

Press release

Press release ahead of Capital Markets Day; Trading update: 4% revenue growth in October

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More information

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- €60-70M cost savings in the next 2 years following a global back-office and support staff benchmark
- 5-6% EBITA margin within reach in 2016, assuming consensus 2015-16 sales CAGR of 4.7%*, cost savings, productivity gains and mix improvements
- Current trading: October revenue growth 4%, in line with Q3
- Perm fees up 21% in October (vs. +15% in Q3)
- Volume trend in November so far appears to be in line with October

Today, Randstad Holding nv hosts its Capital Markets Day in London. Jacques van den Broek (CEO) will kick off with a presentation on our strategic roadmap. This presentation will touch upon all of our business lines and the progress we have made on improving productivity (Activity-Based Field Steering).

Robert Jan van de Kraats (CFO) will update our financial strategy and the path toward achieving our strategic targets. After a global benchmark exercise on back-office functions and support staff Randstad announces a €60-70M cost savings plan (including €20-23M already announced in the Netherlands), which should be achieved in the next two years. In this presentation various scenarios will be discussed. One conclusion is that our 5-6% EBITA margin target is within reach if we assume consensus 2015-16 sales CAGR of 4.7%*, cost savings, productivity gains and mix improvements.

Chris Heutink (executive board member) will provide an overview of the changes being undertaken by our Dutch business. We are gradually closing the gap to the market and the focus going forward is on further growing perm and on strengthening professionals.

Traci Fiatte (President Randstad General Staffing USA) will then provide an overview of US market developments and our US staffing organization. Due to strict application of field steering, our US staffing business has started to outperform.

This will be followed by Reiant Mulder, (Managing Director RNL) who will give an update on the impact of technology on Randstad. Finally, Ilonka Jankovich and Paul Jacquin, Managing Partners of the Randstad Innovation Fund, will conclude the program with some insight into the Innovation Fund, its strategy and its current investments.

* Based on analyst reports published after the Q3 2014 results (3.9% and 5.4% organic sales growth for 2015 and 2016, respectively).

Trading update: 4% revenue growth in October

The trends that were discussed in our Q3 2014 press release have continued in Q4 2014 to date. In October revenue per working day increased by 4.0% organically and the volume trend in November appears to be in line with October. Perm fees were up 21% in October (vs. +15% in Q3).

North America continues its solid performance with 5% sales growth. Within North America US staffing grew 10%. Europe grew 3% in October, in line with Q3. The Netherlands continued to accelerate, up 5% in October (+4% in Q3). Iberia was up 10% (9% in Q3) and the UK +4% (-/-3% in Q3). These positive trends offset ongoing weakness in France (down 4% in October, in line with Q3) and Germany (flat in in October compared to +2% in Q3).

As stated earlier, we expect operating expenses in Q4 2014 to increase moderately organically compared to Q3 (based on the current exchange rates, FX will have a sequential € 8M negative impact on our Q4 cost base).

Audio webcast

Today, at 13.00 GMT (14.00 CET) Randstad Holding will host a conference in London. You can listen to the presentations of Jacques van den Broek and Robert Jan van de Kraats through a real-time audio webcast. A replay of the webcast and all presentations will also be available on our website as of today 19.00 CET. The link is:

<http://www.ir.randstad.com/reports-and-presentations/presentations-and-webcasts.aspx>

Randstad Profile

Randstad specializes in solutions in the field of flexible work and human resources services. Our services range from regular temporary staffing and permanent placements to inhouse, professionals, search & selection, and HR Solutions. The Randstad Group is one of the leading HR services providers in the world, with top-three positions in Argentina, Belgium & Luxembourg, Canada, Chile, France, Germany, Greece, India, Mexico, the Netherlands, Poland, Portugal, Spain, Switzerland, the UK, and the United States as well as major positions in Australia and Japan. In 2013, Randstad had approximately 28,000 corporate employees and around 4,600 branches and Inhouse locations in 39 countries around the world. Randstad generated revenue of € 16.6 billion in 2013. Randstad was founded in 1960 and is headquartered in Diemen, the Netherlands. Randstad Holding nv is listed on the NYSE Euronext Amsterdam, where options for stocks in Randstad are also traded. For more information see www.randstad.com.