usg people press release

Transitional year strengthens foundation for the future
Costs reduced by € 70 million in 2012

Fourth-quarter 2012 results

Almere, 1 March 2013

Fourth-quarter 2012 highlights
- Revenue was € 704.7 million (Q4 2011: € 789.9 million), down 11% year-on-year
- Underlying gross margin was 20.4% (Q4 2011: 21.5%)
- Underlying operating expenses were down 11% on last year
- Underlying EBITA[1] totalled € 19.3 million; EBITA margin: 2.7% (Q4 2011: € 28.0 million; EBITA margin: 3.5%)
- Underlying net income amounted to € 6.9 million (Q4 2011: € 8.8 million)
- Robust underlying free cash flow[2] of € 69.2 million (Q4 2011: € 80.5 million)
- Non-cash goodwill impairment of € 215.0 million

2012 highlights
- Revenue was € 2,876.2 million (2011: € 3,224.9 million), down 11% on a year earlier
- Sharp reduction in costs; underlying operating expenses including depreciation fell by € 70 million compared to a year earlier
- Underlying EBITA totalled € 85.6 million; EBITA margin: 3.0% (2011: € 98.0 million; EBITA margin: 3.0%)
- Underlying net income amounted to € 27.3 million (2011: € 27.0 million)
- Healthy underlying free cash flow of € 52.0 million
- Distribution of dividend to continue; proposed dividend of € 0.12 per share, payable either in cash or in shares (2011: € 0.17)

"2012 was a transitional year for USG People, in which we achieved a great deal, in challenging economic circumstances," said Rob Zandbergen, CEO of USG People. "Implementation of the new strategy, further specialisation, more professionals, the consolidation of branches, a new approach to various professional markets, focus on client returns. We also devoted a great deal of attention to stepping up our commercial activities and making them more professional. In the fourth quarter of 2012 in particular this resulted in a large number of new contracts, the positive impact on revenue of which we will start to experience in the coming months. I want to express my appreciation and thanks to our employees, who worked incredibly hard in 2012 to prepare our organisation for the future. I am confident that our commercially focused organisation and reduced cost structure will enable us to capitalise on the growth opportunities we have identified."

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[1] Underlying results are adjusted for impairment, restructuring charges and non-recurring results.
[2] Underlying free cash flow is free cash flow excluding an early tax payment of € 14.8 million and excluding changes in trade receivables sold of € 16.9 million in the fourth quarter and € 28.6 million in 2012.

Key figures

Underlying results (in € millions)	**3 months to 31 December 2012**	**3 months to 31 December 2011**	Δ	**12 months to 31 December 2012**	**12 months to 31 December 2011**	Δ
Revenue[1]	704.7	789.9	-11%	2,876.2	3,224.9	-11%
Gross result	143.6	169.6	-15%	600.4	682.8	-12%
Operating expenses	119.3	134.6	-11%	494.2	557.9	-11%
EBITDA	24.3	35.0	-31%	106.4	124.9	-15%
EBITA	19.3	28.0	-31%	85.6	98.0	-13%
Net income	6.9	8.8	-22%	27.3	27.0	1%
Gross margin	20.4%	21.5%		20.9%	21.2%	
Expense ratio	16.9%	17.0%		17.2%	17.3%	
EBITA margin	2.7%	3.5%		3.0%	3.0%	

Notes on the fourth-quarter 2012 results

This press release covers the results for the fourth quarter. Additional information on the results for the full year is included in the USG People annual report. The 2012 annual report will be published on the USG People website on 27 March 2013.

Revenue

USG People achieved revenue of € 704.7 million in the fourth quarter of 2012 (Q4 2011: € 789.9 million). The fourth quarter of the year under review had 0.3 more working days than the previous year (an effect of 0.6%) but the timing of the seasonal public holidays was less favourable, with many companies not working the Mondays before Christmas and New Year's Day while the year-earlier public holidays fell in the weekend. Acquisitions had a positive effect of 0.6%. The year-on-year drop in revenue remained virtually stable compared to the previous quarter (Q4 revenue per working day -11.4%, Q3 -11.0%). In the month of December revenue per working day was down 10.0% on the previous year, narrowing to a decline of 6.9% in January 2013. The Netherlands in particular saw a substantial improvement in January, with the revenue decline narrowing to 3.8% compared to a year earlier.

