



fourth quarter & annual results 2008

Rapidly adjusting costs in difficult market; continued strong cash generation with free cash flow of € 673 million in 2008

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Randstad Holding nv
February 26, 2009



disclaimer

Certain statements in this document comprise forecasts on Randstad Holding's future financial condition and results from operations and certain plans and goals. By their nature, such forecasts generate risk and uncertainty because they concern events in the future and depend on circumstances which then apply. Any number of factors can cause actual results and developments to deviate from those expressed in the forecasts stated here. Such factors can be, but are not limited to, general economic conditions, scarcity on the employment market, the variation in the demand for (flexible) personnel, changes in employment legislation, future currency exchange rates and interest rates, future corporate mergers, acquisitions and divestments and the speed of technical change. The forecasts speak only as at the date of this document. Quarterly figures and pro forma figures are unaudited.

structure of results presentation

- Q4 2008 and FY 2008 results include the acquisition of Vedior
 - consolidation as per 16 May, 2008
- from revenue up until EBITA: focus on the pro forma figures
 - best reflection of underlying operational performance
 - adjusted for integration charges and one-offs
 - with Vedior included for a full quarter, pro forma & actual revenue etc. are equal in Q4 2008, but we compare versus Q4 2007 where we were not yet a combined company
- below EBITA: focus on actual results, balance sheet and cash flow statement
 - to reflect the impact of the transaction
- separate reporting on Randstad and Vedior discontinued due to integration of the companies

