Q1

1st quarter results 2014

Q2

2nd quarter results 2014

Q3

3rd quarter results 2014

Q4

4th quarter results 2014

randstad

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

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Q3: stable revenue growth

- Revenue of € 4,516 million; organic growth per working day +4.2%
- Gross profit growth per working day +5.9%
- Perm fees up 15% in Q3, highest level since 2008
- US and the Netherlands continue to accelerate, while France and Germany have decelerated
- Underlying EBITA increased organically by 15% to € 210 million, EBITA margin up from 4.2% to 4.7%
- Net debt of € 661 million: leverage ratio of 0.9
- Net income up 35% from € 84 million to € 113 million

"Revenue growth was stable this quarter but the underlying trends were different," says Jacques van den Broek, CEO of Randstad. "In the US and the Netherlands, markets are growing. Germany and France see growth slowing down. In several markets, our people are now keeping up with the market or beating it. Our growth rate in permanent placements is also quite encouraging. The attention to commercial activities is paying off. I'm inspired also by some great initiatives, such as our drive to find work for thousands of unemployed young people. All this, coupled with our continued focus on efficiency, will allow us to improve our performance further."

Core data

in millions of €, unless otherwise indicated	Q3 2014	Q3 2013	YoY change	L4Q 2014[1]	L4Q 2013	YoY change
Revenue	4,516.3	4,362.7	4%	17,032.0	16,524.9	3%
Gross profit	835.4	795.8	5%	3,124.7	2,998.5	4%
Operating expenses	625.2	611.8	2%	2,460.3	2,420.6	2%
EBITA, underlying[2]	**210.2**	**184.0**	**14%**	**664.4**	**577.9**	**15%**
EBITA[3]	204.5	179.9		615.4	512.5	
Adj. net income for holders of ordinary shares[4]	139.3	115.5	21%	440.1	366.8	20%
Free cash flow	249.6	309.9	(19)%	263.2	640.0	(59)%
Net debt	660.8	790.0				
Leverage ratio (net debt/12-month EBITDA)	0.9	1.2				
DSO (Days Sales Outstanding), moving average	52.0	51.8				
Share data						
Basic earnings per ordinary share (in €)	0.61	0.46	33%	1.70	0.39	336%
Diluted earnings per ordinary share, underlying (in €)[4]	0.77	0.65	18%	2.44	2.09	17%

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	Q3 2014	Q3 2013	% Org.	L4Q 2014	L4Q 2013	% Org.
Revenue	4,516.3	4,362.7	4%	17,032.0	16,524.9	4%
Gross profit	835.4	795.8	6%	3,124.7	2,998.5	5%
Operating expenses	625.2	611.8	3%	2,460.3	2,420.6	2%
Underlying EBITA	**210.2**	**184.0**	**15%**	**664.4**	**577.9**	**17%**
Margins (in % of revenue)						
Gross margin	18.5%	18.2%		18.3%	18.1%	
Operating expenses margin	13.8%	14.0%		14.4%	14.6%	
EBITA margin	4.7%	4.2%		3.9%	3.5%	

Revenue

Organic revenue per working day grew by 4.2% in Q3 compared to 4.5% in Q2. The number of working days had a negative impact of 0.3% in the quarter. There was a negative currency effect of 0.3% and a -/-0.1% impact from disposals. As a result, reported revenue was 3.5% above Q3 2013.

Revenue growth went from 4.3% in July to 3.4% in September. The growth rate throughout the quarter was challenged by the comparison base, as the growth rate last year went from -/-2.6% in July to +0.6% in September.

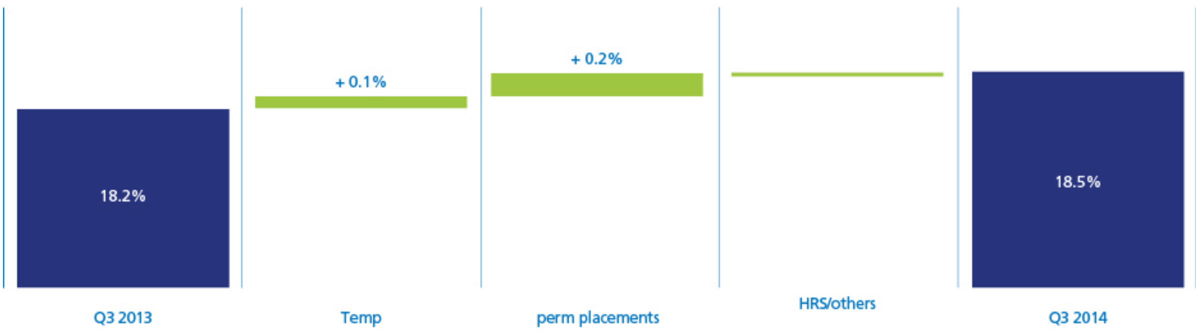
In North America, revenue per working day was up 5% (Q2 2014: 2%). Growth has been stable throughout the quarter as we grew 5% in September, driven by a good performance in the US. In Europe, revenue per working day grew by 3% (Q2 2014: 4%), with an improving performance in the Netherlands and Belgium. In the Rest of the world, revenue per working day was up 11% (Q2 2014: 13%), and we continued to book progress in Australia.

As a result of our strategic focus, perm fees grew by 15% (Q2 2014: 13%), making this the strongest quarter since 2008. In North America and Europe, perm fees grew by 8% and 17% respectively. In Asia, fee growth was 42%, led by China. In Australia, perm fees grew 20%. Perm fees made up 1.8% of revenue and 9.8% of gross profit (Q3 2013: 8.9%).

Gross profit

In Q3 2014, gross profit amounted to € 835.4 million. The organic change was 6% (Q2 2014: 6%). Currency effects had a negative impact on gross profit of € 2.5 million when compared to Q3 2013. The trend was stable throughout the quarter.

YoY gross margin development



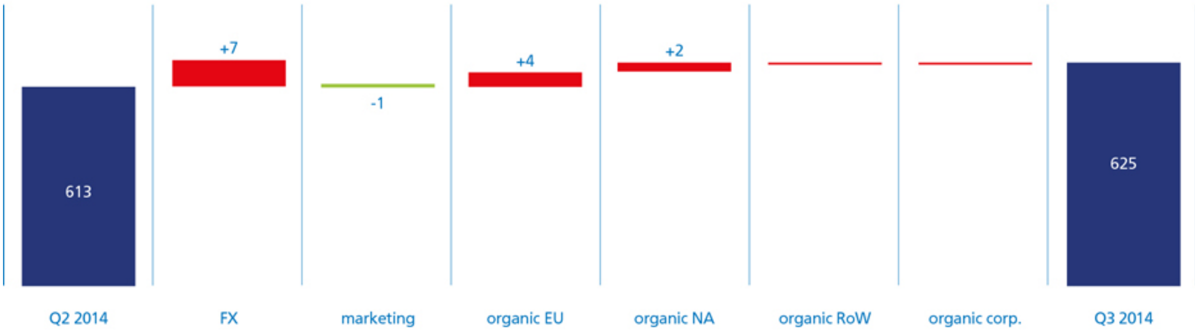
Gross margin was 18.5%, 0.3% above Q3 2013 (as shown in the graph above). The temp margin was up 0.1%, compared to last year (Q2 2014: 0.3%), while perm fees added 0.2%. In North America, the gross margin was slightly lower due to a negative mix impact. In Europe, the gross margin was up, driven by a positive mix impact, while the Rest of the world was stable.