Gross margin

The underlying gross result for the fourth quarter equalled € 143.6 million (Q4 2011: € 169.6 million). As a percentage of revenue the gross margin was 20.4% (Q4 2011: 21.5%). The drop in the margin resulted from a combination of mix effects, price pressure and less favourable timing of public holidays in the year under review. A shift towards large clients and growth in the revenue of in-house services resulted in a negative mix effect compared to the previous year. Demand in the SME segment, where higher gross margins tend to be charged, was weak whilst growth in countries such as Spain and Poland was realised mainly by winning large-volume contracts. In addition to these mix effects there was also price pressure. The combined effect of the mix effects and price pressure on the gross margin was a negative 0.7%. In addition results from recruitment and selection fell by 30% to 0.8% of group revenue (Q4 2011: 1.0%). The negative impact of this disproportionately sharp fall on the group margin was 0.2%. A further negative effect of 0.2% on the group gross margin derived from the less favourable timing of the seasonal public holidays compared to the year earlier, particularly in Germany, Austria and Switzerland. In addition a non-recurring charge of € 3.8 million was included in the reported gross result in connection with possible pension commitments (Q4 2011 non-recurring charge: € 2.6 million).

[1] In 2012 the recognition of revenue changed with regard to the placement of self-employed people with no staff (brokerage). This revenue is now recognised on a net basis in accordance with IAS 18. The change relates solely to revenue. For the sake of comparison the revenue figure for 2011 has been restated. The effect on Q4 2011 revenue is a negative € 5.4 million and the effect on revenue for the 2011 full year is a negative € 19.9 million compared to previously reported revenue.

Operating expenses excluding depreciation and amortisation of acquisition-related intangible assets

(in € millions)	3 months to 31 Dec 2012	3 months to 31 Dec 2011	Δ	12 months to 31 Dec 2012	12 months to 31 Dec 2011	Δ
Underlying expenses						
Operating expenses	119.3	134.6	*-15.3*	494.2	557.9	*-63.7*
Depreciation	5.0	7.0	*-2.0*	20.6	26.9	*-6.3*
Underlying expenses including depreciation	**124.3**	**141.6**	***-17.3***	**514.8**	**584.8**	***-70.0***
Non-underlying expenses						
Operating expenses	7.6	23.7		13.3	58.9	
Depreciation	2.9	2.1		2.9	4.7	
Non-underlying expenses including depreciation	**10.5**	**25.8**		**16.2**	**63.6**	
Reported expenses	**134.8**	**167.4**	***-32.6***	**531.0**	**648.4**	***-117.4***

Underlying operating expenses were down 11% year-on-year to € 119.3 million (Q4 2011 underlying expenses: € 134.6 million).

The number of FTEs fell by 100 in the fourth quarter to 6,047 (Q3: 6,147), mainly as a result of attrition. In addition to the underlying expenses € 3.4 million in non-recurring expenses was recognised in the final quarter. Costs amounting to € 1.4 million were recognised in relation to the potential bankruptcy of a debtor in France, whilst there was a non-recurring increase of € 1.2 million in marketing expenses related to events and marketing campaigns connected to the 40th anniversary of Unique. Furthermore an amount of € 0.8 million in expenses was recognised for the international rollout of Professionals and Secretary Plus. A provision of € 4.2 million was taken for additional reorganisations. These reorganisations will deliver additional savings of € 4 million on an annual basis, bringing total cost savings for the 2013 full year to € 9 million. In addition to these reorganisations in 2013 we will deploy resources where we see growth opportunities, whilst keeping a tight control on costs through improvement programmes for the front and back office in order to maximise profitability. A restructuring charge of € 21.7 million and € 2.0 million in non-recurring charges were recognised in the fourth quarter of 2011.

EBITA

(in € millions)	3 months to 31 December 2012	3 months to 31 December 2011	12 months to 31 December 2012	12 months to 31 December 2011
Underlying EBITA	**19.3**	**28.0**	**85.6**	**98.0**
Non-recurring gross result	-3.8	-2.6	-3.8	-2.6
Restructurings and non-recurring costs (including depreciation)	-7.9	-23.7	-13.6	-61.5
Impairment on non-acquisition-related property, plant and equipment	-2.6	-2.1	-2.6	-2.1
Reported EBITA	**5.0**	**-0.4**	**65.6**	**31.8**

Underlying EBITA amounted to € 19.3 million and was lower than a year earlier mainly as a result of the lower revenue and gross margin (underlying EBITA Q4 2011: € 28.0 million). The EBITA margin came in at 2.7% compared to 3.5% in the fourth quarter of the previous year.

Impairment of intangible assets

In 2012 an impairment was taken on the value of the assets of General Staffing and Specialist Staffing. The valuation determined at the impairment test in accordance with IFRS is based on the current economic situation and moderate growth forecasts in Europe. Consequently the projections for the coming years have been adjusted downwards, resulting in a lower value. The total impairment on the value of the assets was € 215.0 million (2011: € 19.0 million) of which € 210.9 million was taken as a goodwill write-down, € 1.5 million as amortisation of acquisition-related intangible assets, € 1.6 million as amortisation of intangible assets and € 1.0 million as depreciation of property, plant and equipment.

