



1st quarter results 2014



2nd quarter results 2014



3rd quarter results 2014



4th quarter results 2014



Staffing | Professionals | Search & Selection | HR Solutions | Inhouse Services

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For more information:
 IR: Arun Rambocus
 Press: Machteld Merens
 +31 20 569 56 23

Q2: Gradual recovery continues

- Revenue of € 4,268 million; organic growth per working day + 4.5%
- Perm fees up 13% in Q2, highest level since Q4 2008
- US back to growth in Q2; the Netherlands back to growth in June
- 70% conversion of incremental gross profit into EBITA
- Underlying EBITA increased by 19% to € 174.1 million, EBITA margin up from 3.6% to 4.1%
- Net debt of € 878 million: leverage ratio of 1.3
- Net income up 49% from € 63 million to € 94 million

“Our markets continued their gradual recovery” says Jacques van den Broek, CEO of Randstad. “The Inhouse and Sourceright businesses in particular enjoyed good growth. Both are good examples of solutions that help our clients with their total talent architecture. Our people did very well in growing our business in US staffing, Poland, Italy, Switzerland, and in China. The combination of their diligent execution and entrepreneurship pays off. We have also made good progress in the Netherlands where we returned to growth. Our strategic focus on permanent placements returned the highest level of fees since Q4 2008. With a continued focus on efficiency improvements, and a keen eye for growth opportunities and innovation, we face the future with confidence.”

Core data

in millions of €, unless otherwise indicated	Q2 2014	Q2 2013	YoY change	L4Q 2014 ¹	L4Q 2013	YoY change
Revenue	4,268.1	4,095.7	4%	16,878.4	16,559.0	2%
Gross profit	786.7	746.9	5%	3,085.1	3,001.9	3%
Operating expenses	612.6	600.7	2%	2,446.9	2,446.6	0%
EBITA, underlying²	174.1	146.2	19%	638.2	555.3	15%
EBITA ³	173.2	141.5		590.8	478.0	
Adj. net income for holders of ordinary shares ⁴	116.2	90.7	28%	416.3	358.3	16%
Free cash flow	(82.2)	(80.8)	2%	323.5	537.4	(40)%
Net debt	877.9	1,113.0				
Leverage ratio (net debt/12-month EBITDA)	1.3	1.8				
DSO (Days Sales Outstanding), moving average	51.9	51.9				
Share data						
Basic earnings per ordinary share (in €)	0.51	0.34	50%	1.55	0.32	384%
Diluted earnings per ordinary share, underlying (in €) ¹	0.64	0.51	25%	2.32	2.06	13%

¹ L4Q: last 4 quarters

² EBITA adjusted for integration costs and one-offs.

³ EBITA: operating profit before amortization and impairment of acquisition-related intangible assets and goodwill, and badwill.

⁴ Before amortization and impairment of acquisition-related intangible assets and goodwill, badwill, integration costs and one-offs.

financial performance

income statement

in millions of €, unless otherwise indicated - underlying	Q2 2014	Q2 2013	change	L4Q 2014	L4Q 2013	change
Revenue	4,268.1	4,095.7	4%	16,878.4	16,559.0	2%
Gross profit	786.7	746.9	5%	3,085.1	3,001.9	3%
Operating expenses	612.6	600.7	2%	2,446.9	2,446.6	0%
Underlying EBITA	174.1	146.2	19%	638.2	555.3	15%
Margins (in % of revenue)						
Gross margin	18.4%	18.2%		18.3%	18.1%	
Operating expenses margin	14.4%	14.7%		14.5%	14.8%	
EBITA margin	4.1%	3.6%		3.8%	3.4%	

Revenue

The gradual recovery has continued. Organic revenue per working day grew by 4.5% in Q2 compared to 3.6% in Q1. The number of working days had a negative impact of 0.5%. The net effect of consolidation of the USG activities and some disposals added around 2.5%. This was offset by negative currency effects of 2.3%, which lowered our revenue by about € 94 million. As a result, reported revenue was 4.2% above Q2 2013.

Revenue growth went from 5.3% in April to 3.6% in June. The growth rate throughout the quarter was challenged by the comparison base, as last year the growth rate went from -/5.2% in April to -/2.6% in June.

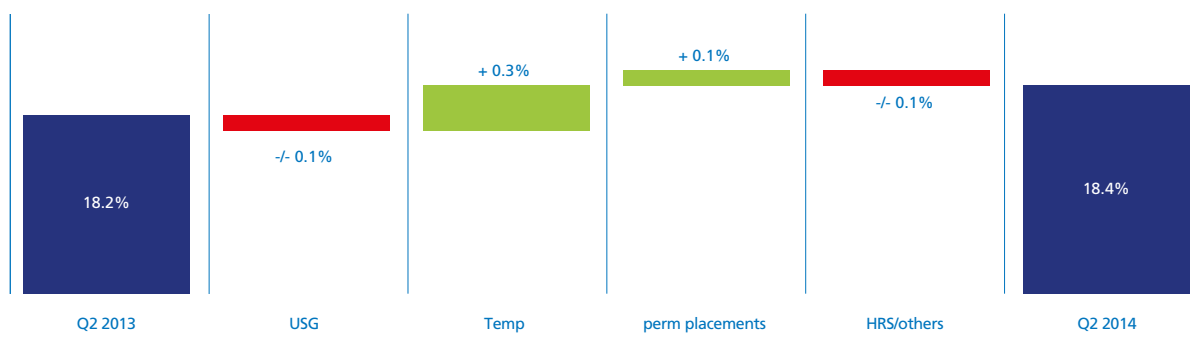
In North America, revenue per working day was up 2% (Q1: -/1%). In June, it was 3% ahead of last year, driven by a good performance of the US. In Europe, revenue per working day grew by 4% (Q1 2014: 4%), with an improving performance in nearly all countries except for Germany and France. In the Rest of the world, revenue per working day was up 13% (Q1 2014: 13%), and we achieved good performance in Japan and China, while Australia started to improve.

As a result of our strategic focus, perm fees grew by 13% (Q1 2014: 9%), making this the strongest quarter since Q4 2008. In North America and Europe, perm fees grew by 2% and 17% respectively. In Asia, demand for permanent placements strengthened further. Growth was led by China, up 78%. In Australia, perm fees remained volatile throughout Q2, but the quarter ended with double-digit fee growth in June. Perm fees made up 1.9% of revenue and 10.0% of gross profit (Q2 2013: 9.7%). The share of perm fees was impacted by negative currency effects.

Gross profit

In Q2 2014, gross profit amounted to € 786.7 million. The organic change was 6% (Q1 2014: 6%). Currency effects had a negative impact on gross profit of € 17.5 million when compared to Q2 2013.

YoY gross margin development



Gross margin was 18.4%, and 0.2% above Q2 2013 (as shown in the graph above). The consolidation of the USG activities had a 0.1% negative effect on the Group's gross margin. The temp margin was up 0.3%, compared to last year (Q1 2014: 0.4%). In

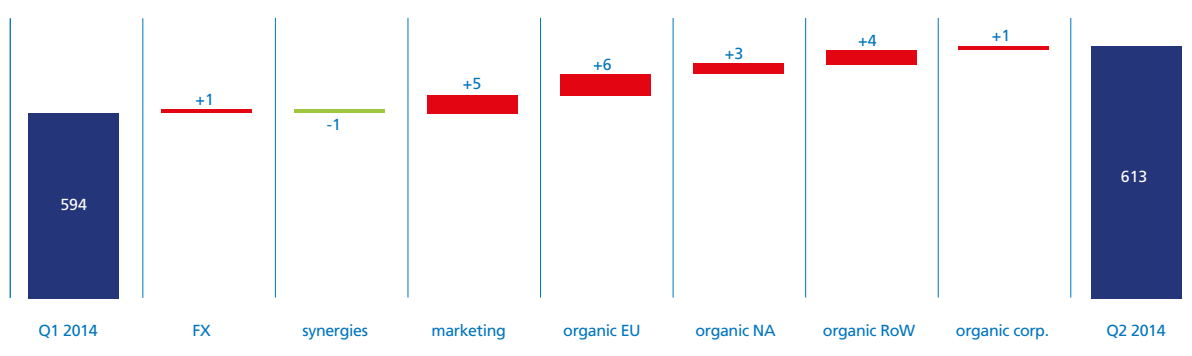
North America, gross margin continued to increase. In Europe and in the Rest of the world, mix effects had a positive impact on our gross margin. Perm fees added 0.1% to the gross margin which was offset by a negative mix impact from HR Solutions.

Operating expenses

Operating expenses increased sequentially by € 18.3 million, which included an increase of € 1.4 million due to currency mix effects. Marketing costs increased by € 4.8 million as a result of normal seasonal effects in our investments. Personnel expenses increased as a result of investments in headcount in countries or segments where growth continued, and due to annual wage increases in a few countries. Overall we maintained strong cost control.

OPEX development Q1 → Q2

in millions of €



Average headcount (in FTE) amounted to 28,550 for the quarter, 1% higher than in Q1 2014. Across North America, we allowed for limited investments in the US, while we further streamlined the organization in Canada. In Europe, headcount increased by 158 FTEs as we added headcount in those countries and segments where growth continued, such as in the professionals business in Spain and in Poland. In the Netherlands, headcount increased mainly due to seasonality. In the Rest of the world, the additions to headcount were predominantly in Japan, China and Singapore. Productivity (measured as gross profit per FTE) was 2.7% higher than last year on a pro forma basis. We operated a network of 4,419 outlets (Q1 2014: 4,429). We continued to close smaller branches in France, but this effect was largely offset by new inhouse locations in North America and across Europe.

The integration of USG activities has been completed, and we achieved pre-tax synergies of € 4.0 million per quarter, up from € 2.9 million in Q1 2014. On an annualized basis, synergies are within our targeted range of € 15-20 million. Integration costs were € 0.9 million. Since the start of the integration, we have incurred € 16 million. We have also identified non-recurring tax synergies of at least € 10 million, which will be used to offset future profits of the combined businesses.