Operating expenses

Operating expenses increased sequentially by € 12.6 million, which included an increase of € 7.3 million due to currency mix effects. Personnel expenses increased as a result of investments in headcount in countries or segments where growth continued, and due to seasonality. Compared to last year, operating expenses were up 2.6% organically. Overall, we maintained good cost control.

OPEX development Q2 → Q3

in millions of €



Average headcount (in FTE) amounted to 28,920 for the quarter, 1% higher than in Q2 2014. Across North America, headcount was down 1% sequentially as we closed down some unprofitable units. In Europe, headcount increased by 390 FTEs as we added headcount in those countries and segments where growth continued, such as in the Netherlands, the Professionals business in Spain and in Poland. In the Rest of the world, the additions to headcount were predominantly in China. Productivity (measured as gross profit per FTE) was 3.6% higher than last year on a pro forma basis. We operated a network of 4,376 outlets (Q2 2014: 4,419). We continued to close smaller branches in France as we have completed the reorganisation.

The cost base in Q3 2014 was adjusted for € 5.1 million restructuring costs in the Netherlands and for € 0.6 million for Germany. Last year's cost base was adjusted for a total of € 4.1 million in integration and restructuring costs.

EBITA

Underlying EBITA increased organically by 15% to € 210.2 million. Currency effects had a negative impact of € 1.6 million. The EBITA margin reached 4.7%, up from 4.2% in Q3 2013. We achieved an incremental conversion ratio (ICR) of 66%. Based on the last four quarters, underlying EBITA margin improved from 3.5% to 3.9%.

in millions of €, unless otherwise indicated	Q3 2014	Q3 2013	change	L4Q 2014	L4Q 2013	change
Underlying EBITA	**210.2**	**184.0**	**14%**	**664.4**	**577.9**	**15%**
Integration costs	0.0	5.6		14.5	14.6	
One-offs	5.7	(1.5)		34.5	50.8	
EBITA	**204.5**	**179.9**	**14%**	**615.4**	**512.5**	**20%**
Amortization of intangible assets [1]	36.6	45.7		144.9	308.4	
Operating profit	**167.9**	**134.2**		**470.5**	**204.1**	
Net finance costs	(11.4)	(3.3)		(21.5)	(25.2)	
Share of profit of associates	0.1	0.2		0.3	0.3	
Income before taxes	**156.6**	**131.1**	**19%**	**449.3**	**179.2**	**151%**
Taxes on income	(43.3)	(47.3)		(132.9)	(100.0)	
Net income	**113.3**	**83.8**	**35%**	**316.4**	**79.2**	**299%**

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 € 36.6 million, in line with the level of previous quarters.

Net finance costs

In Q3 2014, net finance costs reached € 11.4 million, compared to € 3.3 million in Q3 2013, impacted by a € 9.9m FX swing. 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 € 4.1 million, compared to € 4.7 million in Q3 2013. Foreign currency effects had a negative impact of € 6.5 million, compared to a gain of € 3.4 million in Q3 2013. The remaining negative effect of € 0.8 million (Q3 2013: € 2.0 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 nine months, amounted to 29.6% (FY 2013: 31.7%), and is based on the estimated effective tax rate for the whole year 2014.

Net income, earnings per share

In Q3 2014, diluted underlying EPS amounted to € 0.77 (Q3 2013: € 0.65). Stock dividend and the exercise of stock options increased the average number of diluted ordinary shares outstanding by 1.7%, compared to Q3 2013.

in millions of €, unless otherwise indicated	Q3 2014	Q3 2013	change	L4Q 2014	L4Q 2013	change
Net income	**113.3**	**83.8**	**35%**	**316.4**	**79.2**	**299%**
Results of non-controlling interests	0.0	0.0		0.0	0.0	
Dividend for holders of preference shares	3.1	3.1		12.6	10.3	
Net income for holders of ordinary shares	**110.2**	**80.7**	**37%**	**303.8**	**68.9**	**341%**
Amortization of intangible assets [1]	36.6	45.7		144.9	308.4	
Integration costs and one-offs	5.7	4.1		49.0	65.4	
Tax effect on amortization, integration costs and one-offs [1]	(13.2)	(15.0)		(57.6)	(75.9)	
Net income for holders of ordinary shares (adjusted)	**139.3**	**115.5**	**21%**	**440.1**	**366.8**	**20%**
Basic EPS	0.61	0.46	33%	1.70	0.39	336%
Diluted EPS [2]	0.77	0.65	18%	2.44	2.09	17%

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	September 30, 2014	June 30, 2014	March 31, 2014	December 31, 2013	September 30, 2013
Goodwill and intangible assets	2,616.7	2,608.6	2,627.2	2,664.6	2,727.6
Operating working capital [1]	598.0	667.1	473.9	456.6	565.8
Net tax assets [2]	513.8	486.8	481.9	497.1	347.6
Other assets/(liabilities) [3]	140.0	111.8	73.4	50.5	38.3
Invested capital	**3,868.5**	**3,874.3**	**3,656.4**	**3,668.8**	**3,679.3**
Financed by					
Equity	3,207.7	2,996.4	2,942.4	2,907.8	2,889.3
Net debt	660.8	877.9	714.0	761.0	790.0
Invested capital	**3,868.5**	**3,874.3**	**3,656.4**	**3,668.8**	**3,679.3**
Ratios					
DSO (Days Sales Outstanding), moving average	52.0	51.9	51.8	51.8	51.8
Working capital as % of revenue over last 12 months	3.5%	4.0%	2.8%	2.8%	3.4%
Leverage ratio (net debt/12-month EBITDA)	0.9	1.3	1.1	1.2	1.2
Return on invested capital [4]	14.0%	13.3%	13.7%	12.6%	12.8%

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 was 14%. 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 are the continued improvement of our profitability and the efficient use of working capital.

Operating working capital decreased sequentially to € 598 million, which is in line with normal seasonal patterns in our business. Working capital has moved to 3.5% of revenue. We continue our efforts to make further improvements in our invoicing and collection processes, and remain committed to reducing DSO further.

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 Q3 2014, net debt was € 661 million, compared to € 878 million at the end of Q2 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 dropped from 1.3 to 0.9 sequentially. 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	Q3 2014	Q3 2013	change	L4Q 2014	L4Q 2013	change
EBITA	**204.5**	**179.9**	**14%**	**615.4**	**512.5**	**20%**
Depreciation and amortization of software	15.7	17.2		64.4	75.5	
EBITDA	**220.2**	**197.1**	**12%**	**679.8**	**588.0**	**16%**
Working capital	103.4	187.8		6.6	232.8	
Provisions and employee benefit obligations	(3.7)	(18.3)		(38.3)	(4.0)	
Other items	(19.8)	(8.9)		(59.8)	(28.5)	
Income taxes paid	(37.3)	(37.0)		(255.2)	(105.3)	
Net cash flow from operating activities	**262.8**	**320.7**	**(18)%**	**333.1**	**683.0**	**(51)%**
Net capital expenditures	(13.2)	(10.8)		(63.0)	(39.3)	
Financial assets	-	-		(6.9)	(3.7)	
Free cash flow	**249.6**	**309.9**	**(19)%**	**263.2**	**640.0**	**(59)%**
Net acquisitions/disposals	(1.5)	2.7		(4.3)	(46.0)	
Issue of ordinary shares	-	2.2		4.1	4.5	
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 paid	(10.5)	(1.4)		(25.0)	(26.4)	
Translation and other effects	(20.5)	9.6		(15.0)	37.4	
Net decrease/(increase) of net debt	**217.1**	**323.0**		**129.2**	**647.4**	

On an annualized basis (measured as last 4 quarters), free cash flow was € 394.2 million, when adjusted for the payment of a liability of € 131 million to the Dutch tax authority.