Amortisation of acquisition-related intangible assets

Amortisation amounted to € 5.0 million in the fourth quarter and was € 0.3 million higher than a year earlier due to an accelerated amortisation of € 0.7 million on Professionals brands which will start operating under a new name in 2013 (Q4 2011: € 4.7 million). The amortisation concerns brand rights, client portfolios and candidate databases valued at the time of acquisition.

Financing expenses

Underlying financing expenses improved to € 5.2 million compared to € 6.7 million in the fourth quarter of last year. In addition to the underlying financing expenses an unrealised value adjustment to interest rate derivatives was recognised, equalling a positive € 2.5 million (Q4 2011: positive € 0.7 million). There was also a positive effect of € 1.4 million deriving from an adjustment to the value of earn-outs. In the fourth quarter of 2011 a charge of € 2.1 million was taken relating to the revaluation of associated interests. Including unrealised value adjustments reported financing expenses totalled € 1.3 million compared to € 8.1 million in the same period of last year.

Taxation

Taxes amounted to € 3.2 million in the fourth quarter compared to € 7.0 million a year earlier. The taxation figure includes a € 3.7 million charge relating to adjustments from previous years and changes to unrealised losses.

Net income attributable to company shareholders

(in € millions)	**3 months to 31 Dec 2012**	**3 months to 31 Dec 2011**	**12 months to 31 Dec 2012**	**12 months to 31 Dec 2011**
Underlying net income	**6.9**	**8.8**	**27.3**	**27.0**
Restructurings and non-recurring results	-11.7	-26.3	-17.4	-64.1
Impairment	-215.0	-19.0	-215.0	-19.0
Unrealised value adjustments to derivatives	2.5	0.7	6.9	4.6
Divestment / revaluation of participating interests	7.0	-2.1	7.0	1.3
Non-recurring tax effects	-1.0	0.7	-0.6	10.0
Reported net result	-211.3	-37.2	-191.8	-40.2
Result per share	€ -2.65	€ -0.47	€ -2.42	€ -0.51

Underlying net income totalled € 6.9 million in the fourth quarter compared to € 8.8 million last year. The reported net result amounted to -€ 211.3 million (Q4 2011: -€ 37.2 million).

Balance sheet and cash flow

Working capital declined by € 48.1 million in the fourth quarter compared to the third quarter, with factoring of trade receivables falling by € 16.9 million to € 99.8 million (Q3 2012: € 116.7 million). The operating cash flow totalled € 45.4 million in the fourth quarter, with the decline attributable to the aforementioned drop in the sale of trade receivables as well as a € 14.8 million tax payment to the Belgian tax authorities remitted in December, meaning that payments for two fiscal years were made in 2012. Excluding these effects, underlying operating cash flow was € 77.1 million (Q4 2011 excluding factoring effect: € 85.1 million).

Net debt equalled € 241.8 million (end-2011: € 203.8 million), with the increase partly due to the € 28.6 million decline in the factoring of trade receivables compared to a year earlier, and the € 14.8 million early tax payment in Belgium. The leverage ratio (net bank debt / 12-month underlying EBITDA) was 2.3 and remained well within the covenants agreed with our banks.

In October 2012 USG People redeemed its subordinated convertible bond of € 115.0 million in cash. The € 700 million credit facility agreed with a banking syndicate in 2011 had already allowed for a cash redemption, meaning that no additional refinancing was needed in 2012. The redemption did not result in an increase in the number of issued shares, and with the current low interest rate levels financing with a bank loan substantially reduces interest expenses. The cash redemption of the convertible bond has reduced the number of diluted shares by 6.6 million.

Fourth-quarter 2012 results by segment

General Staffing

General Staffing achieved revenue of € 409.2 million in the fourth quarter (Q4 2011: € 455.7 million). Revenue per working day was down 10%, with the decline stable for the third consecutive quarter. The Netherlands still registered a slight decline wilst revenue in Belgium and France stabilised. In both countries USG People pursues a selective client policy focused on profitability. Spain saw a 6% increase in revenue in the fourth quarter and Poland also returned to revenue growth, with the strong commercial focus allowing these countries to outperform the market. In January the year-on-year decline at General Staffing had narrowed to 4%.

The gross margin fell compared to last year, mainly as a result of mix effects and price pressure. Results from recruitment and selection were lower than last year and we saw growth at the in-house activities and in the aforementioned low-margin countries. Underlying expenses were lower, largely offsetting the decline in revenue and margin. EBITA totalled € 10.2 million compared to € 13.0 million in the final quarter of last year. The EBITA margin was 2.5% (Q4 2011: 2.9%).

Specialist Staffing

Revenue at Specialist Staffing was € 237.6 million in the fourth quarter (Q4 2011: € 277.2 million). Revenue per working day was 15% lower than in the fourth quarter of last year. The decline in revenue was equal to that reported in the previous quarter. In the Netherlands the revenue decline slowed somewhat in the fourth quarter although it continued to accelerate in Belgium. The countries with the largest declines in revenue started to show some improvement in the final months. In Germany and Italy the revenue decline narrowed after stabilising in the previous quarter. The commercial action plans launched in Germany clearly started to produce an effect in the fourth quarter and it would appear that the worst is also over in Italy, where the year-on-year revenue decline at Specialist Staffing narrowed to 9% in January.