The cost base in Q2 2013 was adjusted for acquisition-related costs of € 1.8 million, restructuring costs of € 1.6 million in the Netherlands and integration costs of € 1.3 million.

EBITA

Underlying EBITA increased organically by 21% to € 174.1 million. Currency effects had a negative impact of € 2.8 million. The EBITA margin reached 4.1%, up from 3.6% in Q2 2013. We achieved an incremental conversion ratio (ICR) of 70%. On a pro forma basis, the ICR would have been 110%. This reflects our ability to achieve solid profitability improvements in the first phase of a recovery. Based on the last four quarters, EBITA margin improved from 3.4% to 3.8%.

in millions of €, unless otherwise indicated	Q2 2014	Q2 2013	change	L4Q 2014	L4Q 2013	change
Underlying EBITA	174.1	146.2	19%	638.2	555.3	15%
Integration costs	0.9	1.3		20.1	15.5	
One-offs	-	3.4		27.3	61.8	
EBITA	173.2	141.5	22%	590.8	478.0	24%
Amortization of intangible assets ¹	36.0	40.6		154.0	305.9	
Operating profit	137.2	100.9		436.8	172.1	
Net finance costs	(4.0)	(10.7)		(13.4)	(24.5)	
Share of profit of associates	0.0	0.0		0.4	0.2	
Income before taxes	133.2	90.2	48%	423.8	147.8	187%
Taxes on income	(39.1)	(27.1)		(136.9)	(83.6)	
Net income	94.1	63.1	49%	286.9	64.2	347%

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

Amortization of intangible assets, impairment of goodwill, and badwill

Amortization of acquisition-related intangible assets amounted to € 36.0 million, in line with the level of previous quarters.

Net finance costs

In Q2 2014, net finance costs reached € 4.0 million, compared to € 10.7 million in Q2 2013. Net finance costs include the net interest expenses on our net debt position, as well as currency effects and adjustments in the valuation of certain assets and liabilities. Interest expenses amounted to € 4.4 million, compared to € 4.7 million in Q2 2013. Foreign currency effects had a negative impact of € 1.8 million, compared to a loss of € 4.3 million in Q2 2013. The revaluation of liabilities to arrangements with owners of acquired companies resulted in a gain of € 3.5 million. The remaining negative effect of € 1.3 million (Q2 2013: € 1.7 million) was mainly due to adjustments in the valuation of certain assets and liabilities.

Tax

The effective tax rate before amortization and impairment of acquisition-related intangibles and goodwill, badwill, integration costs and one-offs, in the first six months, amounted to 30.4% (FY 2013: 31.7%), and is based on the estimated effective tax rate for the whole year 2014.

Net income, earnings per share

In Q2 2014, diluted underlying EPS amounted to € 0.64 (Q2 2013: € 0.51). Stock dividend and the exercise of stock options increased the number of shares by 1.5%.

in millions of €, unless otherwise indicated	Q2 2014	Q2 2013	change	L4Q 2014	L4Q 2013	change
Net income	94.1	63.1	49%	286.9	64.2	347%
Results of non-controlling interests	0.0	0.0		0.0	0.0	
Dividend for holders of preference shares	3.2	3.2		12.6	9.0	
Net income for holders of ordinary shares	90.9	59.9	52%	274.3	55.2	397%
Amortization of intangible assets ¹	36.0	40.6		154.0	305.9	
Integration costs and one-offs	0.9	4.7		47.4	77.3	
Tax effect on amortization, integration costs and one-offs ¹	(11.6)	(14.5)		(59.4)	(80.1)	
Net income for holders of ordinary shares (adjusted)	116.2	90.7	28%	416.3	358.3	16%
Basic EPS	0.51	0.34	50%	1.55	0.32	384%
Diluted EPS ²	0.64	0.51	25%	2.32	2.06	13%

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

² Diluted EPS before amortization and impairment of acquisition-related intangible assets and goodwill, badwill, integration costs and one-offs.

invested capital

Our invested capital mainly comprises goodwill, net tax assets and operating working capital.

in millions of €, unless otherwise indicated	June 30, 2014	March 31, 2014	December 31, 2013	September 30, 2013	June 30, 2013
Goodwill and intangible assets	2,608.6	2,627.2	2,664.6	2,727.6	2,820.1
Operating working capital ¹	667.1	473.9	456.6	565.8	750.8
Net tax assets ²	486.8	481.9	497.1	347.6	355.5
Other assets/(liabilities) ³	111.8	73.4	50.5	38.3	17.1
Invested capital	3,874.3	3,656.4	3,668.8	3,679.3	3,943.5
Financed by					
Equity	2,996.4	2,942.4	2,907.8	2,889.3	2,830.5
Net debt	877.9	714.0	761.0	790.0	1,113.0
Invested capital	3,874.3	3,656.4	3,668.8	3,679.3	3,943.5
Ratios					
DSO (Days Sales Outstanding), moving average	51.9	51.8	51.8	51.8	51.9
Working capital as % of revenue over last 12 months	4.0%	2.8%	2.8%	3.4%	4.5%
Leverage ratio (net debt/12-month EBITDA)	1.3	1.1	1.2	1.2	1.8
Return on invested capital ⁴	13.3%	13.7%	12.6%	12.8%	11.2%

¹ Operating working capital is trade and other receivables minus current part of financial fixed assets, minus trade and other payables.

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

³ Property, plant & equipment plus financial assets and associates, less provisions and employee benefit obligations and other liabilities.

⁴ Underlying EBITA last 12 months less income tax paid last 12 months as percentage of invested capital. Income taxes paid are adjusted for a payment of € 131 million to the Dutch tax authority in Q4 2013.

Return on invested capital reached 13.3%. This is measured as underlying EBITA, less income taxes paid over the last 12 months (2013: adjusted for a non-recurring payment of € 131 million to the Dutch tax authority) as a percentage of invested capital. The main drivers were the continued improvement of our profitability, the efficient use of working capital, the level of income taxes paid, and the reduction of goodwill and intangible assets.

Goodwill and intangible assets relate mainly to the acquisitions made over the past few years. The total amount has gradually decreased as a result of (non-cash) amortization of intangible assets and impairment of goodwill.

Operating working capital increased sequentially to € 667.1 million, which is in line with normal seasonal patterns in our business. Additionally, as every year, we paid holiday allowances in the Netherlands and Belgium. Working capital has improved to 4.0% of revenue. The moving average of Days Sales Outstanding (DSO) was at the same level as last year, when working capital requirements were relatively high due to the unfavorable timing of the quarter-end. We continued our efforts to make further improvements in our invoicing and collection processes.

Net tax assets mainly comprise deferred tax assets related to tax loss carry-forward of subsidiaries, which can be used to offset profits in future years and differences between the valuation of assets and liabilities according to the financial statements and their valuation for tax purposes. The increase of the net tax asset position compared to last year was mainly caused by the payment of a liability of € 131 million to the Dutch tax authority in Q4 2013. This liability originated from an agreement in 2008.

Other assets comprise property, plant and equipment, financial assets and associates, less provisions and other liabilities. The increase in this group of assets is mainly due to the higher CICE subsidy receivable in France.

At the end of Q2 2014, net debt was € 878 million, compared to € 714 million at the end of Q1 2014, a development which is in line with normal seasonal patterns. Further analysis of cash flow is given in the next section. The leverage ratio rose from 1.1 to 1.3. The documentation of the syndicated credit facility allows a leverage ratio of up to 3.5, while we aim to maintain a maximum leverage ratio of 2.

cash flow analysis

in millions of €, unless otherwise indicated	Q2 2014	Q2 2013	change	L4Q 2014	L4Q 2013	change
EBITA	173.2	141.5	22%	590.8	478.0	24%
Depreciation and amortization of software	15.8	17.2		65.9	78.0	
EBITDA	189.0	158.7	19%	656.7	556.0	18%
Working capital	(186.8)	(188.8)		91.0	130.4	
Provisions and employee benefit obligations	(6.1)	2.1		(52.9)	20.2	
Other items	(18.8)	(15.8)		(48.9)	(13.7)	
Income taxes paid	(43.6)	(28.6)		(254.9)	(112.3)	
Net cash flow from operating activities	(66.3)	(72.4)	(8)%	391.0	580.6	(33)%
Net capital expenditures	(15.9)	(8.4)		(60.6)	(43.8)	
Financial assets	-	-		(6.9)	0.6	
Free cash flow	(82.2)	(80.8)	2%	323.5	537.4	(40)%
Net acquisitions/disposals	(0.4)	(16.3)		(0.1)	(49.6)	
Issue of ordinary shares	-	-		6.3	2.3	
Issue of preference shares C	-	(2.1)		-	137.9	
Purchase of ordinary shares	-	-		(25.7)	(9.4)	
Dividend paid on ordinary shares	(56.0)	(83.8)		(56.0)	(83.8)	
Dividend paid on preference shares	(12.1)	(6.8)		(12.1)	(6.8)	
Net finance costs paid	(7.0)	(8.8)		(15.9)	(28.9)	
Translation and other effects	(6.2)	16.2		15.1	41.6	
Net decrease/(increase) of net debt	(163.9)	(182.4)		235.1	540.7	

On an annualized basis (measured as last 4 quarters), free cash flow was € 454 million, when adjusted for the payment of a liability of € 131 million to the Dutch tax authority. We remain focused on strong cash flow generation and working capital management. As a result, our free cash flow conversion (measured as adjusted free cash flow divided by the underlying EBITDA) was 65%, negatively impacted by the cash out-flow from provisions.

Free cash flow is typically negative in the second quarter. This is mainly caused by payments of holiday allowances in the Netherlands and Belgium. These payments, including taxes and social insurance charges, occur every year in the second quarter. In addition, seasonality in our business causes an increase in working capital requirements, as revenue in the second quarter is normally higher than in the first quarter. Working capital was 4.0% of revenue. We continued to make progress on reducing the amount of overdues in our receivables. A different timing in payment of payables also resulted in lower working capital requirements. Other items include an amount resulting from the implementation of the Tax Credit and Competitive Employment Act (CICE) in France. Based on this law and our tax position, we will receive the tax credits after three years. Income taxes paid were higher, mainly due to an increase of income before taxes and a different timing in payment of income tax liabilities.