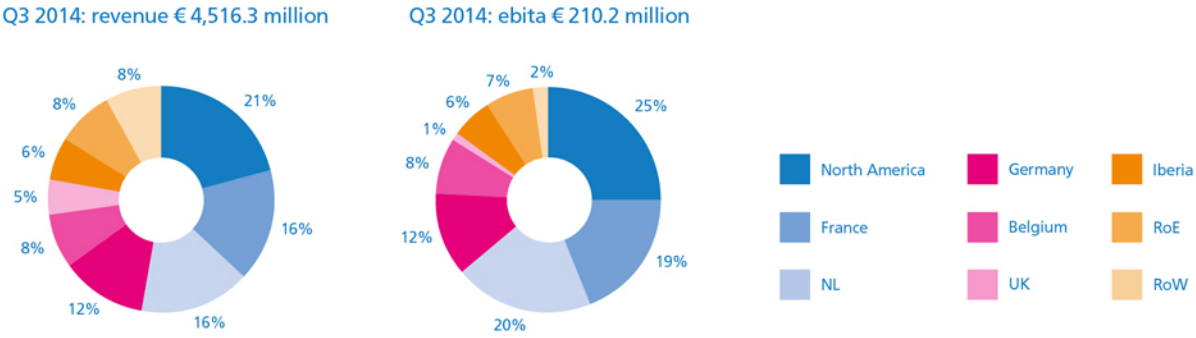
Seasonality in our business can cause an increase in working capital requirements, as revenue in the third quarter is normally higher than in the first and second quarters. Working capital was 3.5% of revenue. We continued to make progress on reducing the amount of overdues in our receivables. Cash flows in the quarter are down compared to the prior year, as Q3 2013 was supported by more favorable timing, which 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.

Net capital expenditures (which relate to office refurbishments and investments in IT equipment and software) returned to a normal level. The L4Q increase compared to last year is mainly attributable to the refurbishment of larger consolidated offices in France.

Translation and other effects of € 20.5 million 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



North America

in millions of €, underlying	Q3 2014	Q3 2013	organic Δ% [1]	L4Q 2014	L4Q 2013	organic Δ% [1]
Revenue	964.8	925.4	5%	3,643.1	3,762.6	
EBITA	55.3	50.8	11%	166.7	177.8	
EBITA margin	5.7%	5.5%		4.6%	4.7%	

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 growth per working day was 5% above last year (Q2 2014: 2%). Reported revenue was 4% above Q3 2013. Our combined US businesses grew 6% (Q2 2014: 3%), while Canada was stable (Q2 2014: -/- 4%). The gross margin was slightly down due to mix impact, partially offset by strong growth in perm fees in the US (9%). Gross profit growth in the quarter was 5% (Q2 2014: 3%). In September 2014, revenue growth remained 5% for the region and 6% for the US.

In Q3 2014, our combined US Staffing and Inhouse businesses grew by 10% per working day (Q2 2014: 6%), driven by strong performance in the industrial segment. Overall gross profit grew by 8% (Q2 2014: 10%), as mix impacts were only partially compensated by a continued solid 31% growth in perm fees.

Our US Professionals business was stable in the quarter (Q2 2014: -/-2%). The improvement compared to the previous quarter was driven by finance and engineering, while the core IT business continued to improve when looking at the gross profit development. Perm fees were up 2% in Q3 (Q2 2014: -/-6%).

In Canada, revenue was stable after three quarters of decline (Q2 2014: -/-4%), slightly ahead of the market, which is still showing a modest decline. Our Staffing and Inhouse business was down 2% (Q2 2014: -/- 7%), which was offset by growth in Professionals, notably perm.

The EBITA margin for the region increased from 5.5% to 5.7%. The underlying profitability of the combined US businesses improved, while Canada remained stable.

France

in millions of €, underlying	Q3 2014	Q3 2013	organic Δ% [1]	L4Q 2014	L4Q 2013	organic Δ% [1]
Revenue	727.5	762.1	(4)%	2,776.6	2,855.2	
EBITA	43.6	34.1	28%	134.3	104.0	
EBITA margin	6.0%	4.5%		4.8%	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.

In France, revenue contracted by 4% (Q2 2014: -/-1%), while it was down 2% in September. Perm fees were up 8% compared to last year (Q2 2014: 5%). Although market circumstances remained challenging, the business was able to increase gross profit by 7% (Q2 2014: 3%).

Revenue of our combined Staffing and Inhouse businesses was -/-5% below last year (Q2 2014: -/-1%). The decline was driven by a significant deterioration in the construction and aeronautics sectors, while this was only partially offset by higher demand in the automotive and industrial sectors. Revenue of Inhouse Services grew by 12%, following a number of client wins and continued transfers from Staffing (Q2 2014: +25%). Staffing was 8% below last year (Q2 2014: -/-6%). Although we have continued to improve in the SME segment, in our large accounts business, we continue to lose share due to our continued focus on profitability. Our Professionals business was up 1% (Q2 2014: -/-0%), driven once again by our Healthcare business, while demand in IT remained weak.

We maintained strong cost control, as reflected in the 6% drop in FTEs compared to last year. The branch rationalization has been completed resulting in 12% fewer outlets. Our EBITA margin increased to 6.0% compared to 4.5% in Q3 2013.

Netherlands

in millions of €, underlying	Q3 2014	Q3 2013	organic Δ% [1]	L4Q 2014	L4Q 2013	organic Δ% [1]
Revenue	721.6	696.4	4%	2,760.1	2,746.0	
EBITA	45.5	45.6	0%	168.7	148.1	
EBITA margin	6.3%	6.5%		6.1%	5.4%	

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 up 4% compared to last year (Q2 2014: 0%). We achieved 4% revenue growth in September in line with the performance over the quarter, led by an above-market performance by Tempo-Team and a resurgent Randstad. Overall perm fee growth increased to 25% (Q2 2014: 16%), with both Randstad and Tempo-Team producing strong sets of numbers.

Randstad's revenue per working day was up 3% (Q2 2014: -/-1%). While there is still room for improvement, it is clear that the initiatives promoted earlier in the year are paying off as we are closing the gap to market. Revenue at Tempo-Team grew above market at +7% (Q2 2014: 1%), with momentum building through the quarter. At both labels, we saw very strong growth in SME and Professionals.

We remain focused on profitable growth through the strict adherence to our activity-based field steering model, while the recently announced reorganization of our Dutch business will aid us in achieving the efficiency improvements that will help carry our business forward. The restructuring, which will result in a reduction of approx. 250 FTEs, is focused on streamlining management and back-office functions.

Yacht's revenue was down 1% (Q2 2014: 1%) against the backdrop of a toughening comparison base. IT continued its positive momentum, while Finance and Technology weakened. Yacht continues its focus on growth and on creating a single Professionals label. Overall our Professionals business grew by 16%.