The gross margin declined compared to last year, depressed by negative mix effects and price pressure as well as the less favourable timing of the seasonal public holidays. The Specialist Staffing division also saw a sharp decline in the results from recruitment and selection. The impact of the seasonal public holidays was most marked in Germany and Switzerland. Underlying costs were lower due to cost savings. EBITA, which was depressed by the negative result in Germany, equalled € 8.2 million, down from € 15.3 million in the fourth quarter of 2011. The EBITA margin was 3.5% (Q4 2011: 5.5%).

Professionals

Revenue at Professionals rose to € 57.9 million (Q4 2011: € 57.0 million). Revenue per working day was up 2% compared to the year-earlier period. Organically revenue was down 4%. The greatest growth was realised in the finance segment as a result of sharp organic growth in Belgium and the addition of the Control Finance activities in the Netherlands. Demand in other professional areas weakened in the fourth quarter, with demand remaining weak in ICT and marketing & communication in particular.

The underlying gross margin at Professionals fell as a result of mix effects, especially due to lower results from recruitment and selection, while operating expenses rose somewhat. EBITA equalled € 5.9 million (Q4 2011: € 6.6 million). The EBITA margin was 10.2% (Q4 2011: 11.5%).

Dividend

USG People aims to maintain continuity in the distribution of dividend. The long-term dividend policy is based on a dividend distribution of one-third of net income before amortisation and impairment of acquisition-related intangible assets and goodwill and adjusted for the effects of unrealised value adjustments to interest rate derivatives. In 2012 net income before amortisation and impairment of acquisition-related intangible assets and goodwill and adjusted for the effects of unrealised value adjustments to interest rate derivatives was € 27.9 million. One-third of this amount is available for dividend; divided by 79.7 million shares this equates to a dividend distribution of € 0.12 per share.
At the General Meeting of Shareholders on 8 May 2013 the Executive Board will propose a dividend of € 0.12 per ordinary share, payable either in cash or in shares.

Outlook

The economic slowdown put the brakes on demand for staff in 2012. European government leaders and the ECB announced measures in 2012 which averted the most acute risks in the eurozone and ended a turbulent period on the financial markets. Recent macro-economic indications appear to suggest that the recession has bottomed out, paving the way for renewed growth in confidence and a possible recovery.

While we expect market conditions in most European countries to remain fragile in 2013 we are also seeing growth perspectives from which we can benefit and in which we want to continue to invest. We are keeping a tight control on costs and are continuing our focus on commercial and operational excellence in order to maximise profitability.
In addition to the impact of the economic situation an underlying trend can be seen in the employment markets towards ever greater flexibility and the need to increase the adaptive capacity of both employees and businesses. Also, the technological changes mean that people will have to continue to invest in training throughout their career to maintain their employability. These trends present attractive opportunities to USG People as a specialist in flexible employment market services.

With the operational optimisations effected over the past few years in the front and back office as well as its strategic action plans USG People has anticipated these trends and laid a high-potential foundation for the coming years.

Workable days (weighted average)	**2013**	**2012**
Q1	62.7	64.7
Q2	60.9	60.7
Q3	65.2	64.3
Q4	63.1	63.4

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Additional information
Pages 10 up to and including 13 of this press release contain additional information with respect to the breakdown used in USG People's financial statements. This additional information serves to give users of this press release a better understanding of the quarterly figures.

2012 Annual Report
The reported annual results included on pages 14 to 18 of this publication are derived from the 2012 financial statements prepared by the Executive Board and accompanied by the report of the independent auditor. The financial statements for 2012 will be published on the USG People website on 27 March 2013 and have yet to be approved by the General Meeting of Shareholders (8 May 2013).

Dividend dates

10 May 2013	Shares quoted ex-dividend
14 May 2013	Dividend record date
15 May 2013	Start of option period
29 May 2013	End of option period
3 June 2013	Dividend payment date and delivery of shares

Financial calendar

27 March 2013	Publication of annual report (online)
26 April 2013	Publication of first-quarter results
8 May 2013	General Meeting of Shareholders
26 July 2013	Publication of second-quarter results
25 October 2013	Publication of third-quarter results
28 February 2014	Publication of fourth-quarter results and full-year results

Presentation to analysts and press
Today USG People will present its results to analysts and the press at a meeting at the Crowne Plaza hotel in Amsterdam Zuid. This meeting can also be followed via webcast.

The event for analysts and the press commences at 9.30 CET. External participation is possible via the link on www.usgpeople.com

The number to call to participate in the conference call is +31 (0)10 2944 215.