agenda

performance

Ben Noteboom

progress Vedior merger

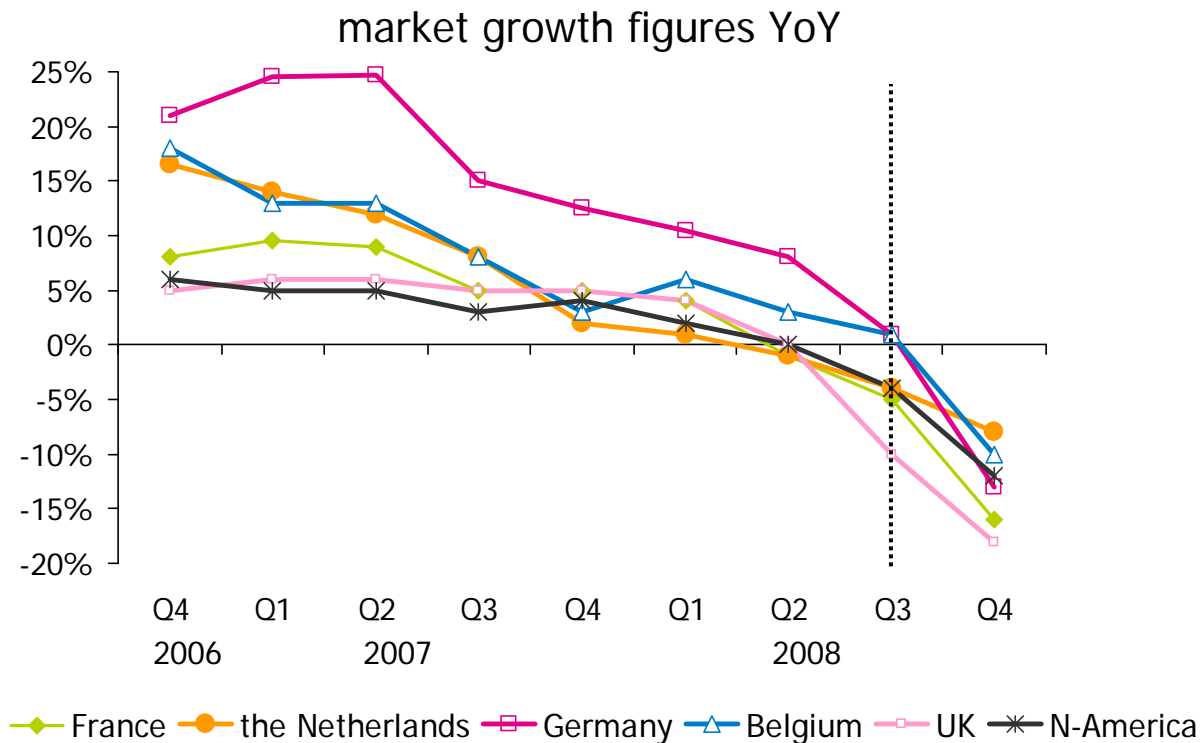
financial results & outlook

Robert-Jan van de Kraats

summary

performance

market growth: rapid decline towards the end of 2008



- accelerated decline since Q3 2008
- Germany and France faced the steepest sequential volume decline

FY 2008: integration on track, markets loosing ground

- interesting yet challenging year
 - integration of Randstad & Vedior, creating the world's 2nd largest HR Services provider
 - market growth sliding in most geographies during the year
- internal themes & performance
 - outperformance in many geographies
 - rational pricing in staffing
 - strong focus on cost reduction
 - EBITA decreased somewhat vs. last year, margin still strong
 - solid free cash flow, € 673 million in 2008, moving average DSO improved to 59 days
 - great reduction of net debt
- integration
 - progress on target, capturing synergies ahead of schedule
- long term market conditions
 - agency work directive, lifting boundaries, flexibility prominent theme

geographic performance FY 2008

€ million	FY 2008	FY 2007	organic growth
revenue:			
France	3,889	4,047	-/-4%
the Netherlands	3,757	3,822	-/-2%
Germany	1,881	1,725	1%
Belgium/Luxembourg	1,563	1,603	-/-3%
United Kingdom	1,150	1,382	-/-4%
Iberia	1,144	1,268	-/-5%
North America	1,888	2,066	-/-7%
EBITA margin:			
France	3.9%	3.7%	
the Netherlands	8.7%	8.5%	
Germany	6.6%	7.8%	
Belgium/Luxembourg	5.8%	5.7%	
United Kingdom	3.9%	5.0%	
Iberia	3.5%	3.9%	
North America	3.5%	3.9%	

Randstad revenue growth: industry development

revenue development within the largest industries of Randstad's operating companies

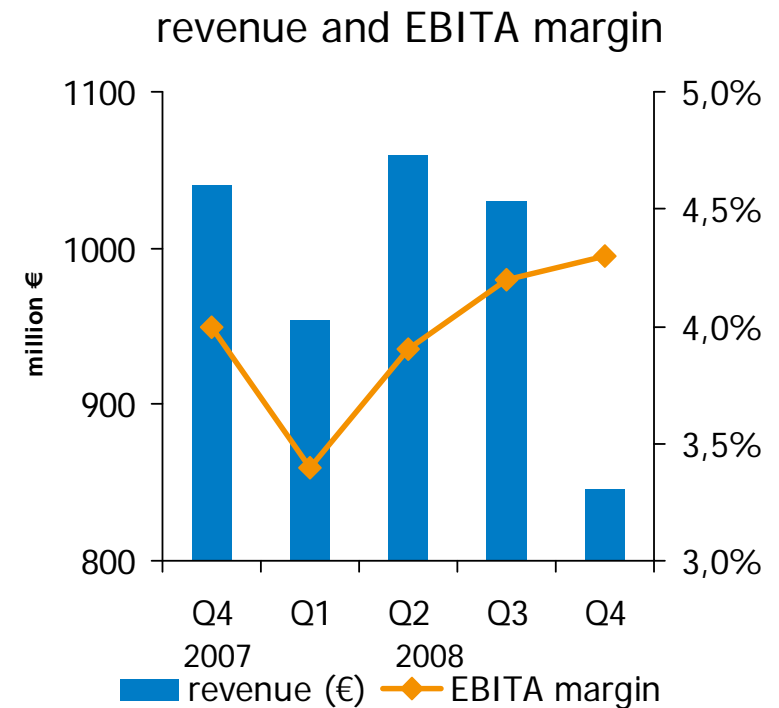
revenue growth (YTD)	above average growth	below average growth
France	healthcare, retail	transport, metal, chemical
Randstad NL	government, callcenters	transport, metal
Germany	finance, IT	retail, metal
Randstad Belgium	food, transport	metal, chemical
Randstad UK	government, healthcare, education	retail, metal, construction
Spain	printing, food	fabrics, retail, metal
Randstad US	manufacturing, IT	business services, banking/finance/insurance