Underlying operating expenses were higher than in the previous quarter, primarily due to the timing of marketing spend and to a higher number of FTEs (+3%) sequentially, driven by investment in the growth areas of the business. The Dutch EBITA margin came in at 6.3% compared to 6.5% last year.

Germany

in millions of €, underlying	Q3 2014	Q3 2013	organic Δ% [1]	L4Q 2014	L4Q 2013	organic Δ%[1]
Revenue	517.9	510.0	2%	1,951.5	1,837.2	
EBITA	28.2	29.1	(3)%	87.4	86.0	
EBITA margin	5.4%	5.7%		4.5%	4.7%	

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 2% (Q2 2014: 5%). This was supported by a positive price effect of +6% resulting from the CLA-related price increases and equal pay. The German market outlook has become significantly weaker recently, and the wage cost increases and other regulatory changes have certainly impacted demand for temporary labor. We remain convinced that our German business is well positioned to grow when the prevailing market conditions present the opportunity.

Gulp and Tempo-Team have benefited most from the additional focus on improving activity levels through our activity-based field steering model. Revenue growth in Staffing was stable YoY (Q2 2014 -/-8%), while Inhouse grew 4% (Q2 2014: 25%).

The pressure on gross margin persists in our Staffing and Inhouse businesses, with the 13-week average calculation rule on sickness and vacation having a clear impact.

The number of FTEs was stable sequentially, but underlying operating expenses decreased moderately as the business executed strong cost control in light of the softening macroeconomic outlook. The underlying German EBITA margin reached 5.4%, compared to a relatively strong Q3 2013 (5.7%).

Belgium & Luxembourg

in millions of €, underlying	Q3 2014	Q3 2013	organic Δ% [1]	L4Q 2014	L4Q 2013	organic Δ%[1]
Revenue	353.8	338.3	6%	1,280.3	1,239.6	
EBITA	17.3	11.3	54%	63.3	43.2	
EBITA margin	4.9%	3.3%		4.9%	3.5%	

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.

In Belgium & Luxembourg, revenue per working day grew by 6% (Q2 2014: 5%). Gross profit growth was 10% (Q2 2014: 6%).

Inhouse Services saw revenue growth of +13% (Q2 2014: 11%), while Staffing grew 3% (Q2 2014: 2%). Revenue in the administrative segment continues to hold up well, while the industrial segment experienced a slowdown. The Professionals business continued to accelerate with growth of +14% (Q2 2014: 10%). Overall, perm fees were down 3% versus last year (Q2 2014: -/-2%).

Gross margin is higher YoY, benefiting from the mix impact of the growth in the Professionals business. Underlying operating expenses were down.

EBITA margin moved up to 4.9%, from 3.3% last year (attributable to the reorganization carried out in Q4 2013).

United Kingdom

in millions of €, underlying	Q3 2014	Q3 2013	organic Δ% [1]	L4Q 2014	L4Q 2013	organic Δ%[1]
Revenue	203.7	195.6	(3)%	805.6	767.7	
EBITA	2.9	1.1	150%	11.1	8.6	
EBITA margin	1.4%	0.6%		1.4%	1.1%	

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.

Revenue per working day in the UK was down 3% (Q2 2014: 3%). Reported revenue was up 4%, reflecting the impact of positive currency effects. However, the most important indicator (gross profit) was up 8% (Q2 2014: 9%), emphasizing the focus on profitable growth and perm.

Construction/Engineering was up 20% again, with our specialty businesses Pareto Law and Student Worker Support showing strong growth. The Finance business remains under pressure with continued low demand in perm. Overall perm fees grew by 12% YoY (Q2 2014: 13%).

Underlying operating expenses were moderately up sequentially, on higher commissions. EBITA margin increased to 1.4% (Q3 2013: 0.6%)

Iberia

in millions of €, underlying	Q3 2014	Q3 2013	organic Δ% [1]	L4Q 2014	L4Q 2013	organic Δ%[1]
Revenue	290.8	267.0	9%	1,060.9	830.9	
EBITA	13.9	8.1	53%	38.8	22.9	
EBITA margin	4.8%	3.0%		3.7%	2.8%	

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.

Revenue growth in Iberia was 9% (Q2 2014: 12%), as was the gross profit increase (in line with Q2).

Spain was up 9% (Q2 2014: 11%). Revenue growth continued to be hampered by lower volumes in harbors and agriculture, while growth continued in automotive and manufacturing. This was reflected in the good growth seen in Inhouse, which again saw strong growth of +23%. Solid growth has resulted from our focus on permanent placements and Professionals. The number of FTEs increased by 6% sequentially as we continue to invest in these growing activities.

In Portugal, revenue grew by 9% (Q2 2014: 14%). Growth continued to be led by the automotive and manufacturing segments. The focus remains on improving profitability.

The overall EBITA margin for Iberia improved to 4.8% in Q3, up from 3.0% in the same period last year. The incremental conversion ratio was 203%.

Other European countries

in millions of €, underlying	Q3 2014	Q3 2013	organic Δ% [1]	L4Q 2014	L4Q 2013	organic Δ%[1]
Revenue	357.9	308.7	16%	1,338.6	999.0	
EBITA	15.2	10.8	40%	45.8	32.9	
EBITA margin	4.2%	3.5%		3.4%	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.

Across Other European countries, revenue per working day grew by 16% (Q2 2014: 20%), driven by continued double-digit growth across all countries.

In Italy, revenue grew by 12% (Q2 2014: 15%). In line with previous quarters, growth was led by the industrial segment, and our focus on specialities, Professionals and permanent placements paid off. Our Inhouse business grew by 34%, as we transferred business from Staffing to ensure we can offer clients the right delivery model.

Revenue in our Swiss business grew by 14% (Q2 2014: 12%). In Poland, revenue grew by 19% (Q2 2014: 27%). Operational leverage remained strong, and we continued to invest in growth. In the Nordics, revenue grew by 7% (Q2 2014: 28%). Our revenue in the Czech Republic grew by 59% and Turkey was up 19%.

Profitability improved across most countries. As a result of the aforementioned trends, the EBITA margin for the Other European countries region reached 4.2% (Q3 2013: 3.5%).

Rest of the world

in millions of €, underlying	Q3 2014	Q3 2013	organic Δ% [1]	L4Q 2014	L4Q 2013	organic Δ%[1]
Revenue	378.3	359.2	11%	1,415.3	1,486.7	
EBITA	3.6	4.8	2%	7.5	1.9	
EBITA margin	1.0%	1.3%		0.5%	0.1%	

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.

Overall revenue in the Rest of the world grew by 11% organically (Q2 2014: 13%). Reported revenue was up 5%, reflecting the significant currency effects. Growth held up in Asia and Australia, while Latin America saw different trends.

In Japan, revenue grew by 6% (Q2 2014: 10%). Growth was led by good performance in logistics and retail, while growth in the administrative segment continued. Strong process management has limited the negative impact of SPOT regulation.

Revenue in Australia grew by 15% (Q2 2014: 13%). Temp revenue was solid in Business Support, while the industrial segment provides a stable outlook. Perm fees were up 20% in the quarter (Q2 2014: -/- 6%). In Professionals, demand was led by Construction/Engineering, while Banking & Finance also provided notable growth.

