

22nd of october 2024

3rd quarter results 2024.

operational discipline
and strategic progress



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randstad

partner for talent.

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 prognosis therefore apply only on the date on which this document was compiled. The quarterly results as presented in this press release are unaudited.



definitions.

organic growth: externally reported income statement line items (revenue, gross profit, operating expenses and EBITA) adjusted for the impact of changes in foreign currency ("FX"), the effect of hyperinflation and excluding the impact of acquisitions and disposals.

EBITA: operating profit before amortization and impairment of acquisition-related intangibles and goodwill (EBITA) is a measure of company profitability used by investors in the staffing industry to analyze the results of staffing companies.

underlying EBITA: refers to Randstad's adjusted EBITA , excluding integration expenses and one-offs may distort the true operational performance of the business. It provides a clearer picture of the company's ongoing profitability by eliminating the impact of restructuring costs, integration and M&A costs related to acquisitions and other exceptional items.

agenda.

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in memoriam

of our founder,
frits goldschmeding.



1933-2024

01

performance.



Q3 2024: operational discipline and strategic progress.



summary

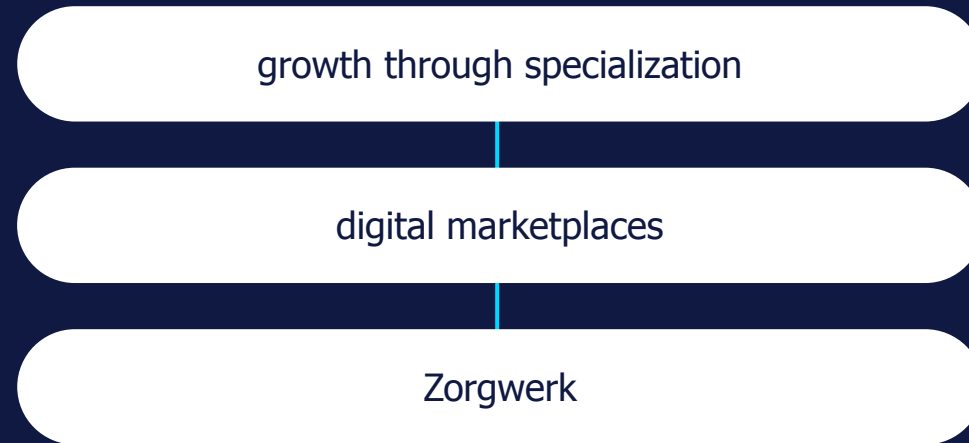
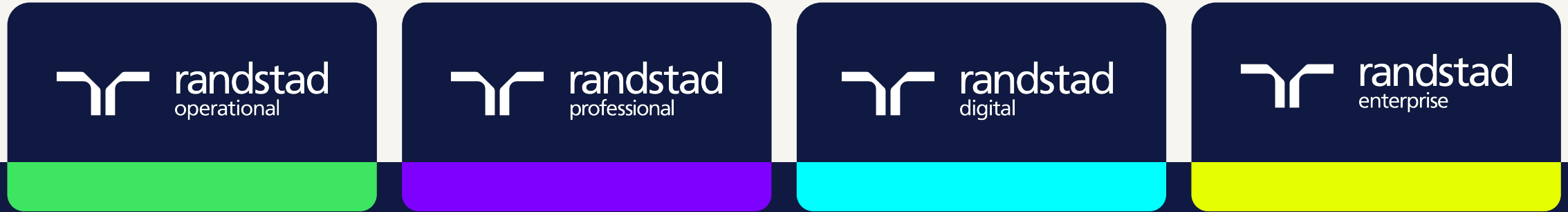
- stabilization across markets
 - operational discipline
 - Partner for Talent execution
-



key financials

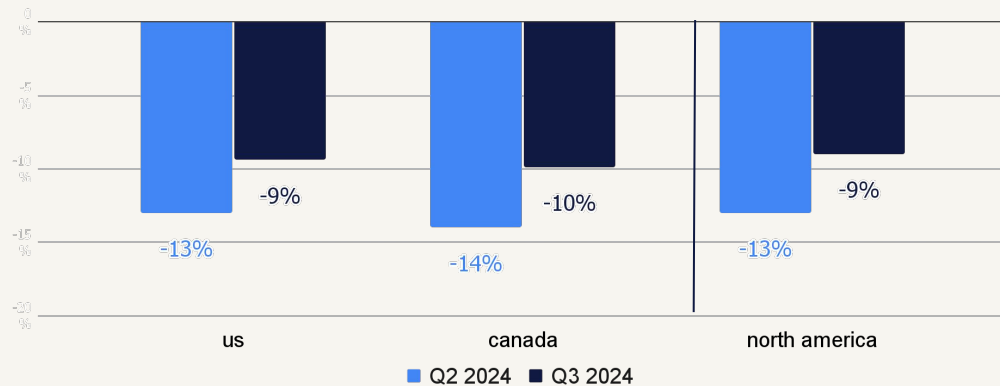
- revenue € 6.0 BN at -5.9%
 - gross margin 19.5%
 - underlying EBITA € 196M, 3.3% margin
-

partner for talent.