Q4 2008: strong margin and cash flow, poor markets

- challenging quarter
 - deepening of economic crisis
 - current market contraction steeper than stress case scenario
- internal themes & performance
 - adjust cost base in accordance with the the loss in volume and margin
 - maintain good EBITA margin
 - given difficult and very uncertain market circumstances it is proposed to strengthen the balance sheet and not to pay dividend
- integration
 - progress on target
 - cost synergies run rate amounted to 65% in Q4 (vs. 40% guided)

France: operational performance holding up in steeply declining market

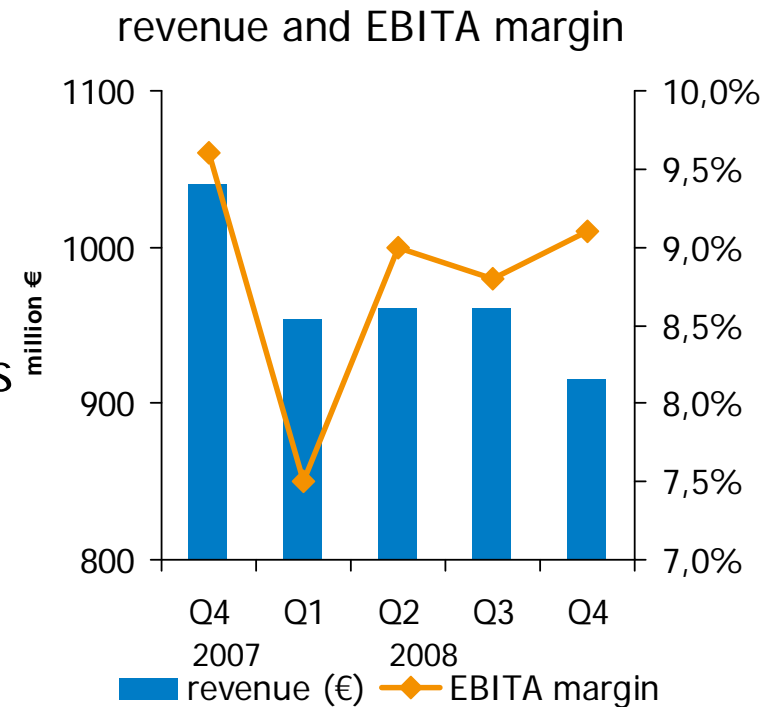
- organic revenue -/-19% in Q4 2008 (vs. -/-3% in Q3 2008)
 - light industrial including automotive hardest hit
 - low single digit growth professionals(healthcare)
- EBITA margin 4.4% versus 4.0% LY
 - adjusted EBITA margin 3.7%*
 - strong focus on costs
- proposal for social plan
 - needed to cope with severe market pressure
 - January revenue -/-32%
 - € 25 million cost provision in Q1 2009
 - related savings to kick in as of Q3 2009
- old competition case
 - VediorBis fined for € 18.2 million; fully provisioned
 - payment expected in H1 2009



* adjusted for the release of bonus accruals and social security refunds relating to the first 9 months of 2008