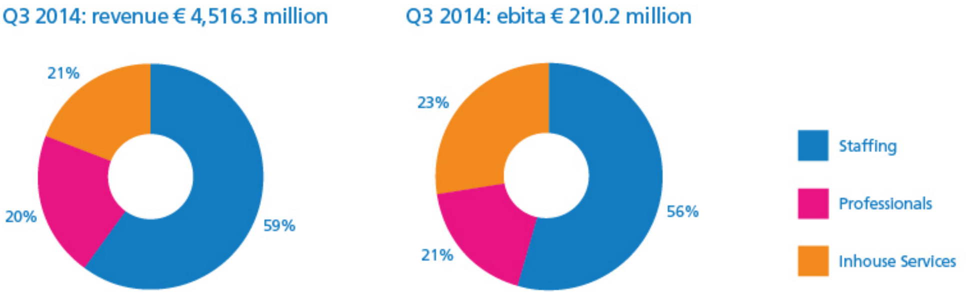
China grew by 54% (Q2 2014: 67%), based on a good performance across the IT and manufacturing segments. Growth in permanent placements was up 64% in the quarter. We have continued to invest in headcount, with a 4% sequential increase. Our business in India, where improving efficiency through adherence of field steering remains the focus, grew by 4% (Q2 2014: 3%).

In Latin America, our Argentinean business grew by 13% (Q2 2014: 11%), where market conditions remain challenging due to inflation. Our focus in Argentina is on implementing field steering. We achieved good gross profit growth in Brazil, where we focus on improving our business mix and capturing productivity improvements.

EBITA for the region remains below the desired level, as we continue to invest in these growing activities.

performance by revenue category

split by revenue category



Staffing

in millions of €, underlying	Q3 2014	Q3 2013	organic Δ% [1]	L4Q 2014	L4Q 2013	organic Δ% [1]
Revenue	2,680.5	2,648.4	2%	10,136.0	10,067.2	
EBITA	126.8	109.7	16%	404.1	345.8	
EBITA margin	4.7%	4.1%		4.0%	3.4%	

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 2% (Q2 2014: 1%). Overall perm fees were up by 20% (Q2 2014: 22%). In North America, Staffing revenue grew by 7% (Q2 2014: 6%), driven by strong performance in manufacturing and logistics and solid growth in managed services. In the Rest of the world, revenue growth was stable at +10% (Q2 2014: 10%). In Europe, overall Staffing revenue was stable (Q2 2014: -/-1%). In France, revenue fell by 8% (Q2 2014: -/-6%), while German revenue was stable (Q2 2014: -/-6%), both impacted by transfers to Inhouse and challenging market conditions. Dutch Staffing revenue increased by 2% (Q2 2014: -/-4%), while Staffing revenue in Belgium grew by 3% (Q2 2014: 2%). In the UK, revenue grew by 4%. The underlying EBITA margin reached 4.7%.

Inhouse Services

in millions of €, underlying	Q3 2014	Q3 2013	organic Δ% [1]	L4Q 2014	L4Q 2013	organic Δ% [1]
Revenue	958.5	876.4	10%	3,543.4	3,125.9	
EBITA	50.8	46.7	10%	177.9	145.9	
EBITA margin	5.3%	5.3%		5.0%	4.7%	

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 10% (Q2 2014: 16%). Revenue in North America grew by 11%. In Europe, growth was led by Iberia (32%), France (12%), Germany (4%), and the Netherlands (5%). While growing strongly at existing and new clients, we continue to transfer business from Staffing to Inhouse to ensure we can offer clients the right delivery model. In the UK, revenue fell by 12% as we terminated some low-margin contracts. Our Belgian Inhouse business strengthened further, and is now growing at 13%. The EBITA margin was, at 5.3%, in line with the prior year period.

Professionals

in millions of €, underlying	Q3 2014	Q3 2013	organic Δ% [1]	L4Q 2014	L4Q 2013	organic Δ% [1]
Revenue	877.3	837.9	4%	3,352.6	3,331.8	
EBITA	47.9	39.3	23%	141.6	133.7	
EBITA margin	5.5%	4.7%		4.2%	4.0%	

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

Growth in Professionals was stable at +4% (Q2 2014: 4%). Gross profit growth was 9% (Q2 2014: 5%). Perm fees grew by 12% (Q2 2014: 8%). Progress is evident in North America, with revenue flat in Q3 (Q2 2014: -/-2%). Revenue at our Dutch businesses grew by 16% (Q2 2014: 12%), driven by strong performance of Tempo-Team and Randstad, while growth at Yacht slowed. In the UK, revenue declined by 1% (Q2 2014: 8%), despite another good performance in Construction/Engineering. Our French business was up 1% (Q2 2014: 0%), mainly driven by improving performance in Healthcare and Finance. In Australia, revenue grew by 21%, as demand in permanent placements picked up. The EBITA margin increased to 5.5%, mainly driven by the continued strong performance by most of our US businesses, as well as France and Iberia.

other information

Outlook

Revenue growth stabilized in Q3, however trends were different. The performance of our US and Dutch operations improved, while France and Germany slowed. We do not expect this pattern to change materially going forward.

Organic revenue per working day grew 4.2% in Q3 2014, compared to 3.4% in September. Gross profit growth in September was 5.9%, broadly in line with the quarter. The volume trend in October appears to be in line with Q3, implying a stable revenue development. Last year, organic revenue growth was -/- 1.1% in Q3 and +2.2% in Q4. In Q4 2014, the number of working days will be broadly in line with last year.

We expect operating expenses in Q4 2014 to increase moderately compared to Q3 (based on the current exchange rates, FX will have a sequential € 8m negative impact on our Q4 cost base). We will continue to add staff in markets where we believe growth will continue (US, China). At the same time, as disclosed earlier, the restructuring measures taken in the Netherlands will become effective as of Q1 2015.

Other items

As previously announced, we intend to offset the dilutive effect from our performance share plans for senior management through share buybacks. The next allocation of shares will take place in February 2015. Based on the current performance, we intend to purchase up to approx. 0.5 million shares in the period between January 1, 2015 and February 18, 2015. As the current plan runs until the end of the year, the amount could still change (theoretically by between approx. 0 - 2.5 million shares), as outlined in our remuneration policy in the annual report.

Randstad Innovation Fund's latest investment was in RolePoint, its third investment after Gigwalk and twago earlier this year. Working with both small and medium-sized companies as well as Fortune 100 clients and based between San Francisco, New York and London, RolePoint is the leading employee referrals platform for enterprises. With referrals being a dominant source of hires for companies, RolePoint promotes engagement and increases participation across the entire employee base. By empowering employees to seamlessly match their social connections to relevant vacancies, RolePoint improves the quality of referrals and enhances the experience.