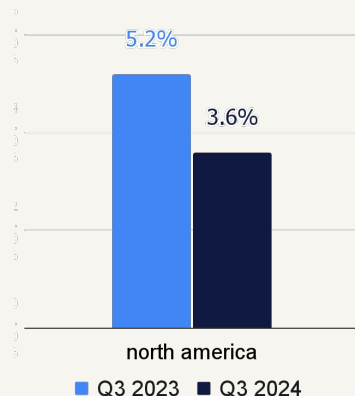
north america: sequential improvement.

organic revenue growth YoY, last two quarters*



- **us:** sequential improvement, transformation well underway
 - **operational talent solutions:** further signs of recovery
 - **digital:** continues to be subdued
- **canada:** persisting challenging conditions

EBITA margin (underlying)**



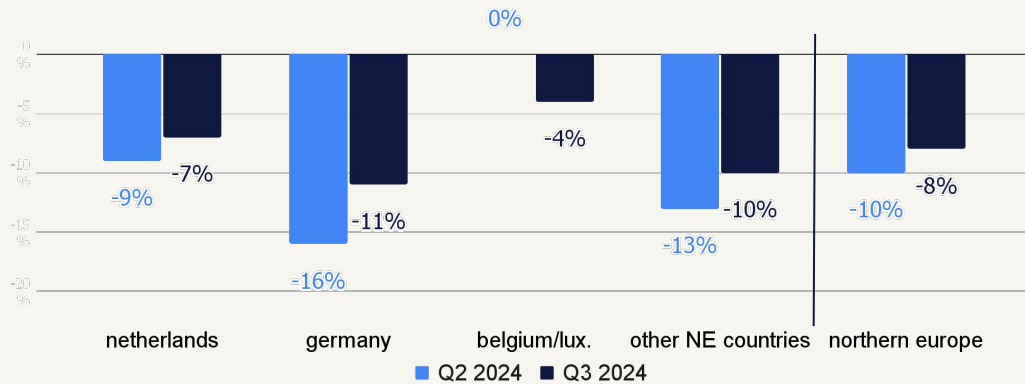
* YoY organic change is measured excluding the impact of currencies, acquisitions, disposals, and reclassifications. For revenue, the organic change has been adjusted for the number of working days.

** before integration costs & one-offs.



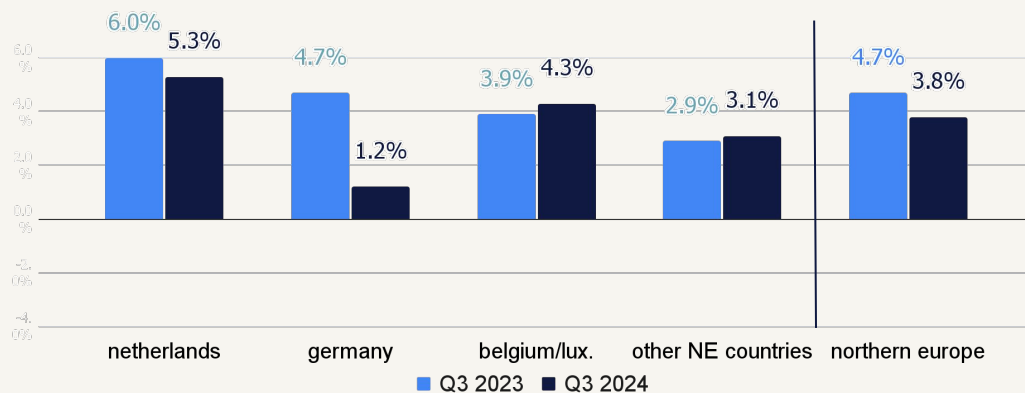
northern europe: diverging trends.

organic revenue growth YoY, last two quarters*



- **netherlands:** stabilizing market, adverse automotive impact
- **germany:** difficult conditions persisted, unchanged momentum
- **belgium:** tougher comparison, continued strong adaptability
- **other NE countries:** mixed trends