Net capital expenditures (which relate to office refurbishments and investments in IT equipment and software) returned to a normal level. The increase compared to last year is mainly attributable to the refurbishment of larger consolidated offices in France.

The total dividend on ordinary shares and preference shares amounted to € 180.4 million. The payout of dividend on ordinary shares was € 0.95 per share (2013: € 1.25 per share). 67% of the shareholders (2013: 61%) chose to receive stock dividend. The cash dividend paid on ordinary shares was therefore € 56 million. The dividend paid on preference shares (€ 12.1 million) increased as a result of the issuance of preference shares C, which occurred in Q1 2013.

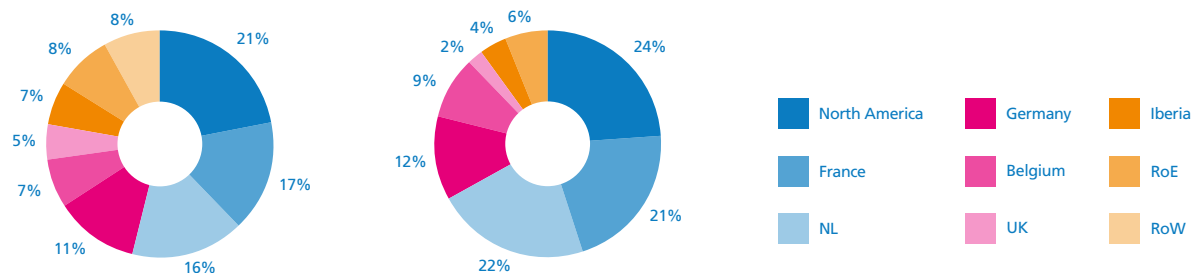
Translation and other effects were mainly due to currency effects on the valuation of drawings under the syndicated credit facility (denominated in currencies other than the euro), as well as to the Japanese syndicated credit facility.

performance by geography

split by geography

Q2 2014: revenue €4,268.1 million

Q2 2014: ebita €174.1 million



North America

in millions of €, underlying	Q2 2014	Q2 2013	organic Δ% ¹	L4Q 2014	L4Q 2013	organic Δ% ¹
Revenue	910.9	944.8	2%	3,603.7	3,838.8	(1)%
EBITA	45.9	46.9	3%	162.2	178.3	(4)%
EBITA margin	5.0%	5.0%		4.5%	4.6%	

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.

In North America, organic revenue per working day was 2% above last year (Q1 2014: -/1%). Reported revenue was 4% below Q2 2013, due to negative currency effects. Our combined US businesses grew 3% (Q1 2014: 0%), while Canada remained under pressure. Our focus is on gross profit growth (+3%) and profitability. The gross margin continued to increase, due to strong discipline and continued growth in perm fees. In June 2014, revenue growth was 3% for the region and greater than 4% for the US, reflecting that the initiatives to improve our performance are starting to pay off.

In Q2 2014, our combined US Staffing and Inhouse businesses grew by 6% per working day (Q1 2014: 1%), driven by strong performance in the manufacturing and logistics segments. Overall gross profit grew by 10% (Q1 2014: 6%), mainly due to growth in perm fees of 33% (Q1 2014: 12%), as well as our focus on revenue quality and profitability.

Our US Professionals businesses contracted by 2% (Q1 2014: -/2%), while the revenue development in June was flat. Recent investments in our IT business continued to pay off, and after a return to growth in March, we also saw improved performance throughout Q2. Our Pharma and Engineering businesses strengthened further. Good cost control was maintained to offset a slightly lower gross profit. Perm fees were down 6% in Q2 (Q1 2014: +8%), mainly as a result of a decline in Finance and Engineering.

Randstad Sourceright achieved a good performance, especially in managed services and payrolling. Our spend under management grew by 43% and we added 3 new MSP programs.

In Canada, revenue decreased by 4% (Q1 2014: -/5%), mainly caused by lower temp revenue. Market conditions remained challenging but the revenue decline eased during the quarter (June -/3.4% compared to -/5.5% in April). Our Staffing and Inhouse business was 7% lower than Q2 2013 (Q1 2014: -/7%). Revenue in Professionals was stable compared to last year, which was also the case for Perm fees. In line with the trend in our business, we reduced headcount by 4% compared to Q1 2014.

The EBITA margin for the region remained stable at 5.0%. The underlying profitability of the combined US businesses improved, but was offset by lower profitability in Canada.

France

in millions of €, underlying	Q2 2014	Q2 2013	organic Δ% ¹	L4Q 2014	L4Q 2013	organic Δ% ¹
Revenue	719.3	728.0	(1)%	2,811.2	2,890.1	(3)%
EBITA	39.0	33.9	15%	124.8	90.2	38%
EBITA margin	5.4%	4.7%		4.4%	3.1%	

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.

In France, revenue contracted by 1% (Q1 2014: -/2%), while it was down 3% in June. Perm fees were up 5% compared to last year (Q1 2014: -/4%). Market circumstances remained challenging.

Revenue of our combined Staffing and Inhouse businesses was 1% below last year (Q1 2014: -/2%). Growth continued in the industrial and automotive segments, but this was offset by lower demand in logistics, finance, IT and the public sector. Revenue of Inhouse Services grew by 25%, following a number of client wins and continued transfers from Staffing (Q1 2014: 27%). Staffing was 6% below last year (Q1 2014: -/6%). We have improved our performance in the SME segment, though in our large accounts business we lost some volume as we remain focused on profitability. Our Professionals business was stable (Q1 2014: -/7%). Our Healthcare business returned to growth and outperformed the market, while demand in IT remained weak.

Gross margin in France increased by 60 bps, mainly as a result of the implementation of the Tax Credit and Competitive Employment Act (CICE). The positive effect of these tax credits was partially offset by additional wage taxes, which were recently implemented by the government. In Q1 2013, we recognized only 50% of the tax credits, which was revised upwards in retrospect in Q2 2013. This year, the tax credits increased, as the premium rose from 4% to 6%. Tax credits are included in EBITA, but based on the law and our current tax position, we will receive these benefits only after three years.

We maintained strong cost control witnessed by the 7% FTEs drop compared to last year. On a sequential basis headcount was stable. The branch rationalization was nearing completion at the end of Q2. As a result of the above, our EBITA margin increased to 5.4% compared to 4.7% in Q2 2013.

Netherlands

in millions of €, underlying	Q2 2014	Q2 2013	organic Δ% ¹	L4Q 2014	L4Q 2013	organic Δ% ¹
Revenue	677.8	669.8	0%	2,734.9	2,768.1	(1)%
EBITA	40.9	33.0	24%	168.8	143.3	18%
EBITA margin	6.0%	4.9%		6.2%	5.2%	

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.

In the Netherlands, revenue per working day was stable compared to last year (Q1 2014: -/1%). We achieved 4% revenue growth in June. Overall perm fees grew by 16% (Q1 2014: 24%), led by strong performance at Tempo-Team and Randstad. Our overall gross profit growth was 8% (Q1 2014: 1%).

Randstad's revenue per working day was down 1% (Q1 2014: 0%). Our initiatives to improve performance are starting to pay off, and we achieved strong growth in SME and in Professionals. This was more than offset by lower volumes at some of our larger accounts, mainly in the technical and industrial segments, partially due to our focus on client profitability. Revenue at Tempo-Team increased by 1% (Q1 2014: -/4%), and also here we saw strong growth in SME and in Professionals. In the administrative segment, Tempo-Team performed above the market, while its professionals business gained further momentum, partially due to an upturn in the public sector.

Our key focus going forward remains on strict adherence to our activity-based field steering model and growing our market share in the SME segment, while focusing on client profitability and implementing the right delivery models.

Yacht's revenue increased by 1% (Q1 2014: -/2%). IT and Technology are improving, Finance maintained growth and we saw an upturn in HR, marketing/communications and logistics/procurement. We achieved a substantial improvement in profitability at Yacht.

Gross margin in the Netherlands benefited from the various initiatives that we implemented in 2013. Underlying operating expenses were broadly in line with Q1 2014. A higher number of FTEs (+2%), mainly due to seasonality, was offset by lower IT costs. The incremental conversion ratio was 82%. The Dutch EBITA margin improved to 6.0%.

Germany

in millions of €, underlying	Q2 2014	Q2 2013	organic Δ% ¹	L4Q 2014	L4Q 2013	organic Δ% ¹
Revenue	479.4	464.0	5%	1,943.6	1,812.1	7%
EBITA	23.0	21.1	9%	88.3	87.0	1%
EBITA margin	4.8%	4.6%		4.5%	4.8%	

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.

In Germany, revenue per working day grew by 5% (Q1 2014: 11%). The impact of CLA-related price increases and equal pay fell gradually from 9% in Q1 to 7% in Q2. The wage cost increases and other regulatory changes over the last two years have impacted demand for temporary labor. As a result, the German market is recovering at a slower pace than expected. Perm fees grew by 37% in Q2 (Q1 2014: 1%).

Inhouse Services grew by 25% (Q1 2014: 28%), mainly based on transfers from Staffing. Revenue growth in Staffing was down 8% (Q1 2014: 2%). Our focus is on better execution based on our field steering model, on growing our market share in the SME segment and in perm fees, while also implementing the right delivery models for our clients. Professionals revenue grew by 5% (Q1 2014: 15%). IT grew by 20% (Q1 2014: 26%). Our Engineering business remained under pressure.

The number of FTEs was stable compared to the level of Q1 2014. Underlying operating expenses increased moderately on a sequential basis due to a slight increase in marketing costs. The underlying German EBITA margin improved to 4.8% (Q1 2013: 4.6%), partially benefiting from some favorable payroll-related items.

Belgium & Luxembourg

in millions of €, underlying	Q2 2014	Q2 2013	organic Δ% ¹	L4Q 2014	L4Q 2013	organic Δ% ¹
Revenue	311.0	295.6	5%	1,264.8	1,254.2	1%
EBITA	16.3	9.0	84%	57.3	45.3	27%
EBITA margin	5.2%	3.0%		4.5%	3.6%	

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. When calculating growth, the USG activities are included on a pro forma basis and therefore not excluded as acquisition effect.