A replay of the presentation and the Q&A session will be available on our website from 18.00 CET today via the link: http://investor.usgpeople.com/phoenix.zhtml?c=139415&p=irol-presentations

Disclaimer

The predictions and forecasts made in this press release are provided without any form of guarantee as to their future realisation. This press release comprises or refers to forward-looking statements regarding the intentions, opinions or current expectations of USG People and its board or other management with respect to USG People and its business operations. In general, terms and concepts such as "may", "shall", "expect", "intend", "estimate", "foresee", "believe", "plan", "attempt", "continue" and similar refer to forward-looking statements. Forward-looking statements of this nature are no guarantee of future performance. They are based on current views and assumptions, and are subject to known and unknown risks, uncertainties and other factors which are largely outside USG People's control, as a result of which actual results or developments can be materially different from the future results or developments as set out implicitly or explicitly in these forward-looking statements. USG People assumes no liability whatsoever with respect to the updating or amending of forward-looking statements based on new information or future events or for any other reason whatsoever, other than insofar it is required to do so under relevant legislation and regulations or on the authority of a competent regulatory body.

This press release is available in both Dutch and English. In the event of ambiguities, the Dutch text shall prevail.

About USG People

With revenue of € 3.2 billion in 2011 USG People is one of the largest providers of HR services in Europe with established and recognisable national and international brands. Headquartered in the Dutch city of Almere, USG People is active in Belgium, France, Germany, Italy, Luxembourg, the Netherlands, Austria, Poland, Spain and Switzerland.

The brand portfolio of USG People comprises Start People (General Staffing) – Unique, Technicum, Secretary Plus, ASA,, Creyf's, Call-IT, Vakcollege Groep (Specialist Staffing) – Legal Forces, USG Capacity, USG Financial Forces, USG HR Forces, USG Innotiv, USG Juristen, USG Legal Professionals, USG Marketing, Communication & Sales Professionals, Control, ikki (Professionals).

USG People is listed on the NYSE Euronext Amsterdam stock exchange and is included in the Amsterdam Midcap Index (AMX).

For more information on USG People or any of its operating companies, please visit our website at www.usgpeople.com.

Interim financial statements	**Page**

Additional information by activity
(derived from the audited financial statements)

3 months ended 31 December

Revenue[1] (in millions of euros)	**2012**	**2011**	**Change**	**Organic change**
General Staffing	**409.2**	**455.7**	-10%	-10%
Netherlands	130.1	149.3	-13%	-13%
Belgium & Luxembourg	91.3	100.5	-9%	-9%
France	110.7	128.3	-14%	-14%
Spain	51.4	48.3	6%	6%
Other	25.7	29.3	-12%	-12%
Specialist Staffing	**237.6**	**277.2**	-14%	-14%
Netherlands	99.4	111.0	-10%	-12%
Belgium & Luxembourg	49.6	56.9	-13%	-13%
Germany	55.7	72.2	-23%	-23%
Italy	29.5	33.5	-12%	-12%
Other	3.4	3.6	-6%	-6%
Professionals	**57.9**	**57.0**	2%	-4%
Netherlands	42.7	40.1	6%	-1%
Belgium & Luxembourg	14.0	14.9	-6%	-6%
Other	1.2	2.0	-40%	-40%
Group	**704.7**	**789.9**	**-11%**	**-11%**

Underlying EBITA (in millions of euros)	**2012**	**2011**	**Change**	**Organic change**	**2012 EBITA margin**	**2011 EBITA margin**
General Staffing	10.2	13.0	-22%	-22%	2.5%	2.9%
Specialist Staffing	8.2	15.3	-46%	-47%	3.5%	5.5%
Professionals	5.9	6.6	-11%	-11%	10.2%	11.5%
Corporate	-5.0	-6.9	28%	28%		
Group	**19.3**	**28.0**	**-31%**	**-31%**	**2.7%**	**3.5%**

[1] In 2012 the recognition of revenue changed with regard to the placement of self-employed people with no staff (brokerage). This revenue is now recognised on a net basis in accordance with IAS 18. The change relates solely to revenue. For the sake of comparison the revenue figure for 2011 has been adjusted. Effect on Q4 2011: Professionals Netherlands: -€ 4.9 million, Professionals Belgium: -€ 0.5 million. Effect on revenue for the year 2011: Professionals Netherlands: -€ 18.0 million, Professionals Belgium: -€ 1.9 million.