EBITA margin (underlying)**



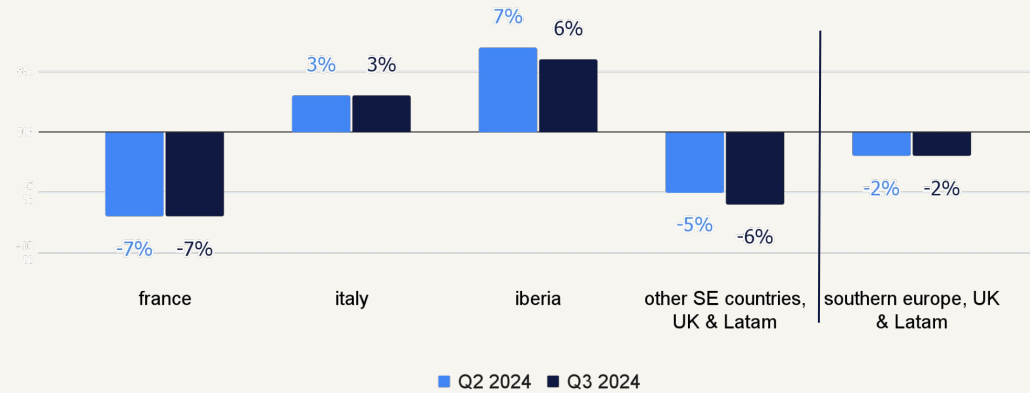
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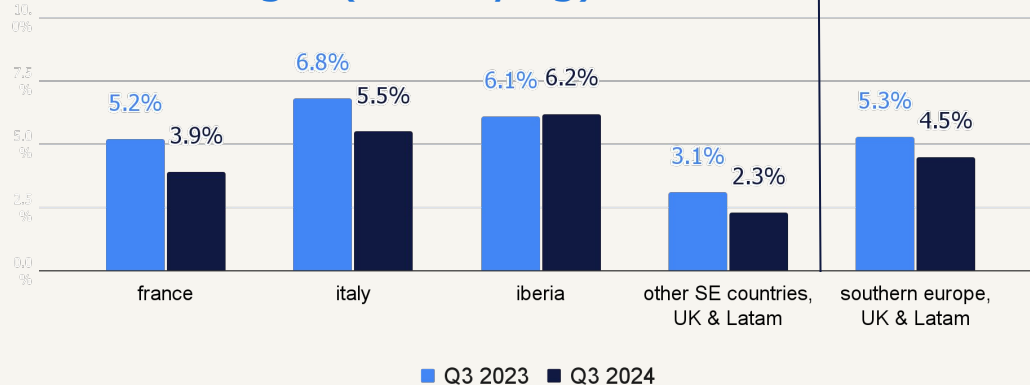


southern europe, uk & latam: encouraging markets.

organic revenue growth YoY, last two quarters*



EBITA margin (underlying)**



- **france:** macroeconomic and political challenges weighing on recovery
- **italy:** investing in further growth
- **iberia:** double digit growth in Spain, solid profitability
- **other countries:**
 - **uk:** challenging market
 - **latam:** back to growth, brazil up 13%

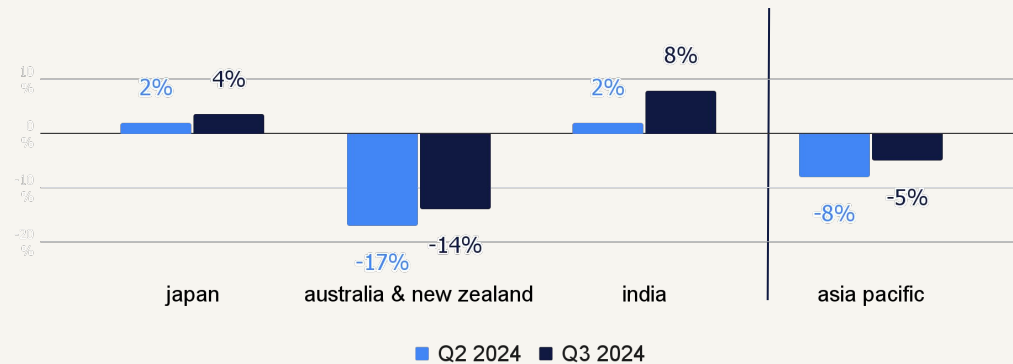
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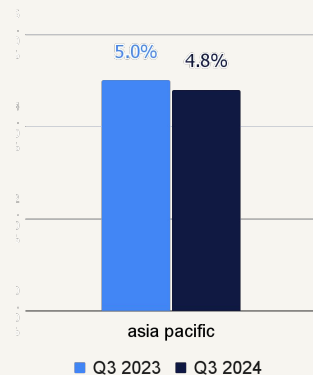
asia pacific: mixed growth, sound adaptability.

organic revenue growth YoY, last two quarters*



- **Japan:** strong profitability, continued investments
- **Australia & New Zealand:** tough conditions remain
- **India:** solid growth

EBITA margin (underlying)**



* YoY 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.