In Belgium and Luxembourg, revenue per working day grew by 5% (Q1 2014: 4%).

Revenue in Inhouse Services grew by 11% (Q1 2014: 3%), while Staffing grew by 2% (Q1 2014: 3%). Randstad was close to the market in the administrative segment, while growth in the industrial segment continued to improve. Professionals grew by 10% (Q1 2014: 4%). Overall, perm fees were 2% behind last year (Q1 2014: -/8%).

Gross margin was stable compared to last year. Underlying operating expenses were stable sequentially, but significantly down compared to last year.

The EBITA margin improved to 5.2%, which was mainly attributable to the restructuring program implemented in Q4 2013. In addition, EBITA included some favorable payroll-related items, which were partially related to previous years.

United Kingdom

in millions of € underlying	Q2 2014	Q2 2013	organic Δ% ¹	L4Q 2014	L4Q 2013	organic Δ% ¹
Revenue	203.8	192.8	3%	797.5	775.6	5%
EBITA	3.7	1.9	113%	9.3	7.5	37%
EBITA margin	1.8%	1.0%		1.2%	1.0%	

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.

Revenue in the UK grew by 3% (Q1 2014: 5%). Reported revenue was up 6%, reflecting the impact of positive currency effects. More importantly, gross profit grew 7% (Q1 2014: 8%).

Growth was led by MSP & RPO and Construction/Engineering, predominantly through temporary staffing. Perm fees grew by 13% compared to the same period last year (Q1 2014: 2%).

In Q2 2014, Professionals grew by 8% (Q1 2014: 4%). Education grew by 2% (Q1 2014: 4%), while our Construction/Engineering business continued to perform well and grew by over 20%. Our Finance business remained under pressure, mainly as a result of continued low demand in perm.

Staffing revenue contracted by 6% as a number of contracts were terminated (Q1 2014: -/9%). Our Inhouse business declined as we shed some unprofitable contracts. Randstad Sourceright achieved good growth in MSP and RPO, thanks to a number of client wins.

Operating expenses increased slightly compared to Q1, due to higher bonus and commission costs. The EBITA margin increased to 1.8% (Q2 2013: 1.0%).

Iberia

in millions of € underlying	Q2 2014	Q2 2013	organic Δ% ¹	L4Q 2014	L4Q 2013	organic Δ% ¹
Revenue	270.5	196.6	12%	1,037.1	766.1	6%
EBITA	7.9	5.2	26%	33.0	19.9	70%
EBITA margin	2.9%	2.6%		3.2%	2.6%	

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. When calculating growth, the USG activities are included on a pro forma basis and therefore not excluded as acquisition effect.

Growth in Iberia continued. Revenue per working day grew by 12% (Q1 2014: 5%).

Revenue in Spain grew by 11% (Q1 2014: 4%). Revenue growth was somewhat hampered by lower volumes in harbors and agriculture, while we achieved good performance in automotive and manufacturing. This was also reflected by strong performance in Inhouse. We continued to focus on client profitability, which resulted in the termination of some outsourcing contracts. Our focus on perm fees and Professionals continued to result in solid growth. The integration process of the USG activities has been completed. The number of FTEs increased by 3% sequentially to invest in future growth.

In Portugal, revenue grew by 14% (Q1 2014: 8%). Growth was led by a good performance in the manufacturing and automotive segments. Profitability was impacted by an increase of the provision for trade receivables.

The EBITA margin improved to 2.9% in Q2 2014, and the incremental conversion ratio was 95% on a pro forma basis. Last year's EBITA margin would have been 2.5%, had the USG activities been included in the consolidation.

Other European countries

in millions of €, underlying	Q2 2014	Q2 2013	organic Δ% ¹	L4Q 2014	L4Q 2013	organic Δ% ¹
Revenue	342.1	238.4	20%	1,289.4	918.5	16%
EBITA	12.0	6.3	92%	41.4	29.5	35%
EBITA margin	3.5%	2.6%		3.2%	3.2%	

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. When calculating growth, the USG activities are included on a pro forma basis and therefore not excluded as acquisition effect.

Across other European countries, revenue per working day grew by 20% (Q1 2014: 19%), driven by good performance in Italy, Poland, and Austria.

In Italy, revenue grew by 15% (Q1 2014: 14%). Growth was led by the industrial segment, and our focus on specialties, professionals and permanent placements paid off. Our Inhouse business grew by 55%, as we transferred business from Staffing to ensure we can offer clients the right delivery model. The competitive environment remained challenging. The integration of USG has been completed in Q2 2014.

Revenue in our Swiss business grew by 12% (Q1 2014: 6%). Strong performance was maintained in Inhouse. In Austria, revenue grew by 48% (Q1 2014: 46%). In Poland, revenue grew by 27% (Q1 2014: 23%). Operational leverage remained strong and we continued to invest in growth. In the Nordics, revenue grew by 28% (Q1 2014: 48%). Our revenue in the Czech Republic grew by 55% and Turkey was up 27%.

Operating expenses were adjusted for integration costs of € 0.7 million. Profitability improved across most countries. As a result of the aforementioned trends, the EBITA margin for the region reached 3.5% (Q2 2013: 2.6%). Last year's EBITA margin would have been 2.2%, had the USG activities been included in the consolidation.

Rest of the world

in millions of €, underlying	Q2 2014	Q2 2013	organic Δ% ¹	L4Q 2014	L4Q 2013	organic Δ% ¹
Revenue	353.3	365.7	13%	1,396.2	1,535.5	10%
EBITA	0.1	0.7	(74)%	8.7	0.5	474%
EBITA margin	0.0%	0.2%		0.6%	0.0%	

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.

Overall revenue in the Rest of the world grew by 13% organically (Q1 2014: 13%). Reported revenue was 3% lower due to negative currency effects. Growth held up in Asia and Australia, while Latin America accelerated.

In Japan, revenue grew by 10% (Q1 2014: 11%). Growth was led by good performance in logistics and retail, while growth in the administrative segment continued.

Revenue in Australia grew by 13% (Q1 2014: 15%). Temp revenue was solid in Business Support, but the Industrial segment slowed. Perm fees were down 6% in the quarter, while we achieved good growth in June. In Professionals, demand in Banking & Finance picked up, as did Construction/Engineering. The focus is on improving our performance through field steering.

China grew by 67% (Q1 2014: 83%), based on strong performance across all segments. Growth in permanent placements gained further momentum and almost doubled compared to a year ago. Investments in headcount continued, and we now employ close to 600 FTEs. Profitability further improved on the back of good productivity improvements. Our business in India, where the focus is on improving efficiency, grew by 3% (Q1 2014: 8%).

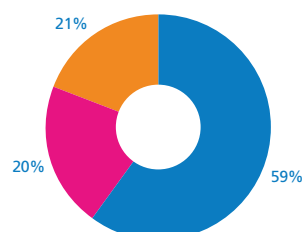
In Latin America, our Argentinean business grew by 11% (Q1 2014: 6%), while market conditions remained challenging. Our focus in Argentina is on implementing field steering and achieving greater efficiencies. We achieved good gross profit growth in Brazil, Mexico, and Chile, where we are focusing on improving our business mix and capturing productivity improvements.

EBITA for the region remained unsatisfactory, although we continue to invest in future growth. Our focus is on improving performance, based on our field steering model and on capturing benefits from our recent investments.

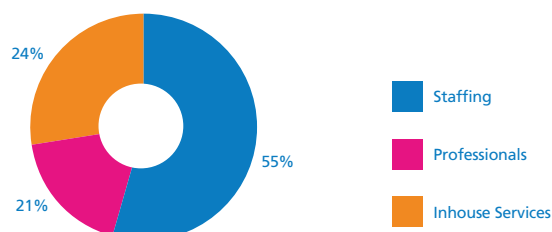
performance by revenue category

split by revenue category

Q2 2014: revenue € 4,268.1 million



Q2 2014: ebita € 174.1 million



Staffing

in millions of €, underlying	Q2 2014	Q2 2013	organic Δ% ¹	L4Q 2014	L4Q 2013	organic Δ% ¹
Revenue	2,524.9	2,477.8	1%	10,103.9	10,151.6	(2)%
EBITA	102.6	85.1	22%	387.0	336.4	19%
EBITA margin	4.1%	3.4%		3.8%	3.3%	

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. When calculating growth, the USG activities are included on a pro forma basis and therefore not excluded as acquisition effect.

Organically, revenue per working day grew by 1% (Q1 2014: 0%). Overall perm fees were up by 22% (Q1 2014: 6%). In North America, Staffing revenue grew by 6% (Q1 2014: -/5%), driven by strong performance in manufacturing and logistics and solid growth in managed services. In the Rest of the world, revenue grew by 10% (Q1 2014: 8%). In Europe, Staffing revenue was down 1% (Q1 2014: 0%). In France, revenue fell by 6% (Q1 2014: -/6%), while German revenue contracted by 6% (Q1 2014: 2%), both impacted by transfers to Inhouse and challenging market conditions. Dutch Staffing revenue fell by 4% (Q1 2014: -/3%), while Staffing revenue in Belgium grew by 2% (Q1 2014: 3%). In the UK, revenue contracted by 6%, mainly due to our stronger focus on client profitability. The underlying EBITA margin reached 4.1%.

Inhouse Services

in millions of €, underlying	Q2 2014	Q2 2013	organic Δ% ¹	L4Q 2014	L4Q 2013	organic Δ% ¹
Revenue	896.6	776.2	16%	3,461.3	3,035.6	15%
EBITA	45.9	34.9	33%	173.8	135.7	29%
EBITA margin	5.1%	4.5%		5.0%	4.5%	

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. When calculating growth, the USG activities are included on a pro forma basis and therefore not excluded as acquisition effect.