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

Capital Markets Day 2014	November 20, 2014
Publication of fourth quarter and annual results 2014	February 19, 2015
Annual General Meeting of Shareholders	April 2, 2015
Publication of first quarter results 2015	April 30, 2015

Analyst conference call

Today, at 10.00 am CET, Randstad Holding nv will host an analyst conference call. The dial-in number is +31 20 715 73 58, or +44 20 3059 8125 for international participants. Please quote “Randstad” to gain access to the conference. You can listen to the call through a real-time audio webcast. You can access the webcast and presentation at http://www.ir.randstad.com/reports-and-presenations/quarterly-results.aspx. 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.

interim financial statements

contents

underlying performance

Consolidated income statement

in millions of €, underlying	Q3 2014	Q3 2013	change	organic Δ %[1]	L4Q 2014	L4Q 2013	change	organic Δ %[1]
Revenue	**4,516.3**	**4,362.7**	**4%**	**4%**	**17,032.0**	**16,524.9**	**3%**	**4%**
Cost of services	3,680.9	3,566.9			13,907.3	13,526.4		
Gross profit	**835.4**	**795.8**	**5%**	**6%**	**3,124.7**	**2,998.5**	**4%**	**5%**
Selling expenses	426.4	422.6			1,686.7	1,649.0		
General and administrative expenses	198.8	189.2			773.6	771.6		
Operating expenses	**625.2**	**611.8**	**2%**	**3%**	**2,460.3**	**2,420.6**	**2%**	**2%**
EBITA	**210.2**	**184.0**	**14%**	**15%**	**664.4**	**577.9**	**15%**	**17%**
Margins (in % of revenue)								
Gross margin	18.5%	18.2%			18.3%	18.1%		
Operating expenses margin	13.8%	14.0%			14.4%	14.6%		
EBITA margin	4.7%	4.2%			3.9%	3.5%		

Information by geographical area

Revenue by geographical area

in millions of €, underlying	Q3 2014	Q3 2013	change	organic Δ %[1]	L4Q 2014	L4Q 2013	change	organic Δ %[1]
North America	964.8	925.4	4%	5%	3,643.1	3,762.6	(3)%	1%
France	727.5	762.1	(5)%	(4)%	2,776.6	2,855.2	(3)%	(2)%
Netherlands	721.6	696.4	4%	4%	2,760.1	2,746.0	1%	1%
Germany	517.9	510.0	2%	2%	1,951.5	1,837.2	6%	7%
Belgium & Luxembourg	353.8	338.3	5%	6%	1,280.3	1,239.6	3%	4%
United Kingdom	203.7	195.6	4%	(3)%	805.6	767.7	5%	3%
Iberia	290.8	267.0	9%	9%	1,060.9	830.9	28%	8%
Other European countries	357.9	308.7	16%	16%	1,338.6	999.0	34%	17%
Rest of the world	378.3	359.2	5%	11%	1,415.3	1,486.7	(5)%	11%
Total revenue	**4,516.3**	**4,362.7**	**4%**	**4%**	**17,032.0**	**16,524.9**	**3%**	**4%**

EBITA by geographical area

in millions of €, underlying	Q3 2014	Q3 2013	change	organic Δ %[1]	L4Q 2014	L4Q 2013	change	organic Δ %[1]
North America	55.3	50.8	9%	11%	166.7	177.8	(6)%	(2)%
France	43.6	34.1	28%	28%	134.3	104.0	29%	29%
Netherlands	45.5	45.6	(0)%	0%	168.7	148.1	14%	14%
Germany	28.2	29.1	(3)%	(3)%	87.4	86.0	2%	2%
Belgium & Luxembourg	17.3	11.3	53%	54%	63.3	43.2	47%	47%
United Kingdom	2.9	1.1	164%	150%	11.1	8.6	29%	34%
Iberia	13.9	8.1	72%	53%	38.8	22.9	69%	74%
Other European countries	15.2	10.8	41%	40%	45.8	32.9	39%	38%
Rest of the world	3.6	4.8	(25)%	2%	7.5	1.9	295%	1560%
Corporate	(15.3)	(11.7)			(59.2)	(47.5)		
EBITA before integration costs and one-offs[2]	**210.2**	**184.0**	**14%**	**15%**	**664.4**	**577.9**	**15%**	**17%**
Integration costs	-	(5.6)			(14.5)	(14.6)		
One-offs	(5.7)	1.5			(34.5)	(50.8)		
Total EBITA	**204.5**	**179.9**	**14%**		**615.4**	**512.5**	**20%**	

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. (Related to L4Q; 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	Q3 2014	Q3 2013	change	organic Δ %[1]	L4Q 2014	L4Q 2013	change	organic Δ %[1]
Staffing	2,680.5	2,648.4	1%	2%	10,136.0	10,067.2	1%	0%
Inhouse Services	958.5	876.4	9%	10%	3,543.4	3,125.9	13%	14%
Professionals	877.3	837.9	5%	4%	3,352.6	3,331.8	1%	4%
Total revenue	**4,516.3**	**4,362.7**	**4%**	**4%**	**17,032.0**	**16,524.9**	**3%**	**4%**

EBITA by revenue category

in millions of €, underlying	Q3 2014	Q3 2013	change	organic Δ %[1]	L4Q 2014	L4Q 2013	change	organic Δ %[1]
Staffing	126.8	109.7	16%	16%	404.1	345.8	17%	8%
Inhouse Services	50.8	46.7	9%	10%	177.9	145.9	22%	22%
Professionals	47.9	39.3	22%	23%	141.6	133.7	6%	20%
Corporate	(15.3)	(11.7)			(59.2)	(47.5)		
EBITA before integration costs and one-offs[2]	**210.2**	**184.0**	**14%**	**15%**	**664.4**	**577.9**	**15%**	**17%**
Integration costs	-	(5.6)			(14.5)	(14.6)		
One-offs	(5.7)	1.5			(34.5)	(50.8)		
Total EBITA	**204.5**	**179.9**	**14%**		**615.4**	**512.5**	**20%**	

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. (Related to L4Q; 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	Q3 2014	Q3 2013	9m 2014	9m 2013
Revenue	**4,516.3**	**4,362.7**	**12,754.1**	**12,290.4**
Cost of services	3,680.9	3,566.9	10,414.7	10,064.1
Gross profit	**835.4**	**795.8**	**2,339.4**	**2,226.3**
Selling expenses	427.0	418.7	1,258.1	1,231.5
General and administrative expenses	203.9	197.2	585.5	584.7
Operating expenses	**630.9**	**615.9**	**1,843.6**	**1,816.2**
Amortization and impairment of acquisition-related intangible assets and goodwill, and badwill	36.6	45.7	108.6	127.1
Total operating expenses	**667.5**	**661.6**	**1,952.2**	**1,943.3**
Operating profit	**167.9**	**134.2**	**387.2**	**283.0**
Net finance costs	(11.4)	(3.3)	(18.0)	(19.5)
Share of profit of associates	0.1	0.2	0.2	0.2
Income before taxes	**156.6**	**131.1**	**369.4**	**263.7**
Taxes on income	(43.3)	(47.3)	(107.1)	(87.1)
Net income	**113.3**	**83.8**	**262.3**	**176.6**
Net income attributable to:				
Holders of ordinary shares Randstad Holding nv	110.2	80.7	252.9	167.7
Holders of preference shares Randstad Holding nv	3.1	3.1	9.4	8.9
Equity holders	**113.3**	**83.8**	**262.3**	**176.6**
Non-controlling interests	0.0	0.0	0.0	0.0
Net income	**113.3**	**83.8**	**262.3**	**176.6**
Earnings per share attributable to the holders of ordinary shares of Randstad Holding nv (in € per share):				
Basic earnings per share	0.61	0.46	1.42	0.96
Diluted earnings per share	0.61	0.45	1.40	0.95
Diluted earnings per share before amortization and impairment of acquisition-related intangible assets and goodwill, badwill, integration costs and one-offs	0.77	0.65	1.86	1.49

