working days

	Q1	Q2	Q3	Q4
2023	63.9	61.7	63.8	62.2
2022	63.2	62.1	64.8	62.7
2021	62.4	62.2	65.1	63.9

other items

completion of the second tranche of Randstad share buyback program

Randstad N.V. ("Randstad") today announces that the second tranche of its € 400 million full share buyback program announced on July 25, 2023, to repurchase up to a maximum of 1,540,000 ordinary shares in Randstad has been completed.

In the period between July 25, 2023 and October 23, 2023 (inclusive) Randstad has purchased a total of 1,540,000 ordinary shares for a total consideration of € 80,386,062. A comprehensive overview of the transactions carried out under the share buyback program, as well as the details of the transactions, are available on [Randstad website](#).

randstad announces cancellation of 3.09 million ordinary shares

As announced on 14 February 2023, Randstad has started a € 400 million share buyback program in order to reduce the capital of Randstad by cancelling all of the ordinary shares acquired through the program. This share buyback is executed in several tranches. The first tranche was announced on 25 April 2023 and executed in the period between 25 April and 24 July 2023, during which 1,550,000 ordinary shares were purchased for a total consideration of € 75 million. The second tranche was announced on 25 July 2023 and executed in the period between 25 July 2023 and 23 October 2023, during which 1,540,000 ordinary shares were purchased for a total consideration of € 80.4 million.

These two tranches of shares, totalling 3,090,000 ordinary shares, will now be cancelled taking the relevant rules and regulations into account. Accordingly, the cancellation and related capital reduction will be effective by year-end 2023.

randstad commences third tranche of its € 400 million share buyback program

Randstad N.V. ("Randstad") today commences the third tranche of its € 400 million full share buyback program as announced on February 14, 2023.

The purpose of the program is to reduce the capital of Randstad, by canceling all of the ordinary shares purchased through the program.

The program will be executed under the mandate given by the Annual General Meeting of Shareholders on March 28, 2023 (“AGM 2023”) and within the limits of relevant laws and regulations.

The share buyback program will be executed in several tranches. For each of them, an intermediary will be mandated to execute the purchase of the shares independently of Randstad in compliance with the Regulation (EU) No 596/2014, of the European Parliament and the Council, of 16 April 2014, on market abuse (the “Market Abuse Regulation”) and within predefined execution parameters. Randstad shares are purchased in the market and accumulated in treasury until cancellation. Pursuant to the relevant rules and regulations, cancellation may not be affected earlier than two months after a resolution to cancel shares is adopted and publicly announced.

Randstad will commence the third tranche of its € 400 million full share buyback program, to repurchase up to a maximum of 1,600,000 ordinary shares in Randstad in the period between 24 October 2023 and 29 December 2023 (inclusive), equivalent to around € 80 million based on the closing share price on Euronext Amsterdam on 23 October 2023.

Within the limits set at the AGM 2023, the maximum price to be paid for shares will be 110% of the closing price of the one preceding trading day on the Euronext Amsterdam stock exchange. Any purchases of shares will be carried out on Euronext Amsterdam and on CBOE in accordance with certain pre-set parameters in accordance with Article 5(1) of the Market Abuse Regulation. Randstad has mandated an independent broker to undertake the third tranche of the program between 24 October 2023 and 29 December 2023 (inclusive). The independent broker will make its trading decisions with regard to the number of shares to be purchased and the timing of the purchases independently of Randstad, and any shares so purchased will be on-sold by the independent broker to Randstad.

The independent broker's instruction to purchase the shares is irrevocable. Randstad will provide weekly updates on the progress of the program on [its corporate website](#) in the investor relations section and to the AFM. Once the maximum number of shares has been repurchased, Randstad will immediately disclose the finalization of the third tranche of its € 400 million full share buyback program.

share repurchase program to offset the dilutive effect from the performance share plans for senior management

Randstad intends to offset the dilutive effect from its performance share plans for senior management through share buybacks. The next allocation of shares will take place in February 2024. Randstad will commence a separate buyback program to purchase up to 305,500 shares in Randstad N.V. (“Randstad”), up to a maximum principal amount of € 38,000,000, in the period between October 24, 2023 and 29 December 2023 (inclusive).