Inhouse Services, which mainly focuses on industrial and logistics clients, grew by 16% (Q1 2014: 17%). Revenue in North America grew by 7%. In Europe, growth was led by Germany (27%), France (25%), Iberia (24%) and the Netherlands (7%). While growing strongly at existing and new clients, we transferred business from Staffing to Inhouse to ensure we can offer clients the right delivery model. In the UK, revenue fell by 7% as we terminated some contracts. Our Belgian Inhouse business strengthened further, and is now growing at 11%. The EBITA margin reached 5.1%.

Professionals

in millions of € underlying	Q2 2014	Q2 2013	organic Δ% ¹	L4Q 2014	L4Q 2013	organic Δ% ¹
Revenue	846.6	841.7	4%	3,313.2	3,371.8	2%
EBITA	40.3	38.0	7%	133.0	129.4	4%
EBITA margin	4.8%	4.5%		4.0%	3.8%	

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. When calculating growth, the USG activities are included on a pro forma basis and therefore not excluded as acquisition effect.

Growth in Professionals was 4% (Q1 2014: 3%). Perm fees grew by 8% (Q1 2014: 9%). Revenue in North America was down 2% (Q1 2014: -/2%), but was flat in June. Revenue at our Dutch businesses grew by 12% (Q1 2014: 3%) driven by strong performance of Tempo-Team, while Yacht returned to growth. In the UK, revenue grew by 8% (Q1 2014: 6%), led by good performance in Construction/Engineering. Our French business was stable (Q1 2014: -/7%), mainly driven by improving performance in Healthcare and Finance. In Australia, revenue grew by 15%, despite lower demand in permanent placements. The EBITA margin increased from 4.5% to 4.8%, mainly driven by the Netherlands, the UK and Belgium and continued strong performance by most of our US business.

other information

Outlook

The gradual recovery continued in the second quarter. The performance of our US business improved, while our Dutch operations were back in growth by the end of the quarter. Most European countries showed a continued recovery, except for France and Germany, which are slower to pick up. Investments made in the Rest of world should pay off. At this stage, we do not see an acceleration of growth, but we are confident that the Group's gradual recovery will continue.

Organic revenue per working day grew 4.5% in Q2 2014, compared to 3.6% in June. The revenue growth trend in July appears to be in line with Q2. As explained earlier, the June growth rate was negatively impacted by the comparison base. Negative currency mix effects continued to play a role, but these effects may well become smaller. Last year, organic revenue growth was -/ 3.7% in Q2 and -/ 2.6% in Q3, and we returned to growth in September 2013. In Q3 2014, the number of working days will be broadly in line with last year.

Our focus on activity-based field steering has resulted in 30% higher activity levels compared to last year, and this should improve our relative performance. We continue to focus on client profitability. Despite having achieved a record quarter in perm since 2008, we still see ample opportunities for growth.

We expect operating expenses in Q3 2014 to increase moderately compared to Q2, due to normal seasonality.

Refinancing of multi-currency syndicated credit facility

As we are experiencing favorable market conditions, and we aim to have sufficient long-term committed financing in place, the existing multi-currency credit facility has been amended and extended.

The size of the revolving credit facility has been increased to around € 1,800 million and its maturity has been extended until mid-2019. There is potential to extend the maturity to a maximum of 7 years through the exercise of 2 extension options, which are at the banks' discretion. Randstad has agreed on financial covenants comparable to the existing facility, which means a maximum leverage ratio of 3.5x EBITDA. In certain cases, we are now allowed to report a maximum leverage ratio of 4.25x EBITDA for a limited amount of time. In addition to this credit facility, Randstad has other committed financing of roughly € 410 million and uncommitted facilities of roughly € 1 billion.

Randstad continues to pay floating interest rates. It is our policy to use floating interest rates as a natural hedge against development in our operational results. So far, this has paid off significantly.

Randstad Innovation Fund

Earlier this year, we launched the Randstad Innovation Fund, a strategic corporate venture fund to invest in HR technology companies. HR technologies ensure that there will be innovative solutions that will make HR processes more efficient and bring fresh answers to HR challenges. The Randstad Innovation Fund intends to build a portfolio of multiple smaller investments over the next few years. The fund will invest in the following areas: social sourcing, online platforms, mobile solutions, virtual solutions, gamification, and big data analytics. The fund's first investment was in Gigwalk.

The fund's second investment was in twago, the largest pan-European online marketplace for freelance work. twago stands at the forefront of the modern workplace, enabling small and large companies to go online to find expert freelancers and collaborate on projects. Examples include website development, online marketing, mobile app developments, and data entry projects. Companies post their projects for free. twago focuses on seven European countries, most notably Germany, the UK, Spain, Italy and France. There are over 255,000 experts and agencies in 190+ countries offering their services on the platform. Since its inception, twago has generated over € 250 million in project volume.

Working days

	Q1	Q2	Q3	Q4
2014	62.4	61.8	64.8	63.5
2013	62.3	62.1	65.0	63.4
2012	64.1	61.7	64.0	63.5

Financial calendar

Publication of third-quarter results 2014	October 30, 2014
Analyst & Investor Day 2014	November 20, 2014
Publication of fourth quarter and annual results 2014	February 19, 2015

Analyst and press meeting, including conference call

Today, at 10.00 am CET, Randstad Holding will host a combined analyst and press meeting at our head office in Diemen. The meeting will be accessible through a conference call and you can watch the meeting on a live video webcast. You can access the webcast and presentation at <http://www.ir.randstad.com/reports-and-presentations/quarterly-results.aspx>. The dial-in number is +31 (0)20 715 73 58, or +44 (0)20 3059 8125 for international participants. Please quote Randstad to gain access to the conference. A replay of the presentation and the Q&A will be available on our website by the end of the day.

Disclaimer

Certain statements in this document concern prognoses about the future financial condition, risks, investment plans and the results of operations of Randstad Holding 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, a shortage on the job market, changes in the demand for personnel (including flexible personnel), changes in legislation (particularly in relation to employment, staffing and tax laws), the role of industry regulators, future currency and interest fluctuations, our ability to identify relevant risks and mitigate their impact, the availability of credit on financially acceptable terms, the successful completion of company acquisitions and their subsequent integration, successful disposals of companies, and the rate of technological developments. 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 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.

half-year report

Key financials

in millions of €, unless otherwise indicated - underlying	6m 2014	6m 2013	change
Revenue	8,237.8	7,927.7	4%
Gross profit	1,504.0	1,430.5	5%
Operating expenses	1,206.9	1,192.8	1%
Underlying EBITA	297.1	237.7	25%
Margins (in % of revenue)			
Gross margin	18.3%	18.0%	
Operating expenses margin	14.7%	15.0%	
EBITA margin	3.6%	3.0%	

Revenue

Revenue increased to €8,237.8 million, up 4.0% per working day. Revenue per working day was up by 3.6% in the first quarter and by 4.5% in the second quarter.

Gross profit

The gross margin reached 18.3%, which is 0.3% above last year. The consolidation of the USG activities had a 0.1% negative effect on the Group's gross margin. The temp margin was up 0.3%, compared to last year. In North America, gross margin continued to increase. Across Europe and in the Rest of the world, price/mix effects continued to have a small negative impact on our temp gross margin. Permanent placements had a small positive impact on gross margin.

Operating expenses

Operating expenses increased 1%, or by € 14 million, to € 1,206.9 million. The increase in our cost base mainly stems from the consolidation of USG activities as from July 2013. We maintained strong cost control, while allowing for limited investments in headcount in countries where growth continued. In addition, we implemented restructuring programs in France and Belgium, which have lowered our cost base since the first half year of 2013. Overall headcount was at a similar level to that of last year.

Productivity (measured as gross profit per FTE) increased by 3% on a pro forma basis.

EBITA

Underlying EBITA increased to €297.1 million. The EBITA margin improved from 3.0% to 3.6%, and reflects our ability to achieve solid profitability improvements in the first phase of a recovery. We achieved an incremental conversion ratio of 132% on a pro forma basis.

key financials, actual

in millions of €, unless otherwise indicated	6m 2014	6m 2013	change
Underlying EBITA	297.1	237.7	25%
Integration costs	5.8	3.0	
One-offs	0.0	4.5	
EBITA	291.3	230.2	27%
Amortization of intangible assets	72.0	81.4	
Operating profit	219.3	148.8	
Net finance costs	(6.6)	(16.2)	
Share of profit of associates	0.1	0.0	
Income before taxes	212.8	132.6	60%
Taxes on income	(63.8)	(39.8)	
Net income	149.0	92.8	61%

Amortization of acquisition-related intangible assets

Amortization of acquisition-related intangible assets decreased to € 72.0 million, compared to € 81.4 million over the first six months of 2013. The year-on-year decrease was mainly due to negative currency mix effects.

Net finance costs

Net finance costs amounted to € 6.6 million, compared to € 16.2 million in the first half of 2013. Interest expenses on our net debt position were € 9.4 million, compared to € 9.1 million in the first half of 2013. Additionally, net finance costs included more items. Currency effects resulted in a gain of € 0.8 million (HY 1 2013: loss of € 4.1 million). The revaluation of liabilities to arrangements with owners of acquired companies resulted in a gain of € 3.5 million, while the remaining effect of € 1.5 million (HY 1 2013: loss of € 3.0 million) was caused by adjustments in the valuation of certain assets and liabilities.

Taxes on income

The effective tax rate before amortization of acquisition-related intangible assets, integration costs and one-offs amounted to 30.4% (FY 2013: 31.7%), and is based on the estimated effective tax rate for the whole year 2014.

Net income

Adjusted net income attributable to holders of ordinary shares amounted to € 196.0 million, compared to € 147.3 million in the first six months of 2013. As a result, diluted EPS increased from € 0.84 to € 1.09. This increase was partly impacted by a higher number of ordinary shares, as a result of the payment of stock dividend and the issue of shares due to the exercise of stock options.