Information by geographical area and revenue category

Revenue by geographical area

in millions of €, unless otherwise indicated	Q3 2014	Q3 2013	9m 2014	9m 2013
North America	964.8	925.4	2,726.6	2,770.4
France	727.5	762.1	2,068.0	2,127.1
Netherlands	721.6	696.4	2,047.3	2,026.6
Germany	517.9	510.0	1,472.4	1,396.4
Belgium & Luxembourg	353.8	338.3	958.8	917.2
United Kingdom	203.7	195.6	604.6	568.6
Iberia	290.8	267.0	804.0	640.0
Other European countries	357.9	308.7	1,009.7	761.8
Rest of the world	378.3	359.2	1,062.7	1,082.3
Total revenue	**4,516.3**	**4,362.7**	**12,754.1**	**12,290.4**

EBITA by geographical area

in millions of €, unless otherwise indicated	Q3 2014	Q3 2013	9m 2014	9m 2013
North America	55.3	50.8	124.8	125.0
France	43.6	40.3	107.9	84.9
Netherlands	40.4	43.0	114.0	105.4
Germany	27.6	29.1	69.2	62.4
Belgium & Luxembourg	17.3	9.2	47.9	26.9
United Kingdom	2.9	1.1	10.2	5.6
Iberia	13.9	8.1	29.9	16.1
Other European countries	15.2	10.8	36.3	19.7
Rest of the world	3.6	4.8	5.5	8.1
Corporate	(15.3)	(11.7)	(44.1)	(35.4)
EBITA before integration costs [1]	**204.5**	**185.5**	**501.6**	**418.7**
Integration costs	-	(5.6)	(5.8)	(8.6)
Total EBITA	**204.5**	**179.9**	**495.8**	**410.1**

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	Q3 2014	Q3 2013	9m 2014	9m 2013
Staffing	2,680.5	2,648.4	7,557.8	7,459.7
Inhouse Services	958.5	876.4	2,665.0	2,345.1
Professionals	877.3	837.9	2,531.3	2,485.6
Total revenue	**4,516.3**	**4,362.7**	**12,754.1**	**12,290.4**

EBITA by revenue category

in millions of €, unless otherwise indicated	Q3 2014	Q3 2013	9m 2014	9m 2013
Staffing	123.9	111.2	300.9	241.3
Inhouse Services	50.0	46.7	133.4	106.5
Professionals	45.9	39.3	111.4	106.3
Corporate	(15.3)	(11.7)	(44.1)	(35.4)
EBITA before integration costs [1]	**204.5**	**185.5**	**501.6**	**418.7**
Integration costs	-	(5.6)	(5.8)	(8.6)
Total EBITA	**204.5**	**179.9**	**495.8**	**410.1**

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	September 30, 2014	December 31, 2013	September 30, 2013
ASSETS			
Property, plant and equipment	128.9	131.4	128.1
Intangible assets	2,616.7	2,664.6	2,727.6
Deferred income tax assets	521.3	521.9	526.5
Financial assets and associates	237.9	156.7	134.6
Non-current assets	**3,504.8**	**3,474.6**	**3,516.8**
Trade and other receivables	3,187.5	2,931.9	3,032.6
Income tax receivables	55.5	65.2	60.2
Cash and cash equivalents	124.2	136.1	124.8
Current assets	**3,367.2**	**3,133.2**	**3,217.6**
TOTAL ASSETS	**6,872.0**	**6,607.8**	**6,734.4**
EQUITY AND LIABILITIES			
Issued capital	25.5	25.3	25.3
Share premium	2,261.1	2,258.7	2,250.4
Reserves	921.1	623.8	613.6
Shareholders' equity	**3,207.7**	**2,907.8**	**2,889.3**
Non-controlling interests	0.0	0.0	0.0
Total equity	**3,207.7**	**2,907.8**	**2,889.3**
Borrowings	604.7	643.8	766.7
Deferred income tax liabilities	27.8	36.6	46.0
Provisions and employee benefit obligations	136.5	139.3	88.2
Other liabilities	12.4	14.1	14.3
Non-current liabilities	**781.4**	**833.8**	**915.2**
Borrowings	180.3	153.7	148.1
Short-term part of non-current borrowings	-	99.6	-
Trade and other payables	2,588.1	2,473.9	2,464.9
Income tax liabilities	35.2	53.4	193.1
Provisions and employee benefit obligations	72.0	78.3	113.6
Other liabilities	7.3	7.3	10.2
Current liabilities	**2,882.9**	**2,866.2**	**2,929.9**
Liabilities	**3,664.3**	**3,700.0**	**3,845.1**
TOTAL EQUITY AND LIABILITIES	**6,872.0**	**6,607.8**	**6,734.4**

Consolidated statement of cash flows

in millions of €, unless otherwise indicated	Q3 2014	Q3 2013	9m 2014	9m 2013
Operating profit	**167.9**	**134.2**	**387.2**	**283.0**
Amortization and impairment of acquisition-related intangible assets and goodwill, and badwill	36.6	45.7	108.6	127.1
EBITA	**204.5**	**179.9**	**495.8**	**410.1**
Depreciation of property, plant and equipment	11.3	12.1	33.9	36.1
Amortization of software	4.4	5.1	14.1	15.7
EBITDA	**220.2**	**197.1**	**543.8**	**461.9**
Provisions and employee benefit obligations	(3.7)	(18.3)	(11.8)	(24.0)
Loss/(gain) on disposal of subsidiaries/activities	-	2.1	-	2.1
Share-based payments	6.5	6.3	20.7	20.5
Loss/(gain) on disposals of property, plant and equipment	0.2	0.3	0.3	(0.1)
Other non-cash items	(26.5)	(17.6)	(74.8)	(54.8)
Cash flow from operations before operating working capital and income taxes	**196.7**	**169.9**	**478.2**	**405.6**
Trade and other receivables	(51.6)	43.5	(183.1)	(102.4)
Trade and other payables	155.0	144.3	77.7	68.0
Operating working capital	**103.4**	**187.8**	**(105.4)**	**(34.4)**
Income taxes paid	(37.3)	(37.0)	(90.7)	(81.5)
Net cash flow from operating activities	**262.8**	**320.7**	**282.1**	**289.7**
Additions in property, plant and equipment	(10.5)	(8.9)	(30.4)	(26.3)
Additions in software	(3.9)	(4.6)	(12.4)	(9.8)
Disposals of property, plant and equipment	1.2	2.7	2.3	14.1
Financial assets	-	-	-	3.6
Acquisition of subsidiaries and associates/buyouts	(1.7)	-	(3.6)	(16.4)
Disposals of activities	0.2	2.7	0.2	6.5
Net cash flow from investing activities	**(14.7)**	**(8.1)**	**(43.9)**	**(28.3)**
Issue of new ordinary shares	-	2.2	1.5	4.5
Issue of preference shares	-	-	-	137.9
Purchase of own ordinary shares	-	-	(25.7)	(9.4)
Net repayments of non-current borrowings	(209.1)	(267.5)	(162.9)	(414.8)
Net financing	**(209.1)**	**(265.3)**	**(187.1)**	**(281.8)**
Net finance costs paid	(10.5)	(1.4)	(19.3)	(13.3)
Dividend paid on ordinary shares	-	-	(56.0)	(83.8)
Dividend paid on preference shares	-	-	(12.1)	(6.8)
Dividend paid to non-controlling interests	-	-	-	(0.1)
Net reimbursement to financiers	**(10.5)**	**(1.4)**	**(87.4)**	**(104.0)**
Net cash flow from financing activities	**(219.6)**	**(266.7)**	**(274.5)**	**(385.8)**
Net increase/(decrease) in cash, cash equivalents and current borrowings	**28.5**	**45.9**	**(36.3)**	**(124.4)**
Cash, cash equivalents and current borrowings at begin of period	**(80.4)**	**(66.4)**	**(17.6)**	**109.0**
Net movement	28.5	45.9	(36.3)	(124.4)
Translation losses	(4.2)	(2.8)	(2.2)	(7.9)
Cash, cash equivalents and current borrowings at end of period	**(56.1)**	**(23.3)**	**(56.1)**	**(23.3)**
Free cash flow	**249.6**	**309.9**	**241.6**	**271.3**