The share repurchase program will be carried out under the mandate given by the Annual General Meeting of Shareholders on March 28, 2023. The maximum price to be paid for shares will be 110% of the closing price of the one preceding trading day on the Euronext Amsterdam stock exchange. Any purchases of shares will be carried out on Euronext Amsterdam and on CBOE in accordance with certain pre-set parameters in accordance with Article 5(1) of the Market Abuse Regulation.

Randstad has mandated an independent broker to undertake the program between 24 October 2023 and 29 December 2023 (inclusive). The independent broker will make its trading decisions with regard to the number of shares to be purchased and the timing of the purchases independently of Randstad, and any shares so purchased will be on-sold by the independent broker to Randstad.

Randstad will provide weekly updates on the progress of the program on [its corporate website](#) in the investor relations section and to the AFM. Once the maximum number of shares has been repurchased, Randstad will immediately disclose the finalization of the program.

financial calendar

Publication of third quarter results 2023	October 24, 2023
Capital Markets Day 2023	October 31, 2023 (starting at 14:00 CET)
Publication of fourth quarter and FY results 2023	February 13, 2024

analyst and press conference call

Today (October 24, 2023), 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.

For more information please contact:

Bisera Grubestic - Director Investor Relations

bisera.grubestic@randstad.com or (mobile) +31 (0)6 2088 2592

Henry Wallers

henry.wallers@randstad.com or (mobile) +44 7876 562436

disclaimer

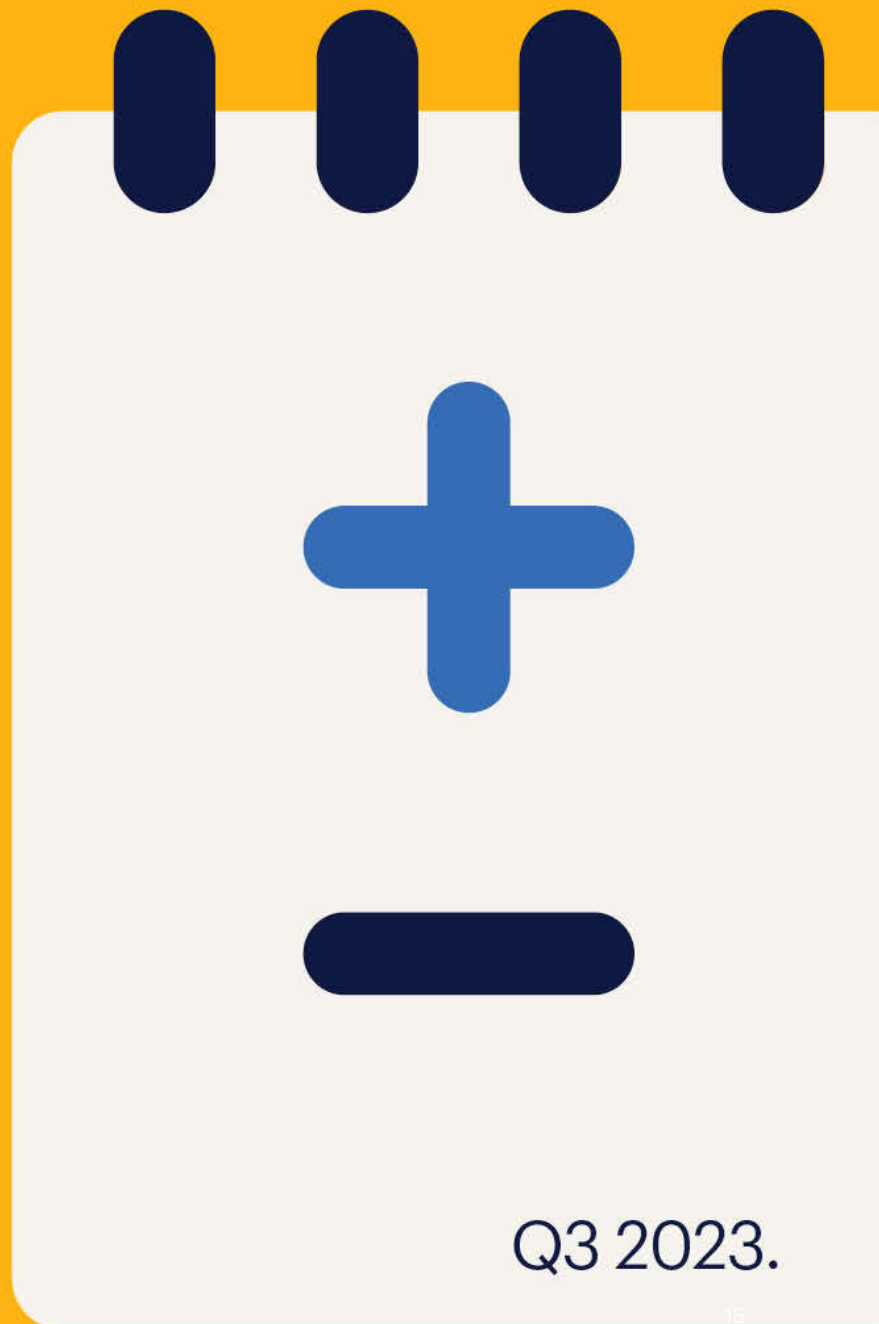
Certain statements in this document concern prognoses about the future financial condition, risks, investment plans, and the results of operations of Randstad N.V. and its operating companies, as well as certain plans and objectives. Obviously, such prognoses involve risks and a degree of uncertainty, 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 talent company and a partner of choice to clients. We are committed to providing equitable opportunities to people from all backgrounds and help them remain relevant in the rapidly changing world of work. We have a deep understanding of the labor market and help our clients to create the high-quality, diverse and agile workforces they need to succeed. Our 43,200 employees around the world make a positive impact on society by helping people to realize their true potential throughout their working life. Randstad was founded in 1960 and is headquartered in Diemen, the Netherlands. In 2022, in our 39 markets, we helped more than 2 million people find a job that feels good and advised over 230,000 clients on their talent needs. We generated revenue of € 27.6 billion. Randstad N.V. is listed on the Euronext Amsterdam. For more information, see www.randstad.com.