Cash flow

In the first six months of 2014, free cash flow amounted to € 8.0 million (negative) compared to € 38.6 million (negative) in HY 1 2013. Free cash flow is typically negative in the first half year. This is mainly due to the seasonality in our business, which causes an increase in working capital requirements as revenue increases towards the end of the second quarter. In addition, we pay annual holiday allowances in the Netherlands and Belgium in the second quarter. We continued to focus on strong cash flow generation. The moving average DSO remained stable at 51.9 days.

in millions of €, unless otherwise indicated	6m 2014	6m 2013	change
EBITA	291.3	230.2	27%
Depreciation and amortization of software	32.3	34.6	
EBITDA	323.6	264.8	22%
Working capital	(208.8)	(222.2)	
Provisions	(8.1)	(5.7)	
Other items	(34.0)	(23.4)	
Income taxes paid	(53.4)	(44.5)	
Net cash flow from operating activities	19.3	(31.0)	(162)%
Net capital expenditures	(27.3)	(11.2)	
Financial receivables	0.0	3.6	
Free cash flow	(8.0)	(38.6)	(79)%
Net acquisitions/disposals	(1.9)	(12.6)	
Issue of ordinary shares	1.5	2.3	
Issue of preference shares C	-	137.9	
Purchase of ordinary shares	(25.7)	(9.4)	
Dividend paid on ordinary shares	(56.0)	(83.8)	
Dividend paid on preference shares	(12.1)	(6.8)	
Net finance costs received/(paid)	(8.8)	(11.9)	
Translation effects and other	(5.9)	5.6	
Net increase of net debt	(116.9)	(17.3)	

In Q1 2014, we purchased around 540,000 ordinary shares to cover the allocation of shares under the performance share plans for senior management. We also made our first investment through our innovation fund. The investment was in Gigwalk.

Risk profile

With regard to risks and opportunities, reference is made to our 2013 annual report (pages 84–91). The key risks and opportunities did not change materially in H1 2014. The risks identified represent the key challenges we currently face, and we expect them to be applicable in the second half of 2014. We continue to closely monitor the key risks and opportunities and will respond appropriately to any emerging risk.

We have a wide geographical coverage, which spreads our exposure across mature and emerging markets, which are experiencing different economic conditions. Since it remains difficult to predict future economic developments, we focus on responding to actual performance in each of our local markets. Our business model, processes and weekly indicators help to ensure that we are flexible enough to respond to these economic conditions. To protect our working capital positions, we keep the cash levels in our countries to a minimum.

More information on how we manage performance can be found on pages 56-58 of our 2013 annual report.

Auditors' involvement

The consolidated interim financial statements and Interim Directors' report have not been audited or reviewed by an external auditor.

Conclusion

In conjunction with the EU Transparency Directive as incorporated in the Dutch Financial Markets Supervision Act (Wet op het financieel toezicht), the Executive Board declares that, to the best of its knowledge:

- The consolidated interim financial statements as at June 30, 2014 and for the six months ending at June 30, 2014 have been prepared in accordance with IFRS (IAS 34) as adopted by the European Union, and give a true and fair view of the assets, liabilities, financial position and results of Randstad Holding nv and its consolidated Group companies taken as a whole; and
- This Interim Directors' Report (as set out on pp. 1-20) gives a fair review of the information required pursuant to section 5:25d (8)/(9) of the Dutch Financial Markets Supervision Act (Wet op het financieel toezicht).

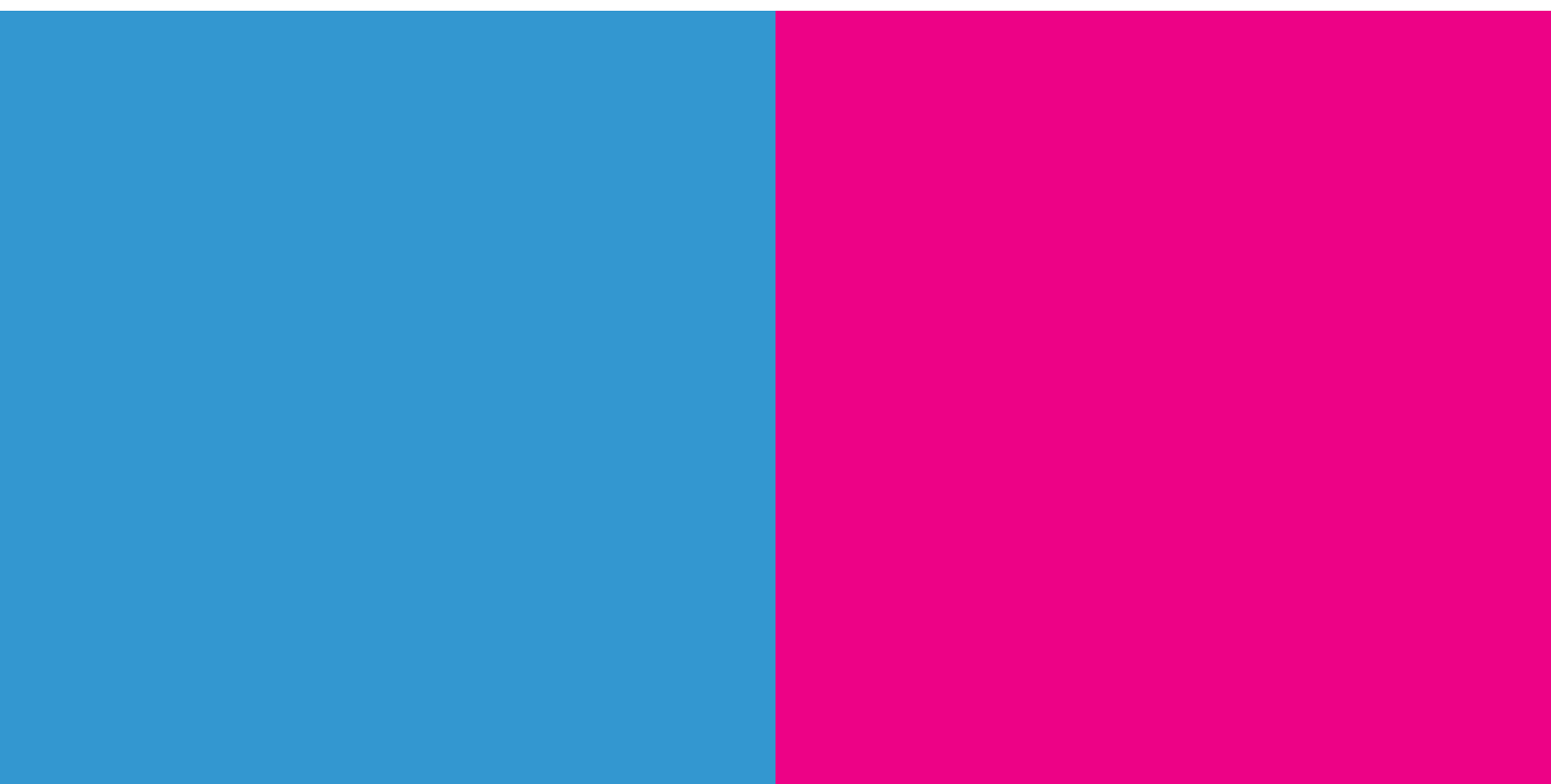
Diemen, the Netherlands, July 31, 2014

The Executive Board,

Jacques van den Broek (Chairman and CEO)
Robert Jan van de Kraats (Vice-chairman and CFO)
Chris Heutink

Leo Lindelauf
Linda Galipeau
François Béharel

interim financial statements



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underlying performance

Consolidated income statement

in millions of €, underlying	Q2 2014				Q2 2013			
	Q2 2014	Q2 2013	change	organic Δ % ²	L4Q 2014	L4Q 2013	change	organic Δ % ²
Revenue	4,268.1	4,095.7	4%	5%	16,878.4	16,559.0	2%	2%
Cost of services	3,481.4	3,348.8			13,793.3	13,557.1		
Gross profit	786.7	746.9	5%	6%	3,085.1	3,001.9	3%	4%
Selling expenses	420.9	408.7			1,682.9	1,663.6		
General and administrative expenses	191.7	192.0			764.0	783.0		
Operating expenses	612.6	600.7	2%	2%	2,446.9	2,446.6	0%	1%
EBITA	174.1	146.2	19%	21%	638.2	555.3	15%	18%
Margins (in % of revenue)								
Gross margin	18.4%	18.2%			18.3%	18.1%		
Operating expenses margin	14.4%	14.7%			14.5%	14.8%		
EBITA margin	4.1%	3.6%			3.8%	3.4%		

Information by geographical area

Revenue by geographical area

in millions of €, underlying	Q2 2014				Q2 2013			
	Q2 2014	Q2 2013	change	organic Δ % ¹	L4Q 2014	L4Q 2013	change	organic Δ % ¹
North America	910.9	944.8	(4)%	2%	3,603.7	3,838.8	(6)%	(1)%
France	719.3	728.0	(1)%	(1)%	2,811.2	2,890.1	(3)%	(3)%
Netherlands	677.8	669.8	1%	0%	2,734.9	2,768.1	(1)%	(1)%
Germany	479.4	464.0	3%	5%	1,943.6	1,812.1	7%	7%
Belgium & Luxembourg	311.0	295.6	5%	5%	1,264.8	1,254.2	1%	1%
United Kingdom	203.8	192.8	6%	3%	797.5	775.6	3%	5%
Iberia	270.5	196.6	38%	12%	1,037.1	766.1	35%	6%
Other European countries	342.1	238.4	43%	20%	1,289.4	918.5	40%	16%
Rest of the world	353.3	365.7	(3)%	13%	1,396.2	1,535.5	(9)%	10%
Total revenue	4,268.1	4,095.7	4%	5%	16,878.4	16,559.0	2%	2%

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. When calculating growth, the USG activities are included on a pro forma basis and therefore not excluded as acquisition effect.