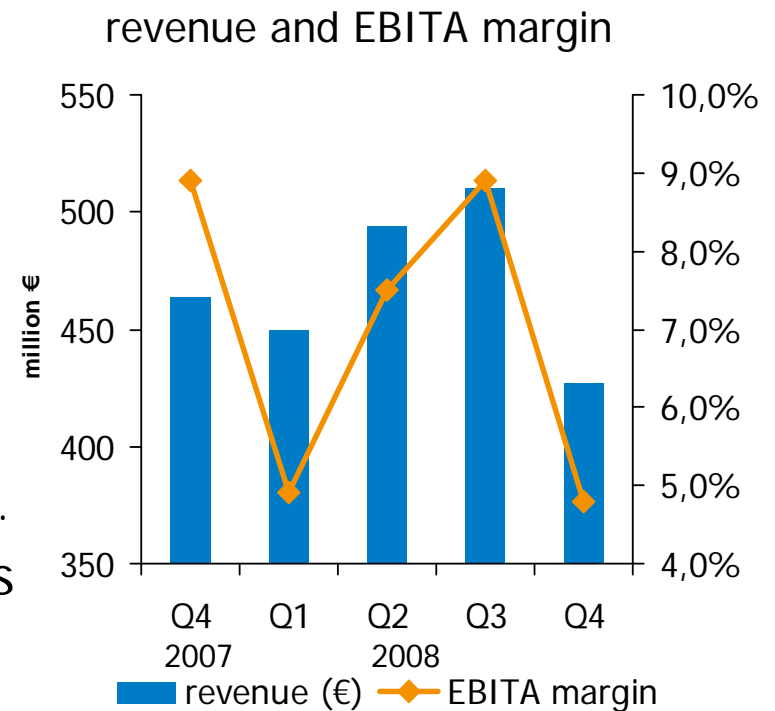
the Netherlands: maintaining strong margin and market share during completion of integration

- organic revenue -/-8% in Q4 2008 (vs. -/-1% in Q3 2008)
 - inhouse under pressure
 - logistics & industrial segment show largest decline
 - substantial growth callcenters
- cost reduction: further branch closures
 - 195 branches less than in Q3 2008
 - combined result of integration and restructuring
- EBITA margin 9.4% versus 9.6% LY
 - excluding € 20 million one-off social security release
 - merger synergies stimulate margin
 - Yacht: strong margins despite increasing idle time



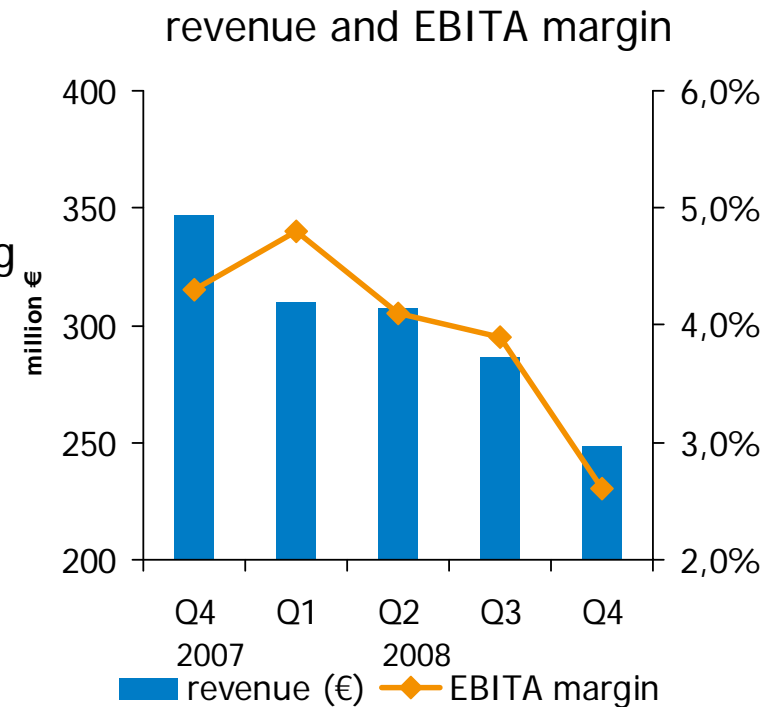
Germany: profitability impacted by swift revenue drop