interim

financial
statements.



actuals

consolidated income statement

in millions of €, unless otherwise indicated

	Q3 2023	Q3 2022	9M 2023	9M 2022
Revenue	6,260	7,054	19,243	20,561
Cost of services	4,967	5,575	15,245	16,266
Gross profit	1,293	1,479	3,998	4,295
Selling expenses	684	803	2,165	2,337
General and administrative expenses	352	353	1,130	1,090
Operating expenses	1,036	1,156	3,295	3,427
Amortization and impairment of acquisition-related intangible assets and goodwill	12	7	34	16
Total operating expenses	1,048	1,163	3,329	3,443
Operating profit	245	316	669	852
Net finance income / (costs)	(17)	(8)	(48)	-
Share of profit of associates	1	-	1	1
Income before taxes	229	308	622	853
Taxes on income	(59)	(78)	(161)	(218)
Net income	170	230	461	635
Net income attributable to:				
Holders of ordinary shares Randstad N.V.	168	228	455	629
Holders of preference shares Randstad N.V.	2	2	6	6
Equity holders	170	230	461	635
Non-controlling interests	-	-	-	-
Net Income	170	230	461	635
Earnings per share attributable to the holders of ordinary shares of Randstad N.V. (in € per share):				
Basic earnings per share	0.93	1.25	2.50	3.44
Diluted earnings per share	0.92	1.24	2.48	3.43
Diluted earnings per share before amortization and impairment of acquisition-related intangible assets and goodwill, integration costs and one-offs	1.04	1.32	3.09	3.75

information by geographical area and revenue category

revenue by geographical area

in millions of €	Q3 2023	Q3 2022 ¹	9M 2023	9M 2022 ¹
North America	1,122	1,458	3,486	4,127
Netherlands	773	857	2,381	2,626
Germany	457	511	1,424	1,495
Belgium/Luxembourg	405	438	1,172	1,269
Other NE Countries	366	391	1,107	1,150
Northern Europe	2,001	2,197	6,084	6,540
France	944	992	2,897	2,930
Italy	517	535	1,609	1,671
Iberia	410	428	1,172	1,226
Other SE Countries, UK & Latam	331	397	1,055	1,120
Southern Europe, UK & Latin America	2,202	2,352	6,733	6,947
Asia Pacific	612	648	1,903	1,806
Global Businesses	337	412	1,080	1,179
Elimination of intersegment revenue	(14)	(13)	(43)	(38)
Revenue	6,260	7,054	19,243	20,561

1 2022 has been restated due to changes in the external reporting structure. Refer to the notes to the consolidated interim financial statements for further detail.