** before integration costs & one-offs.



financial results & outlook.

Q3 2024: operational discipline.

performance

€ million	Q3 '24	Q3 '23	% org.
revenue	6,015	6,260	-5.9%
gross profit	1,172	1,293	-10%
gross margin*	19.5%	20.6%	
operating expenses*	976	1,020	-3%
opex %*	16.2%	16.3%	
EBITA*	196	273	-29%
EBITA margin*	3.3%	4.4%	
integration costs & one-offs	-/- 17	-/- 16	
amortization & impairment	-/- 12	-/- 12	
net finance income (costs)	-/- 23	-/- 17	
tax	-/- 38	-/- 59	
reported net income**	106	170	
adjusted net income	124	190	-35%

* before integration costs & one-offs.

** including share of profit of associates.

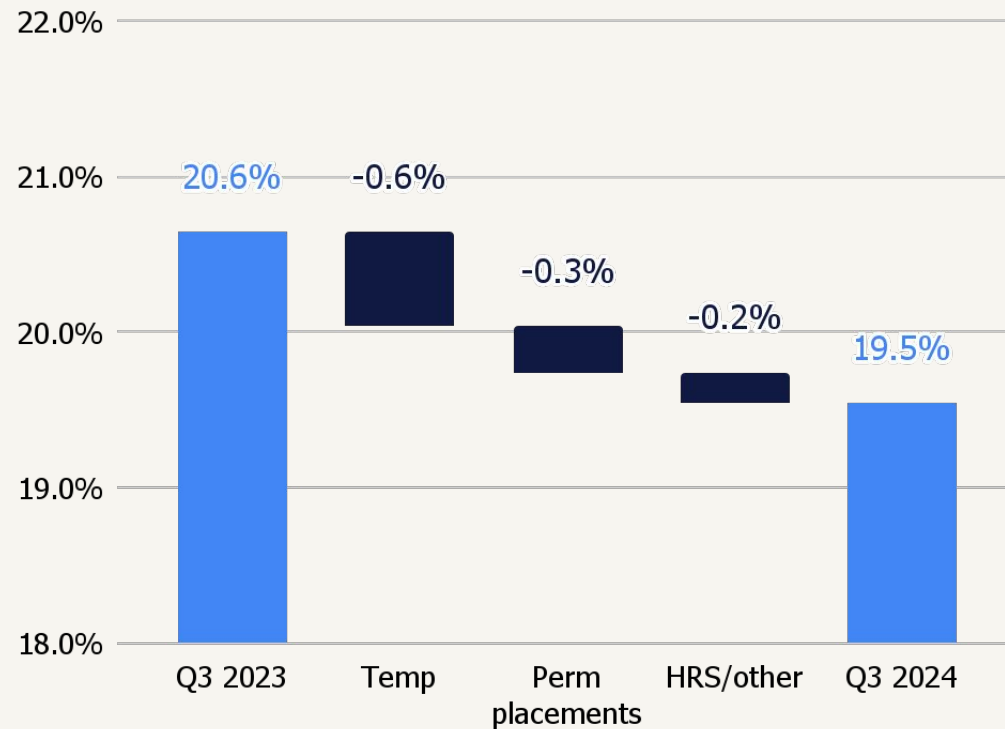


key highlights

- organic revenue down -5.9% YoY
 - operational: -/- 4% at € 4.0 BN
 - professional: -/- 10% at € 0.9 BN
 - digital: -/- 11% at € 0.7 BN
 - enterprise: -/- 8% at € 0.3 BN
- EBITA € 196m, EBITA margin of 3.3%

gross margin: impacted by mix and idle time.