EBITA by geographical area

in millions of €, underlying	Q2 2014				Q2 2013			
	Q2 2014	Q2 2013	change	organic Δ % ¹	L4Q 2014	L4Q 2013	change	organic Δ % ¹
North America	45.9	46.9	(2)%	3%	162.2	178.3	(9)%	(4)%
France	39.0	33.9	15%	15%	124.8	90.2	38%	38%
Netherlands	40.9	33.0	24%	24%	168.8	143.3	18%	18%
Germany	23.0	21.1	9%	9%	88.3	87.0	1%	1%
Belgium & Luxembourg	16.3	9.0	81%	84%	57.3	45.3	26%	27%
United Kingdom	3.7	1.9	95%	113%	9.3	7.5	24%	37%
Iberia	7.9	5.2	52%	26%	33.0	19.9	66%	70%
Other European countries	12.0	6.3	90%	92%	41.4	29.5	40%	35%
Rest of the world	0.1	0.7	(86)%	(74)%	8.7	0.5	1640%	474%
Corporate	(14.7)	(11.8)			(55.6)	(46.2)		
EBITA before integration costs and one-offs²	174.1	146.2	19%	21%	638.2	555.3	15%	18%
Integration costs	(0.9)	(1.3)			(20.1)	(15.5)		
One-offs	-	(3.4)			(27.3)	(61.8)		
Total EBITA	173.2	141.5	22%		590.8	478.0	24%	

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. When calculating growth, the USG activities are included on a pro forma basis and therefore not excluded as acquisition effect.

² Operating profit before amortization and impairment of acquisition-related intangible assets and goodwill, badwill and integration costs and one-offs

Information by revenue category

Revenue by revenue category

in millions of €, underlying	Q2 2014	Q2 2013	change	organic Δ % ¹	L4Q 2014	L4Q 2013	change	organic Δ % ¹
Staffing	2,524.9	2,477.8	2%	1%	10,103.9	10,151.6	(0)%	(2)%
Inhouse Services	896.6	776.2	16%	16%	3,461.3	3,035.6	14%	15%
Professionals	846.6	841.7	1%	4%	3,313.2	3,371.8	(2)%	2%
Total revenue	4,268.1	4,095.7	4%	5%	16,878.4	16,559.0	2%	2%

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. When calculating growth, the USG activities are included on a pro forma basis and therefore not excluded as acquisition effect.

EBITA by revenue category

in millions of €, underlying	Q2 2014	Q2 2013	change	organic Δ % ¹	L4Q 2014	L4Q 2013	change	organic Δ % ¹
Staffing	102.6	85.1	21%	22%	387.0	336.4	15%	19%
Inhouse Services	45.9	34.9	32%	33%	173.8	135.7	28%	29%
Professionals	40.3	38.0	6%	7%	133.0	129.4	3%	4%
Corporate	(14.7)	(11.8)			(55.6)	(46.2)		
EBITA before integration costs and one-offs²	174.1	146.2	19%	21%	638.2	555.3	15%	18%
Integration costs	(0.9)	(1.3)			(20.1)	(15.5)		
One-offs	-	(3.4)			(27.3)	(61.8)		
Total EBITA	173.2	141.5	22%		590.8	478.0	24%	

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. When calculating growth, the USG activities are included on a pro forma basis and therefore not excluded as acquisition effect.

² Operating profit before amortization and impairment of acquisition-related intangible assets and goodwill, badwill and integration costs and one-offs

actuals

Consolidated income statement

in millions of €, unless otherwise indicated	Q2 2014	Q2 2013	6m 2014	6m 2013
Revenue	4,268.1	4,095.7	8,237.8	7,927.7
Cost of services	3,481.4	3,348.8	6,733.8	6,497.2
Gross profit	786.7	746.9	1,504.0	1,430.5
Selling expenses	421.8	410.2	831.1	812.8
General and administrative expenses	191.7	195.2	381.6	387.5
Operating expenses	613.5	605.4	1,212.7	1,200.3
Amortization and impairment of acquisition-related intangible assets and goodwill, and badwill	36.0	40.6	72.0	81.4
Total operating expenses	649.5	646.0	1,284.7	1,281.7
Operating profit	137.2	100.9	219.3	148.8
Net finance costs	(4.0)	(10.7)	(6.6)	(16.2)
Share of profit of associates	0.0	0.0	0.1	0.0
Income before taxes	133.2	90.2	212.8	132.6
Taxes on income	(39.1)	(27.1)	(63.8)	(39.8)
Net income	94.1	63.1	149.0	92.8
Net income attributable to:				
Holders of ordinary shares Randstad Holding nv	90.9	59.9	142.7	87.0
Holders of preference shares Randstad Holding nv	3.2	3.2	6.3	5.8
Equity holders	94.1	63.1	149.0	92.8
Non-controlling interests	0.0	0.0	0.0	0.0
Net income	94.1	63.1	149.0	92.8
Earnings per share attributable to the holders of ordinary shares of Randstad Holding nv (in € per share):				
Basic earnings per share	0.51	0.34	0.80	0.50
Diluted earnings per share	0.50	0.34	0.79	0.50
Diluted earnings per share before amortization and impairment of acquisition-related intangible assets and goodwill, badwill, integration costs and one-offs	0.64	0.51	1.09	0.84

Information by geographical area and revenue category

Revenue by geographical area

in millions of €, unless otherwise indicated	Q2 2014	Q2 2013	6m 2014	6m 2013
North America	910.9	944.8	1,761.8	1,845.0
France	719.3	728.0	1,340.5	1,365.0
Netherlands	677.8	669.8	1,325.7	1,330.2
Germany	479.4	464.0	954.5	886.4
Belgium & Luxembourg	311.0	295.6	605.0	578.9
United Kingdom	203.8	192.8	400.9	373.0
Iberia	270.5	196.6	513.2	373.0
Other European countries	342.1	238.4	651.8	453.1
Rest of the world	353.3	365.7	684.4	723.1
Total revenue	4,268.1	4,095.7	8,237.8	7,927.7

EBITA by geographical area

in millions of €, unless otherwise indicated	Q2 2014	Q2 2013	6m 2014	6m 2013
North America	45.9	46.9	69.5	74.2
France	39.0	33.9	64.3	44.6
Netherlands	40.9	31.4	73.6	62.4
Germany	23.0	21.1	41.6	33.3
Belgium & Luxembourg	16.3	8.9	30.6	17.7
United Kingdom	3.7	1.9	7.3	4.5
Iberia	7.9	4.5	16.0	8.0
Other European countries	12.0	5.4	21.1	8.9
Rest of the world	0.1	0.7	1.9	3.3
Corporate	(14.7)	(11.9)	(28.8)	(23.7)
EBITA before integration costs¹	174.1	142.8	297.1	233.2
Integration costs	(0.9)	(1.3)	(5.8)	(3.0)
Total EBITA	173.2	141.5	291.3	230.2

1 Operating profit before amortization and impairment of acquisition-related intangible assets and goodwill, badwill and integration costs

Revenue by revenue category

in millions of €, unless otherwise indicated	Q2 2014	Q2 2013	6m 2014	6m 2013
Staffing	2,524.9	2,477.8	4,877.3	4,811.3
Inhouse Services	896.6	776.2	1,706.5	1,468.7
Professionals	846.6	841.7	1,654.0	1,647.7
Total revenue	4,268.1	4,095.7	8,237.8	7,927.7

EBITA by revenue category

in millions of €, unless otherwise indicated	Q2 2014	Q2 2013	6m 2014	6m 2013
Staffing	102.6	82.1	177.0	130.1
Inhouse Services	45.9	34.4	83.4	59.8
Professionals	40.3	38.2	65.5	67.0
Corporate	(14.7)	(11.9)	(28.8)	(23.7)
EBITA before integration costs¹	174.1	142.8	297.1	233.2
Integration costs	(0.9)	(1.3)	(5.8)	(3.0)
Total EBITA	173.2	141.5	291.3	230.2

1 Operating profit before amortization and impairment of acquisition-related intangible assets and goodwill, badwill and integration costs

Consolidated balance sheet

in millions of €, unless otherwise indicated	June 30, 2014	December 31, 2013	June 30, 2013
ASSETS			
Property, plant and equipment	128.3	131.4	136.4
Intangible assets	2,608.6	2,664.6	2,820.1
Deferred income tax assets	510.9	521.9	532.0
Financial assets and associates	208.5	156.7	116.0
Non-current assets	3,456.3	3,474.6	3,604.5
Trade and other receivables	3,074.4	2,931.9	3,069.8
Income tax receivables	44.5	65.2	56.1
Cash and cash equivalents	135.2	136.1	125.0
Current assets	3,254.1	3,133.2	3,250.9
TOTAL ASSETS	6,710.4	6,607.8	6,855.4
EQUITY AND LIABILITIES			
Issued capital	25.5	25.3	25.3
Share premium	2,261.1	2,258.7	2,247.3
Reserves	709.8	623.8	557.9
Shareholders' equity	2,996.4	2,907.8	2,830.5
Non-controlling interests	0.0	0.0	0.0
Total equity	2,996.4	2,907.8	2,830.5
Borrowings	797.5	643.8	1,046.6
Deferred income tax liabilities	27.7	36.6	43.8
Provisions and employee benefit obligations	132.2	139.3	83.7
Other liabilities	11.9	14.1	14.0
Non-current liabilities	969.3	833.8	1,188.1
Borrowings	215.6	153.7	191.4
Short-term part of non-current borrowings	-	99.6	-
Trade and other payables	2,405.9	2,473.9	2,317.1
Income tax liabilities	40.9	53.4	188.8
Provisions and employee benefit obligations	75.2	78.3	129.4
Other liabilities	7.1	7.3	10.1
Current liabilities	2,744.7	2,866.2	2,836.8
Liabilities	3,714.0	3,700.0	4,024.9
TOTAL EQUITY AND LIABILITIES	6,710.4	6,607.8	6,855.4