EBITA by geographical area

in millions of €	Q3 2023	Q3 2022 ¹	9M 2023	9M 2022 ¹
North America	60	92	172	256
Netherlands	49	49	141	158
Germany	23	21	34	35
Belgium/Luxembourg	17	20	49	56
Other NE Countries	12	18	32	45
Northern Europe	101	108	256	294
France	51	46	151	143
Italy	36	35	114	116
Iberia	25	25	69	68
Other SE Countries, UK & Latam	8	14	28	38
Southern Europe, UK & Latin America	120	120	362	365
Asia Pacific	29	25	69	82
Global Businesses	(5)	7	(10)	8
Corporate	(48)	(29)	(146)	(137)
EBITA	257	323	703	868

1 2022 has been restated due to changes in the external reporting structure. Refer to the notes to the consolidated interim financial statements for further detail.

revenue by revenue category

in millions of €	Q3 2023	Q3 2022 ¹	9M 2023	9M 2022 ¹
Staffing	2,847	3,256	8,751	9,712
Inhouse	1,587	1,765	4,861	5,048
Professionals	1,503	1,634	4,594	4,660
Global businesses	337	412	1,080	1,179
Elimination of intersegment revenue	(14)	(13)	(43)	(38)
Revenue	6,260	7,054	19,243	20,561

¹ 2022 has been restated due to changes in the external reporting structure. Refer to the notes to the consolidated interim financial statements for further detail.

Total revenues of permanent placements in the revenue categories 'Staffing', 'Inhouse', and 'Professionals', amounted to € 139 million in Q3 2023 (Q3 2022: € 187 million). Revenue of recruitment process outsourcing within Global businesses amounted to € 75 million in Q3 2023 (Q3 2022: € 121 million).

consolidated balance sheet

in millions of €	September 30, 2023	December 31, 2022	September 30, 2022
assets			
Property, plant and equipment	138	153	154
Right-of-use assets	511	524	521
Intangible assets	3,368	3,397	3,542
Deferred income tax assets	602	633	560
Financial assets and associates	189	184	192
Non-current assets	4,808	4,891	4,969
Trade and other receivables	5,473	5,828	5,991
Income tax receivables	150	116	141
Cash and cash equivalents	280	274	356
Current assets	5,903	6,218	6,488
Total assets	10,711	11,109	11,457
equity and liabilities			
Issued capital	26	26	26
Share premium	2,344	2,330	2,323
Reserves	2,334	2,558	2,375
Shareholders' equity	4,704	4,914	4,724
Non-controlling interests	1	1	1
Total equity	4,705	4,915	4,725
Borrowings (including lease liabilities)	1,006	889	718
Deferred income tax liabilities	20	52	52
Provisions and employee benefit obligations	226	219	286
Other liabilities	1	7	8
Non-current liabilities	1,253	1,167	1,064
Borrowings (including lease liabilities)	281	255	313
Trade and other payables	4,256	4,576	4,655
Dividend	-	-	514
Income tax liabilities	70	78	85
Provisions and employee benefit obligations	139	118	99
Other liabilities	7	-	2
Current liabilities	4,753	5,027	5,668
Total liabilities	6,006	6,194	6,732
Total equity and liabilities	10,711	11,109	11,457