- organic revenue down 14% in Q4 2008 (vs. 1% growth in Q3 2008)
 - large industrial clients scaling down
 - moderate decline at professionals
 - continued growth at Gulp
- drastic adjustment temps on contract
 - idle time accounts prove to be effective
 - € 5 million severance costs to match decline
 - no. of temps 40% lower by end of Dec. vs Oct.
- aligning costs and integrating functions
 - FTE reduction on schedule
 - shared service centers combined
 - € 4 million one-off for streamlining portfolio Yacht-Teccon
- EBITA margin 4.7% from 8.9% LY
 - impacted by severance payment & timing effect



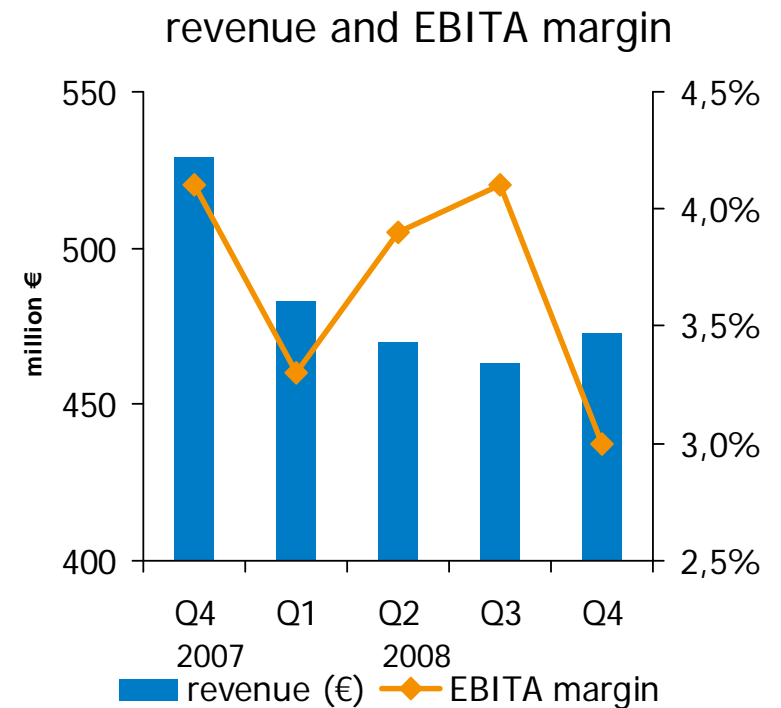
UK: further market slowdown

- organic revenue -/-16% in Q4 2008 (vs. -/-5% in Q3 2008)
 - weakening through quarter
- staffing/inhouse segment weak
 - successful integration contributes in controlling costs at UK staffing
- revenue reduction professionals
 - engineering & construction under pressure
 - healthcare & education holding up well
- EBITA margin 2.5% from 4.3% LY
 - reduced productivity (YoY)
 - strong reduction of perm fees (-/-18%)
- new savings initiated at end of quarter especially in professionals



North America: no recovery yet

- organic revenue -/-18% in Q4 2008 (vs. -/-8% in Q3 2008)
 - decline across all 3 segments
 - revenue decline inhouse -/- 40% YoY
 - US professionals slightly negative; limited growth in healthcare & engineering
- some price pressure
 - contract renewals at large clients
- EBITA margin down to 3.0% from 4.1% LY
 - permanent placement fees down 33%
- Canada now also impacted
 - revenue decline started in October
 - sharp drop in permanent placement fees