Q3 gross margin development YoY

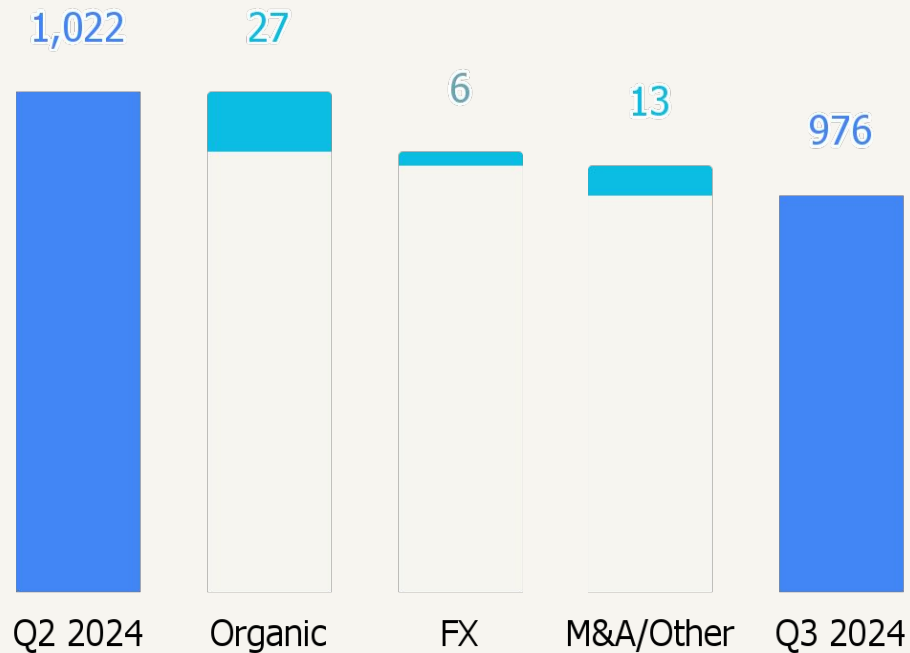


key highlights

- temp margin -60 bp YoY
 - adverse impact of geographical and business mix
 - idle time related costs
- perm fees -30 bp YoY
- HRS/other -20 bp YoY driven by Monster's disposal, underlying flat.

costs: balancing growth, costs & investments

Q3 sequential opex bridge (€m)



key highlights

- opex down 3% QoQ, down 3% YoY
- # FTEs sequentially stable (excl. Monster), down 4% YoY
- LQ4 recovery ratio 37%

solid free cash flow and sound balance sheet.



Q3 free cash flow

- Q3 FCF € 258m (Q3 2023: € 297m)
 - DSO 54.1, up 0.7 days vs Q3 2023
 - ROIC: 10.9% (Q3 2023: 16.3%)
-



balance sheet

- net debt € 804m excl. lease liabilities
 - leverage ratio excl. lease liabilities: 0.9
 - Monster and CB merger completed
 - agreement to acquire Zorgwerk
-

outlook: balancing growth, costs & investments.

Q4 2024 outlook

- easier comparison base
- additional 1.1 working day
- gross margin is expected to be underlying slightly higher sequentially
- operating expenses are expected to be underlying stable sequentially

momentum

- the first weeks of October see stable volumes as compared to Q3
- continued operational discipline
- Q4 Monster disposal sequential impact 50bps on gross margin and €35-40m on operating expenses

03

questions
& answers.



04

appendices.



corporate staff by geography.

average	Q3 2024	Q3 2023
North America	7,250	8,560
the Netherlands	3,870	4,280
Germany	2,380	2,660
Belgium & Luxembourg	2,170	2,290
Other Northern Europe countries	2,810	3,020
Northern Europe	11,230	12,250
France	4,750	4,880
Italy	3,450	3,090
Iberia	2,910	2,560
Other SE Countries, UK & Latam	3,190	3,280
Southern Europe, UK & Latam	14,300	13,810
Asia Pacific	6,510	6,610
Corporate	2,170	1,890
total	41,460	43,110

number of employees working on a temporary basis by geography.

average	Q3 2024	Q3 2023*
North America	70,000	77,700
the Netherlands	47,200	51,100
Germany	26,200	29,700
Belgium & Luxembourg	37,100	38,100
Other Northern Europe countries	28,600	35,700
Northern Europe	139,100	154,600
France	74,700	80,500
Italy	56,300	56,800
Iberia	65,600	58,200
Other SE Countries, UK & Latam	49,000	52,900
Southern Europe, UK & Latam	245,600	248,400
Asia Pacific	115,500	120,600
total	570,200	601,500



* harmonisation of definition as part of the new segmentation slightly changed the reporting of employees working of the previous year

partner

for talent.