consolidated statement of cash flows

in millions of €	Q3 2023	Q3 2022	9M 2023	9M 2022
Operating profit	245	316	669	852
Amortization and impairment of acquisition-related intangible assets and goodwill	12	7	34	16
EBITA	257	323	703	868
Depreciation, amortization and impairment of property, plant, equipment, right-of-use assets, and software	70	74	220	223
EBITDA	327	397	923	1,091
Provisions and employee benefit obligations	2	8	21	18
Share-based compensations	14	13	44	36
Gain on disposal of subsidiaries and associates	-	-	-	-
Other items	2	(5)	10	(5)
Cash flow from operations before operating working capital and income taxes	345	413	998	1,140
Operating working capital assets	211	(87)	335	(294)
Operating working capital liabilities	(107)	74	(301)	65
Operating working capital	104	(13)	34	(229)
Income taxes	(75)	(52)	(204)	(220)
Net cash flow from operating activities	374	348	828	691
Net additions in property, plant and equipment, and software	(25)	(38)	(69)	(89)
Acquisition of subsidiaries, associates and equity investments	(1)	(172)	(4)	(198)
Disposal of subsidiaries, associates and equity investments	-	2	-	3
Loans and receivables	-	-	(11)	-
Net cash flow from investing activities	(26)	(208)	(84)	(284)
Net purchase of own ordinary shares	(81)	-	(172)	(71)
Drawings on non-current borrowings	-	-	527	-
Repayments of non-current borrowings	(150)	(200)	(400)	(404)
Net drawing / (repayment) current borrowings	(80)	50	23	112
Repayments of lease liabilities	(52)	(53)	(156)	(157)
Net financing	(363)	(203)	(178)	(520)
Net finance costs paid	(13)	(6)	(26)	(11)
Dividend	-	-	(530)	(408)
Net reimbursement to financiers	(13)	(6)	(556)	(419)
Net cash flow from financing activities	(376)	(209)	(734)	(939)
Net increase (decrease) in cash, and cash equivalents	(28)	(69)	10	(532)
Cash, and cash equivalents at beginning of period	301	411	274	859
Net movement	(28)	(69)	10	(532)
Translation and currency gains	7	14	(4)	29
Cash, and cash equivalents at end of period	280	356	280	356
Free cash flow	297	257	592	445

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

in millions of €	July 1 - September 30		January 1 - September 30	
	2023	2022	2023	2022
Begin of period				
Shareholders' equity	4,566	4,396	4,914	4,901
Non-controlling interests	1	1	1	1
Total equity	4,567	4,397	4,915	4,902
Net income for the period, equity shareholders	170	230	461	635
Non-controlling interest	-	-	-	-
Net income for the period	170	230	461	635
Items that subsequently may be reclassified to the income statement	35	93	(16)	149
Items that will never be reclassified to the income statement	-	(8)	-	(8)
Total other comprehensive income, net of taxes	35	85	(16)	141
Total comprehensive income	205	315	445	776
Dividend payable on ordinary shares	-	-	-	(514)
Dividend paid on ordinary shares	-	-	(522)	(400)
Dividend paid on preference shares	-	-	(8)	(8)
Share-based compensations	14	13	44	36
Tax on share-based compensations	-	-	3	4
Net purchase of ordinary shares	(81)	-	(172)	(71)
Total other changes in period	(67)	13	(655)	(953)
End of period	4,705	4,725	4,705	4,725
Shareholder's equity	4,704	4,724	4,704	4,724
Non-controlling interests ¹	1	1	1	1
Total equity	4,705	4,725	4,705	4,725

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 nine month period ended September 30, 2023 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, 2022.

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, 2022.

The consolidated financial statements of the Group as at and for the year ended December 31, 2022 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, 2022.

new external segmentation

As of January 1, 2023, a new Executive Leadership Team was appointed along with changes in the governance and managerial reporting structure of the Group. As a result, the segmentation by geographical area has changed from the way it was presented in the FY 2022 annual report. Main changes are the creation of 'Northern Europe' and 'Southern Europe, UK & Latin America' segments. The countries included as part of the former 'Rest of Europe' segment have been allocated to both of these segments accordingly. Similarly, the former 'Rest of World' segment has been split between Latin American countries, included as part of the new 'Southern Europe, UK and Latin America' segment, and the remaining countries which are included in the new 'Asia Pacific' segment.

Compared to the FY 2022 annual report, the segmentation by revenue categories also includes minor changes to better reflect the allocation of revenue between 'Staffing' and 'Global Businesses' segments.