Consolidated statement of comprehensive income

in millions of €, unless otherwise indicated	July 1 -September 30, 2014 Shareholders' equity	Non-controlling interests	Total equity	July 1 - September 30, 2013 Shareholders' equity	Non-controlling interests	Total equity
Net income for the period	113.3	0.0	113.3	83.8	0.0	83.8
Other comprehensive income: translation differences	91.5	0.0	91.5	(27.7)	0.0	(27.7)
Total comprehensive income	**204.8**	**0.0**	**204.8**	**56.1**	**0.0**	**56.1**

in millions of €, unless otherwise indicated	January 1 - September 30, 2014 Shareholders' equity	Non-controlling interests	Total equity	January 1 - September 30, 2013 Shareholders' equity	Non-controlling interests	Total equity
Net income for the period	262.3	0.0	262.3	176.6	0.0	176.6
Other comprehensive income: translation differences	108.8	0.0	108.8	(60.0)	0.0	(60.0)
Total comprehensive income	**371.1**	**0.0**	**371.1**	**116.6**	**0.0**	**116.6**

Consolidated statement of changes in equity

in millions of €, unless otherwise indicated	July 1 - September 30, 2014 Shareholders' equity	Non-controlling interests	Total equity	July 1 - September 30, 2013 Shareholders' equity	Non-controlling interests	Total equity
Value at July 1	**2,996.4**	**0.0**	**2,996.4**	**2,824.8**	**0.0**	**2,824.8**
Comprehensive income	**204.8**	**0.0**	**204.8**	**56.1**	**0.0**	**56.1**
Share-based payments	6.5	-	6.5	6.3	-	6.3
Tax on share-based payments	-	-	0.0	(0.1)	-	(0.1)
Issue of ordinary shares	-	-	-	2.2	-	2.2
Value at September 30	**3,207.7**	**0.0**	**3,207.7**	**2,889.3**	**0.0**	**2,889.3**

in millions of €, unless otherwise indicated	January 1 - September 30, 2014 Shareholders' equity	Non-controlling interests	Total equity	January 1 - September 30, 2013 Shareholders' equity	Non-controlling interests	Total equity
Value at January 1 [1]	**2,907.8**	**0.0**	**2,907.8**	**2,711.5**	**0.1**	**2,711.6**
Comprehensive income	**371.1**	**0.0**	**371.1**	**116.6**	**0.0**	**116.6**
Cash dividend on ordinary shares	(56.0)	-	-	(83.8)	-	(83.8)
Dividend on preference shares	(12.1)	-	-	(6.8)	-	(6.8)
Dividend on non-controlling interests	-	-	-	-	(0.1)	(0.1)
Share-based payments	20.7	0.0	20.7	20.5	-	20.5
Tax on share-based payments	0.4	0.0	0.4	(1.7)	-	(1.7)
Issue of ordinary shares	1.5	-	-	4.5	-	4.5
Issue of preference shares	-	-	-	137.9	-	137.9
Purchase of own shares	(25.7)	-	-	(9.4)	-	(9.4)
Value at September 30	**3,207.7**	**0.0**	**3,207.7**	**2,889.3**	**0.0**	**2,889.3**

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 nine-month period ended September 30, 2014, include the company and its subsidiaries (together called 'the Group'), and have not been audited or reviewed by an external auditor.

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 nine-month period ended on September 30, 2014 is 29% (9m 2013: 33%) 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 acquistion of part of the European staffing activities of USG People was finalized in Q2 with no effect on the badwill, which we reported in FY 2013.

Disposal of Group companies
The total cash inflow from disposed group companies YTD amounts to € 0.2 million (Q3 2014: € 0.2 million), and relates to disposed business in the prior years. The cash inflow YTD Q3 2013 amounted to € 6.5 million (Q3 2013: € 2.7 million), and related mainly to disposed businesses in Belgium (Q3, 2013), and in the UK (Q4, 2012).

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
September 30	**180,109,671**	**177,169,628**

Average number of ordinary shares (in millions)

in millions	Q3 2014	Q3 2013	9m 2014	9m 2013
Average number of ordinary shares outstanding	179.8	176.9	178.6	174.9
Average number of diluted ordinary shares outstanding	182.0	178.9	180.8	176.6

As at September 30, 2014, the Group held 277,489 treasury shares (December 31 2013: 273,225). The average number of (diluted) ordinary shares outstanding, has been adjusted for these treasury shares.

As at September 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 September 30, 2014 (€ 661 million) was € 100 million lower compared to the net debt position as at December 31, 2013 (€ 761 million). This is mainly due to the positive free cash flow (normal seasonality) in Q3 2014 of € 247.8 million resulting in a YTD Q3 positive free cash flow of €239.8 million. During the first half year dividends were paid, and ordinary shares were repurchased which had a negative impact. In the first half year of 2014 the short-term part of the non-current borrowings were fully repaid.

In Q3, we extended and amended the existing multi-currency syndicated credit facility. Its size has been increased to around € 1,800 million and its maturity has been extended until mid-2019. Its maturity can potentially be extended to a maximum of 7 years through the exercise of two 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 August 2014, a part (€ 125 million) of the standby facility to sell accounts receivables of selected European entities (up to a maximum of originally € 275 million) elapsed, as well as other credit facilities to the amount of € 175 million.

Breakdown of operating expenses

in millions of €, unless otherwise indicated	Q3 2014	Q3 2013	9m 2014	9m 2013
Personnel expenses	474.0	451.2	1,380.6	1,340.3
Other operating expenses	156.9	164.7	463.0	475.9
Operating expenses	**630.9**	**615.9**	**1,843.6**	**1,816.2**

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

in millions of €, unless otherwise indicated	Q3 2014	Q3 2013	9m 2014	9m 2013
Depreciation of property, plant and equipment	11.3	12.1	33.9	36.1
Amortization of software	4.4	5.1	14.1	15.7
Total depreciation and amortization	**15.7**	**17.2**	**48.0**	**51.8**

French Competitive Employment Act (CICE)
Included in the consolidated balance sheet under 'financial assets and associates' is an amount of € 147.7 million (December 31, 2013: € 72.6 million) in respect of a receivable arising from tax credits under the 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 to 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
Subsequent to the date of the balance sheet, no events material to the group as a whole occurred that require disclosure in this note.