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Additional information by activity
(derived from the audited financial statements)

12 months ended 31 December

Revenue[1] (in millions of euros)	**2012**	**2011**	**Change**	**Organic change**
General Staffing	**1,674.4**	**1,880.9**	-11%	-11%
Netherlands	533.9	599.3	-11%	-11%
Belgium & Luxembourg	361.6	404.3	-11%	-11%
France	473.4	545.2	-13%	-13%
Spain	199.6	204.0	-2%	-2%
Other	105.9	128.1	-17%	-17%
Specialist Staffing	**972.9**	**1,126.3**	-14%	-14%
Netherlands	397.0	445.6	-11%	-12%
Belgium & Luxembourg	208.1	228.3	-9%	-9%
Germany	238.6	301.4	-21%	-21%
Italy	115.4	137.2	-16%	-16%
Other	13.8	13.8	-	-
Professionals	**228.9**	**217.7**	5%	1%
Netherlands	163.4	149.5	9%	3%
Belgium & Luxembourg	59.6	60.2	-1%	-1%
Other	5.9	8.0	-26%	-26%
Group	**2,876.2**	**3,224.9**	**-11%**	**-11%**

Underlying EBITA (in millions of euros)	**2012**	**2011**	**Change**	**Organic change**	**2012 EBITA margin**	**2011 EBITA margin**
General Staffing	45.2	51.7	-13%	-13%	2.7%	2.7%
Specialist Staffing	40.8	52.2	-22%	-23%	4.2%	4.6%
Professionals	20.2	19.5	4%	1%	8.8%	8.9%
Corporate	-20.6	-25.4	19%	19%		
Group	**85.6**	**98.0**	**-13%**	**-14%**	**3.0%**	**3.0%**

[1] In 2012 the recognition of revenue changed with regard to the placement of self-employed people with no staff (brokerage). This revenue is now recognised on a net basis in accordance with IAS 18. The change relates solely to revenue. For the sake of comparison the revenue figure for 2011 has been adjusted. Effect on Q4 2011: Professionals Netherlands: -€ 4.9 million, Professionals Belgium: -€ 0.5 million. Effect on revenue for the year 2011: Professionals Netherlands: -€ 18.0 million, Professionals Belgium: -€ 1.9 million.

Additional information by country

(derived from the audited financial statements)

3 months ended 31 December

Revenue[1] (in millions of euros)	**2012**	**2011**	**Change**	**Organic change**
Netherlands	272.2	300.4	-9%	-11%
Belgium & Luxembourg	154.9	172.2	-10%	-10%
France	112.6	131.0	-14%	-14%
Germany	55.6	72.2	-23%	-23%
Spain	51.6	48.8	6%	6%
Italy	29.5	33.5	-12%	-12%
Other	28.3	31.9	-11%	-11%
Group	**704.7**	**789.9**	**-11%**	**-11%**

Underlying EBITA (in millions of euros)	**2012**	**2011**	**Change**	**Organic change**	**2012 EBITA margin**	**2011 EBITA margin**
Netherlands	14.2	18.2	-22%	-23%	5.2%	6.1%
Belgium & Luxembourg	9.8	13.5	-27%	-27%	6.3%	7.8%
France	0.3	2.1	-86%	-86%	0.3%	1.6%
Germany	-0.8	1.3	-162%	-162%	-1.4%	1.8%
Spain	0.3	-0.7	143%	143%	0.6%	-1.4%
Italy	0.9	0.6	50%	50%	3.1%	1.8%
Other	-0.4	-0.1	-300%	-300%	-1.4%	-0.3%
Corporate	-5.0	-6.9	28%	28%		
Group	**19.3**	**28.0**	**-31%**	**-31%**	**2.7%**	**3.5%**

[1] In 2012 the recognition of revenue changed with regard to the placement of self-employed people with no staff (brokerage). This revenue is now recognised on a net basis in accordance with IAS 18. The change relates solely to revenue. For the sake of comparison the revenue figure for 2011 has been adjusted. Effect on Q4 2011: the Netherlands: -€ 4.9 million, Belgium: -€ 0.5 million. Effect on revenue for 2011: the Netherlands: -€ 18.0 million, Belgium: -€ 1.9 million.

Additional information by country
(derived from the audited financial statements)

12 months ended 31 December

Revenue[1] (in millions of euros)	**2012**	**2011**	**Change**	**Organic change**
Netherlands	1,094.3	1,194.3	-8%	-9%
Belgium & Luxembourg	629.3	692.8	-9%	-9%
France	481.8	555.9	-13%	-13%
Germany	238.5	301.4	-21%	-21%
Spain	201.0	205.7	-2%	-2%
Italy	115.4	137.2	-16%	-16%
Other	115.9	137.6	-16%	-16%
Group	**2,876.2**	**3,224.9**	**-11%**	**-11%**

Underlying EBITA (in milions of euros)	**2012**	**2011**	**Change**	**Organic change**	**2012 EBITA margin**	**2011 EBITA margin**
Netherlands	52.4	50.5	4%	2%	4.8%	4.2%
Belgium & Luxembourg	43.1	49.6	-13%	-13%	6.8%	7.1%
France	6.1	12.1	-50%	-50%	1.3%	2.2%
Germany	0.4	7.0	-94%	-94%	0.2%	2.3%
Spain	1.0	-1.4	171%	171%	0.5%	-0.7%
Italy	3.4	3.7	-8%	-8%	2.9%	2.7%
Other	-0.2	1.9	-111%	-111%	-0.2%	1.4%
Corporate	-20.6	-25.4	19%	19%		
Group	**85.6**	**98.0**	**-13%**	**-14%**	**3.0%**	**3.0%**