Comparative figures for prior periods have been adjusted accordingly for presentation purposes.

conflict in Ukraine

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

So far, the impact of the consequences of the war on our results has been 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 nine month period ended September 30, 2023 is 25.9% (9M 2022: 25.6%) and is based on the estimated tax rate for the whole year 2023 (FY 2022: 17.5%). Last year's tax rate was significantly impacted by the re-assessment of the valuation of our tax loss carry forward position in Luxembourg.

acquisition and disposal of group companies, equity investments and associates

In the quarter, we had a cash outflow of € 1 million relating to acquisitions of group companies (Q3 2022: € 170 million). The cash outflow relates the acquisition of the Finite Group (Australia & New Zealand). In the quarter, we finalized the purchase price allocation for our acquisition of the Finite Group. The adjustment to the provisional purchase price allocation performed in 2022 resulted in an increase of € 2 million to the goodwill.

In Q3 2023, we had no acquisitions of equity investments (Q3 2022: cash outflow of € 2 million).

In Q3 2023 we had no disposals of equity investments (Q3 2022: cash inflow of € 2 million).

shareholders' equity

Issued number of ordinary shares	2023	2022
January 1	183,959,312	183,959,312
Share-based compensations	-	-
September 30	183,959,312	183,959,312

As at September 30, 2023, the Group held 3,658,915 treasury shares (September 30, 2022: 1,094,504). The average number of (diluted) ordinary shares outstanding has been adjusted for these treasury shares.

As at September 30, 2023, December 31, 2022 and September 30, 2022: 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	Q3 2023	Q3 2022	9M 2023	9M 2022
Net income for holders of preference and ordinary shares	170	230	461	635
Net income attributable to holders of preference shares	(2)	(2)	(6)	(6)
Net income attributable to holders of ordinary shares	168	228	455	629
Amortization of intangible assets ¹	12	7	34	16
Integration costs and one-offs	16	13	107	62
Tax effect on amortization, integration costs, and one-offs	(6)	(5)	(30)	(20)
Adjusted net income for holders of ordinary shares	190	243	566	687
Average number of ordinary shares outstanding	181.1	182.9	182.2	182.8
Average number of diluted ordinary shares outstanding	182.1	183.6	183.2	183.3
Earnings per share attributable to the holders of ordinary shares of Randstad N.V. (in € per share):				
Basic earnings per share	0.93	1.25	2.50	3.44
Diluted earnings per share	0.92	1.24	2.48	3.43
Diluted earnings per share before amortization and impairment of acquisition-related intangible assets and goodwill, integration costs, and one-offs ²	1.04	1.32	3.09	3.75

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

2 Diluted EPS underlying

net debt position

Net debt including lease liabilities at September 30, 2023, amounted to € 1,007 million, and was € 137 million higher compared to December 31, 2022 (€ 870 million). The net debt position excluding lease liabilities as at September 30, 2023 was € 419 million compared to the net debt position as at December 31, 2022 (€ 272 million).

breakdown of operating expenses

in millions of €	Q3 2023	Q3 2022	9M 2023	9M 2022
Personnel expenses	770	881	2,474	2,574
Other operating expenses	266	275	821	853
Operating expenses	1,036	1,156	3,295	3,427

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

in millions of €	Q3 2023	Q3 2022	9M 2023	9M 2022
Depreciation and impairment of property, plant and equipment	13	15	40	42
Amortization and impairment of software	12	13	36	44
Depreciation and amortization of software	25	28	76	86
Depreciation and impairment of right-of-use assets	45	46	144	137
Total	70	74	220	223

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

in millions of €	Q3 2023	Q3 2022	9M 2023	9M 2022
Additions				
Property, plant and equipment & Software	(25)	(39)	(70)	(96)
	(25)	(39)	(70)	(96)
Disposals				
Proceeds property, plant and equipment	-	1	1	6
(Profit)/Loss	-	-	-	1
	-	1	1	7
Statement of cash flows	(25)	(38)	(69)	(89)

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, 2022.

commitments

There are no material changes in the nature and scope of commitments compared to December 31, 2022.

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.