progress Vedior merger

integration progressing well

- France
 - integration started in Q1 2009
- The Netherlands
 - integration Tempo-Team/Vedior & Randstad/Dactylo completed
 - no loss of market share
- Germany
 - Bindan and Vedior Personalsdienstleistungen integrated into Randstad, incl.back-office
- Belgium
 - rebranding Vedior into Tempo-Team completed, brand recognition ahead of plan
- UK
 - Randstad/Select combined head offices, branch network and branding
- Italy, Spain
 - integration started in Q1 2009
- US
 - Placement Pros integrated into Randstad US staffing
- India
 - integrating Team4U into Ma Foi

financial results & outlook

managing through the cycle

target	result FY 2008	progress on target	remarks
- continuous market share gains	most geographies	✓	
- EBITA margin of 5 to 6% on average through the cycle, not below 4% in a normal downturn	4.9%	✓	no normal downturn
- sound financial position: leverage ratio between 0 and 2	<u>net debt</u> EBITDA=1.8	✓	strong focus
- integration Vedior & realization of communicated synergies		✓	ahead of target
additional guidelines for current market environment			
- aim at maximum recovery of gross profit reduction through reduction opex		✓	
- 12 months payback period on restructuring charges		n.a.	all plans meet target

acquisition Vedior

target	progress on target	remarks
- base case growth scenario of low single digit revenue growth	X	resulted in impairment
- realize significant tangible synergies	✓	ahead of plan
- minimize forced redundancies in corporate employees	✓	
- re-branding	✓	
- maintain client portfolio	✓	
- financing (debt redemption, floating interest)	✓	
- EPS enhancing	✓	
- EVA accretive by 2010	X	delayed

- Vedior integration progressing well – good fit
- value creation for shareholders delayed because of quickly deteriorating markets

Q4 2008: financial results

- underlying gross profit declined 15% YoY
 - margin down 30 bps. YoY to 20.7%
 - permanent placement fees declined by 17% organically
 - excluding € 16 million one-off gains
- underlying operating expenses adjusted downwards by 9% YoY
 - 3% organic decline in outlets YoY and 5% less corporate employees YoY
 - savings across the Group
 - synergies accelerated due to deteriorating market environment
- EBITA margin down to 4.5% from 5.7% LY
- Vedior goodwill impairment of € 500 million (non-cash impact)
 - triggered by deterioration of macro-economic conditions
 - based on goodwill allocation per geographical region
- € 35 million impairment on Dutch payroll services

Q4 2008: financial results

- combined tax release of € 226 million
 - based on operational integration and fine-tuning of internal structure in Q4 2008
 - € 40 million positive revaluation of US tax assets (tax loss carry forward) as the Vedior operational profits can be used to off-set Randstad US carry forward losses
 - € 186 million related to recapture obligations; US fiscal losses have been deducted in NL, recapture now based on dividend streams from US to NL rather than on US fiscal profits
- moving average DSO improved slightly to 59 days from 60 LY
- free cash flow of € 280 million
- net debt improved to € 1,641 from € 1,889 in Q3 2008

market share development Q4 2008

	Q4 market growth*	Randstad Group	variance	additional comments
France	-/- 16%	-/- 19%	-/- 3%	<i>inhouse -/- 22%</i> <i>VediorBis -/- 25%</i>
Netherlands	-/- 8%	-/- 8%	0%	<i>inhouse -/- 18%</i>
Germany	-/- 13%	-/- 14% **	-/- 1%	<i>inhouse -/- 22%</i>
Belgium	-/- 10%	-/- 12%	-/- 2%	<i>inhouse -/- 25%</i>
UK	-/- 20%	-/- 16%	4%	
Italy	-/- 17%	-/- 17%	0%	<i>Vedior Italy -/- 27%</i>
Spain	-/- 35%	-/- 31%	4%	
United States***	-/- 14%	-/- 19%	-/- 5%	<i>inhouse -/- 40%</i>

* not all market growth data are final, as not all official figures have been published yet for some markets, like UK, no market data available so estimates also partly based on competitor analysis

** -/-8% if adjusted for acquisition GULP

*** broadened definition of market in line with larger proportion professionals in Randstad revenue mix (staffing & professionals)