[1] In 2012 the recognition of revenue changed with regard to the placement of self-employed people with no staff (brokerage). This revenue is now recognised on a net basis in accordance with IAS 18. The change relates solely to revenue. For the sake of comparison the revenue figure for 2011 has been adjusted. Effect on Q4 2011: the Netherlands: -€ 4.9 million, Belgium: -€ 0.5 million. Effect on revenue for 2011: the Netherlands: -€ 18.0 million, Belgium: -€ 1.9 million.

Consolidated income statement
(derived from the audited financial statements)

Amounts in thousands of euros	**3 months ended 31 December**		**12 months ended 31 December**	
	2012	**2011**	**2012**	**2011**
Net revenue	704,669	795,286	2,876,204	3,244,772
Cost of sales	-564,822	-628,231	-2,279,598	-2,564,572
Gross profit	**139,847**	**167,055**	**596,606**	**680,200**
Selling expenses	-107,874	-136,377	-422,723	-526,488
Amortisation and impairment acquisition related intangible assets and goodwill	-217,345	-21,579	-230,100	-36,196
Total selling expenses	-325,219	-157,956	-652,823	-562,684
General and administrative expenses	-26,889	-31,041	-108,220	-121,904
Other income and expenses	-54	-41	-88	2
Total operating expenses	-352,162	-189,038	-761,131	-684,586
Operating income	**-212,315**	**-21,983**	**-164,525**	**-4,386**
Financing expenses	-6,519	-8,190	-22,672	-26,090
Financial income	5,207	-	10,705	7,186
Income before taxes	**-213,627**	**-30,173**	**-176,492**	**-23,290**
Income tax expenses	-3,244	-6,982	-20,879	-16,783
Net income from continued operations	**-216,871**	**-37,155**	**-197,371**	**-40,073**
Net result from sale of subsidiaries	5,620	-	5,620	-
Net income	**-211,251**	**-37,155**	**-191,751**	**-40,073**
Attributable to:				
Equity holders of the company	-211,279	-37,161	-191,834	-40,159
Minority interests	28	6	83	86
	-211,251	-37,155	-191,751	-40,073
Earnings per share attributable to equity holders of the company (in euros, per share of € 0.50 nominal)				
Basic	**-€ 2.65**	**-€ 0.47**	**-€ 2.42**	**-€ 0.51**
Diluted	-€ 2.65	-€ 0.47	-€ 2.42	-€ 0.51

Consolidated statement of comprehensive income
(derived from the audited financial statements)

Amounts in thousands of euros	3 months ended 31 December		12 months ended 31 December	
	2012	2011	2012	2011
Net income	-211,251	-37,155	-191,751	-40,073
Other comprehensive income after income taxes:				
Currency translation differences	12	25	370	-336
Other comprehensive income after income taxes	12	25	370	-336
Total comprehensive income	**-211,239**	**-37,130**	**-191,381**	**-40,409**
Attributable to:				
Equity holders of the company	-211,267	-37,136	-191,464	-40,495
Minority interests	28	6	83	86
	-211,239	-37,130	-191,381	-40,409

Consolidated balance sheet

(derived from the audited financial statements)

Amounts in thousands of euros	31 December 2012	30 september 2012	31 December 2011
Non-current assets			
Property, plant and equipment	26,869	29,722	33,649
Goodwill	719,950	931,009	920,428
Other intangible assets	69,983	75,607	81,584
Financial fixed assets	14,742	13,493	12,354
Deferred income taxes	70,987	73,495	74,183
Other non-current assets	5,127	5,427	5,503
	907,658	1,128,753	1,127,701
Current assets			
Trade and other receivables	398,750	445,791	465,782
Current income tax receivables	6,628	4,690	5,565
Cash and cash equivalents	35,355	40,833	55,865
	440,733	491,314	527,212
Total assets	**1,348,391**	**1,620,067**	**1,654,913**
Capital and reserves attributable to equity holders			
Share capital	406,390	406,390	406,390
Legal reserves	1,137	16,012	14,877
Retained earnings	90,534	287,096	273,986
	498,061	709,498	695,253
Minority interests	551	523	542
Total equity	498,612	710,021	695,795
Non-current liabilities			
Borrowings	216,671	102,971	121,675
Pension-related liabilities	-	18	18
Provisions	14,905	11,820	12,173
Deferred income tax liabilities	13,170	24,186	26,595
	244,746	138,995	160,461
Current liabilities			
Bank overdrafts and borrowings	62,587	209,132	140,547
Trade and other payables	481,349	484,182	556,632
Current income tax liabilities	15,989	29,086	31,507
Derivative financial instruments	6,228	8,748	13,170
Provisions	38,880	39,903	56,801
	605,033	771,051	798,657
Total liabilities	**849,779**	**910,046**	**959,118**
Total equity and liabilities	**1,348,391**	**1,620,067**	**1,654,913**