Consolidated statement of cash flows

in millions of €, unless otherwise indicated	Q2 2014	Q2 2013	6m 2014	6m 2013
Operating profit	137.2	100.9	219.3	148.8
Amortization and impairment of acquisition-related intangible assets and goodwill, and badwill	36.0	40.6	72.0	81.4
EBITA	173.2	141.5	291.3	230.2
Depreciation of property, plant and equipment	11.1	11.9	22.6	24.0
Amortization of software	4.7	5.3	9.7	10.6
EBITDA	189.0	158.7	323.6	264.8
Provisions and employee benefit obligations	(6.1)	2.1	(8.1)	(5.7)
Share-based payments	6.6	6.9	14.2	14.2
Loss/(gain) on disposals of property, plant and equipment	0.1	(0.1)	0.1	(0.4)
Other non-cash items	(25.5)	(22.6)	(48.3)	(37.2)
Cash flow from operations before operating working capital and income taxes	164.1	145.0	281.5	235.7
Trade and other receivables	(155.7)	(170.2)	(131.5)	(145.9)
Trade and other payables	(31.1)	(18.6)	(77.3)	(76.3)
Operating working capital	(186.8)	(188.8)	(208.8)	(222.2)
Income taxes paid	(43.6)	(28.6)	(53.4)	(44.5)
Net cash flow from operating activities	(66.3)	(72.4)	19.3	(31.0)
Additions in property, plant and equipment	(10.5)	(12.3)	(19.9)	(17.4)
Additions in software	(5.4)	(3.5)	(8.5)	(5.2)
Disposals of property, plant and equipment	-	7.4	1.1	11.4
Financial assets	-	-	-	3.6
Acquisition of subsidiaries and associates/buyouts	(0.4)	(16.4)	(1.9)	(16.4)
Disposals of activities	-	0.1	-	3.8
Net cash flow from investing activities	(16.3)	(24.7)	(29.2)	(20.2)
Issue of new ordinary shares	-	-	1.5	2.3
Issue of preference shares	-	(2.1)	-	137.9
Purchase of own ordinary shares	-	-	(25.7)	(9.4)
Net drawings on/(repayments of) non-current borrowings	158.4	99.8	46.2	(147.3)
Net financing	158.4	97.7	22.0	(16.5)
Net finance costs paid	(7.0)	(8.8)	(8.8)	(11.9)
Dividend paid on ordinary shares	(56.0)	(83.8)	(56.0)	(83.8)
Dividend paid on preference shares	(12.1)	(6.8)	(12.1)	(6.8)
Dividend paid to non-controlling interests	-	(0.1)	-	(0.1)
Net reimbursement to financiers	(75.1)	(99.5)	(76.9)	(102.6)
Net cash flow from financing activities	83.3	(1.8)	(54.9)	(119.1)
Net increase/(decrease) in cash, cash equivalents and current borrowings	0.7	(98.9)	(64.8)	(170.3)
Cash, cash equivalents and current borrowings at begin of period	(81.3)	35.8	(17.6)	109.0
Net movement	0.7	(98.9)	(64.8)	(170.3)
Translation gains/(losses)	0.2	(3.3)	2.0	(5.1)
Cash, cash equivalents and current borrowings at end of period	(80.4)	(66.4)	(80.4)	(66.4)
Free cash flow	(82.2)	(80.8)	(8.0)	(38.6)

Consolidated statement of comprehensive income

in millions of €, unless otherwise indicated	April 1 - June 30, 2014			April 1 - June 30, 2013		
	Shareholders' equity	Non-controlling interests	Total equity	Shareholders' equity	Non-controlling interests	Total equity
Net income for the period	94.1	0.0	94.1	63.1	0.0	63.1
Other comprehensive income: translation differences	22.1	0.0	22.1	(51.4)	0.0	(51.4)
Total comprehensive income	116.2	0.0	116.2	11.7	0.0	11.7

in millions of €, unless otherwise indicated	January 1 - June 30, 2014			January 1 - June 30, 2013		
	Shareholders' equity	Non-controlling interests	Total equity	Shareholders' equity	Non-controlling interests	Total equity
Net income for the period	149.0	0.0	149.0	92.8	0.0	92.8
Other comprehensive income: translation differences	17.3	0.0	17.3	(32.3)	0.0	(32.3)
Total comprehensive income	166.3	0.0	166.3	60.5	0.0	60.5

Consolidated statement of changes in equity

in millions of €, unless otherwise indicated	April 1 - June 30, 2014			April 1 - June 30, 2013		
	Shareholders' equity	Non-controlling interests	Total equity	Shareholders' equity	Non-controlling interests	Total equity
Value at April 1	2,942.4	0.0	2,942.4	2,682.7	0.1	2,682.8
Comprehensive income	116.2	0.0	116.2	11.7	0.0	11.7
Cash dividend on ordinary shares	(56.0)	-	(56.0)	-	-	-
Stock dividend on ordinary shares	-	-	-	131.6	-	131.6
Dividend on preference shares	(12.1)	-	(12.1)	-	-	-
Dividend non controlling interests	-	-	-	-	(0.1)	(0.1)
Share-based payments	6.6	-	6.6	6.9	-	6.9
Tax on share-based payments	(0.7)	-	(0.7)	(0.5)	-	(0.5)
Issue of preference shares	-	-	-	(1.9)	-	(1.9)
Value at June 30	2,996.4	0.0	2,996.4	2,830.5	0.0	2,830.5

in millions of €, unless otherwise indicated	January 1 - June 30, 2014			January 1 - June 30, 2013		
	Shareholders' equity	Non-controlling interests	Total equity	Shareholders' equity	Non-controlling interests	Total equity
Value at January 1¹	2,907.8	0.0	2,907.8	2,717.2	0.1	2,717.3
Comprehensive income	166.3	0.0	166.3	60.5	0.0	60.5
Cash dividend on ordinary shares	(56.0)	-	(56.0)	(83.8)	-	(83.8)
Dividend on preference shares	(12.1)	-	(12.1)	(6.8)	-	(6.8)
Dividend non-controlling interests	-	-	-	-	(0.1)	(0.1)
Share-based payments	14.2	-	14.2	14.2	-	14.2
Tax on share-based payments	0.4	-	0.4	(1.6)	-	(1.6)
Issue of ordinary shares	1.5	-	1.5	2.3	-	2.3
Issue of preference shares	-	-	-	137.9	-	137.9
Purchase of own shares	(25.7)	-	(25.7)	(9.4)	-	(9.4)
Value at June 30	2,996.4	0.0	2,996.4	2,830.5	0.0	2,830.5

¹ Restated for IAS 19 in 2013

notes to the consolidated interim financial statements

Reporting entity

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

The consolidated interim financial statements of Randstad Holding nv as at and for the six-month period ended June 30, 2014, 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, 2013.

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, 2013.

The consolidated financial statements of the Group as at and for the year ended December 31, 2013, are available upon request at the Company's office or at www.randstadannualreport.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 were the same as those applied to the consolidated financial statements as at and for the year ended December 31, 2013.

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 holiday allowances and dividend; cash flow tends to be strongest in the second half of the year.

Effective tax rate

The effective tax rate for the six-month period ended on June 30, 2014 is 30.0% (6m 2013: 30%) and is based on the estimated effective tax rate for the whole year 2014 (FY 2013: 32.9%).

Acquisition of Group companies

The purchase price allocation of the acquisition of part of the European staffing activities of USG People has been finalized with no effect on the goodwill, which we reported in FY 2013.

Disposal of Group companies

In Q2 2014, we had no cash inflow from disposed Group companies (Q2 2013: nil). In the first six months of 2014 we had cash inflow of €0.1 million (HY1 2013: €3.8 million).

Shareholders' equity

Issued number of ordinary shares

	2014	2013
January 1	177,433,667	172,072,912
Stock dividend	2,620,921	4,572,049
Share-based payments	55,083	524,667
June 30	180,109,671	177,169,628

Average number of ordinary shares (in millions)

in millions	Q2 2014	Q2 2013	6m 2014	6m 2013
Average number of ordinary shares outstanding	178.9	175.6	178.0	173.9
Average number of diluted ordinary shares outstanding	181.1	177.2	180.1	175.3

As at June 30, 2014, the Group held 282,000 treasury shares (December 31 2013: 273,225). The average number of (diluted) ordinary shares outstanding, has been adjusted for these treasury shares.

As at June 30, 2014 and as at December 31, 2013, the number of issued preference shares was 25,200,000 (type-B) and 50,130,352 (type-C).

Net debt position

The net debt position as at June 30, 2014 (€ 878 million) was € 117 million higher compared to the net debt position as at December 31, 2013 (€ 761 million). This is mainly due to the payment of dividend, the repurchase of ordinary shares, and a negative free cash flow (normal seasonality). In the first half year of 2014, the short-term part of non-current borrowings has been fully repaid.

Breakdown of operating expenses

in millions of €, unless otherwise indicated	Q2 2014	Q2 2013	6m 2014	6m 2013
Personnel expenses	458.8	446.2	906.6	889.1
Other operating expenses	154.7	159.2	306.1	311.2
Operating expenses	613.5	605.4	1,212.7	1,200.3

Depreciation, amortization and impairment of property, plant, equipment and software

in millions of €, unless otherwise indicated	Q2 2014	Q2 2013	6m 2014	6m 2013
Depreciation of property, plant and equipment	11.1	11.9	22.6	24.0
Amortization of software	4.7	5.3	9.7	10.6
Total depreciation and amortization	15.8	17.2	32.3	34.6

French Competitive Employment Act (CICE)

Included in the consolidated balance sheet under 'financial assets and associates' is an amount of € 121.0 million (December 31, 2013: € 72.6 million) in respect of a receivable arising from tax credits under the new French Competitive Employment Act ('CICE'). This receivable is presented under non-current assets in the balance sheet, since the amount is expected to have a maturity of longer than 1 year, due to the combined effect of the legal regulations of these 'CICE' arrangements and the income tax situation of our French operations. In the cash flow statement, this amount is presented in the line 'other non-cash items' under cash flow from operating activities, since the 'CICE' arrangements are considered to be related to the operating activities.

Other comprehensive income

Other comprehensive income comprises solely translation differences and related tax effects that may be reclassified to the income statement in a future reporting period.

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 23, 24 and 25 of the consolidated financial statements as at and for the year ended December 31, 2013.

Commitments

There are no material changes in the nature and scope of commitments compared to last year. More information is included in note 28 to the consolidated financial statements as at and for the year ended December 31, 2013.

Events after balance sheet date

In July, we announced the second investment of the Randstad Innovation Fund in twago. In addition, we have extended and amended the existing multi-currency syndicated credit facility. More information can be found on page 16 of this press release.