Consolidated statement of change in shareholders' equity
(derived from the audited financial statements)

Amounts in thousands of euros	3 months ended 31 December 2012			3 months ended 31 December 2011		
	Equity attributable to shareholders	Minority interests	Total equity	Equity attributable to shareholders	Minority interests	Total equity
Value as at 31 September	**709,498**	**523**	**710,021**	**732,337**	**536**	**732,873**
Total comprehensive income	-211,267	28	-211,239	-37,136	6	-37,130
Share plan	-170		-170	52		52
Change from settlement of share plan						
Dividend paid to holders of minority interests						
Value as at 31 December	**498,061**	**551**	**498,612**	**695,253**	**542**	**695,795**

Amounts in thousands of euros	12 months ended 31 December 2012			12 months ended 31 December 2011		
	Equity attributable to shareholders	Minority interests	Total equity	Equity attributable to shareholders	Minority interests	Total equity
Value as at 1 January	**695,253**	**542**	**695,795**	**740,244**	**554**	**740,798**
Total comprehensive income	-191,464	83	-191,381	-40,495	86	-40,409
Share plan	606		606	1,056		1,056
Change from settlement of share plan				90		90
Dividend	-6,334		-6,334	-5,642		-5,642
Dividend paid to holders of minority interests		-74	-74		-98	-98
Value as at 31 December	**498,061**	**551**	**498,612**	**695,253**	**542**	**695,795**

Consolidated statement of cash flows

(derived from the audited financial statements)

Amounts in thousands of euros	**3 months ended 31 December**		**12 months ended 31 December**	
	2012	**2011**	**2012**	**2011**
Income before taxes	-213,627	-30,173	-176,492	-23,290
Adjusted for:				
Depreciation, amortisation and impairment of tangible and intangible assets	225,312	32,560	253,601	67,805
Result on sale of tangible and intangible assets	440	370	766	527
Financing expenses	6,519	8,190	22,672	26,090
Financial income	-5,207	-	-10,705	-7,186
Share plan expenses processed via equity	-170	52	606	1,056
Currency translation differences	12	28	338	-326
Changes in pension-related liabilities and provisions	1,316	13,531	-16,053	37,939
Changes in other non-current assets	300	347	376	545
Changes in working capital:				
- trade and other receivables	47,098	47,073	70,177	14,204
- trade and other payables	957	19,692	-76,370	5,278
Cash flow from operating activities	62,950	91,670	68,916	122,642
Income tax paid	-17,548	-3,835	-39,879	-18,033
Net cash flow from operating activities	**45,402**	**87,835**	**29,037**	**104,609**
Investments in subsidiaries	-	-	-14,971	-8,622
Investments in property, plant and equipment	-1,676	-1,709	-6,437	-7,743
Investments in intangible assets	-4,770	-1,949	-13,135	-11,705
Divestments in PPE and intangible assets	53	220	588	620
Divestment of subsidiary	-3,528	-	-3,528	-
Payment on borrowings and guarantee deposits	-1,394	-1,217	-1,461	-948
Net cash flow from investment activities	**-11,315**	**-4,655**	**-38,944**	**-28,398**
Proceeds from issuance of shares	-	-	-	90
Payments on derivatives	-2,525	-1,655	-9,233	-7,669
Proceeds from borrowings	114,748	113	143,996	53,557
Repayments of borrowings	-115,023	-54,287	-128,700	-81,676
Interest paid	-5,372	-5,624	-9,310	-11,107
Interest received	331	461	1,421	810
Dividends paid	-	-	-6,408	-5,740
Net cash flow from financing activities	**-7,841**	**-60,992**	**-8,234**	**-51,735**
Decrease / increase in cash and cash equivalents	**26,246**	**22,188**	**-18,141**	**24,476**
Change in cash and cash equivalents				
Cash and cash equivalents and bank overdrafts at the start of the period under review	-4,844	17,355	39,543	15,067
Decrease / increase in cash and cash equivalents	26,246	22,188	-18,141	24,476
Cash and cash equivalents and bank overdrafts at the end of the period under review	**21,402**	**39,543**	**21,402**	**39,543**
Breakdown of cash and cash equivalents and bank overdrafts				
Cash and cash equivalents at the end of the period under review on the balance sheet	35,355	55,865	35,355	55,865
Bank overdrafts	-13,953	-16,322	-13,953	-16,322
	21,402	39,543	21,402	39,543