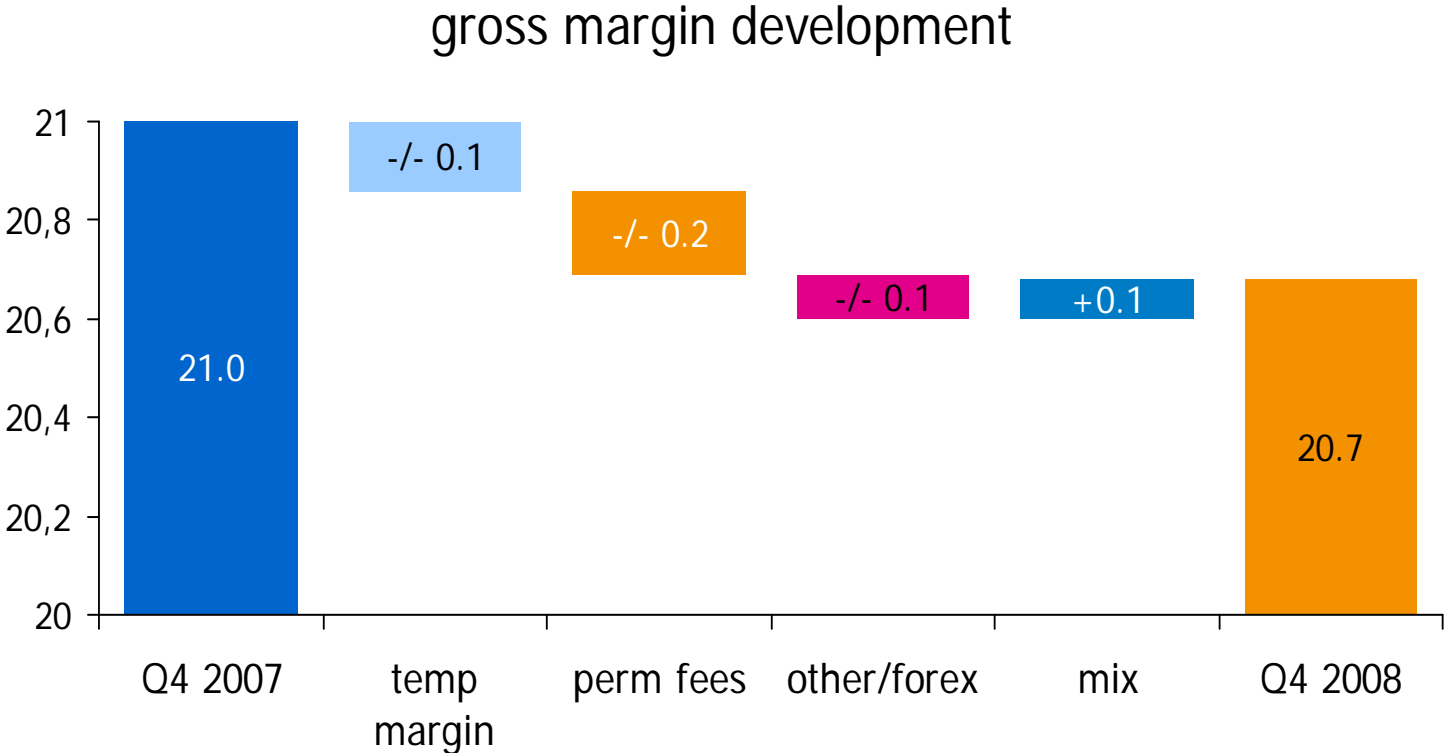
income statement Q4 2008

€ million	Q4 2008	Q4 2007	% change	% organic
revenue	3,959	4,601	-/- 14%	-/- 14%
gross profit	819	966	-/- 15%	-/- 15%
<i>gross margin</i>	<i>20.7%</i>	<i>21.0%</i>		
operating expenses*	641	706	-/- 9%	
<i>opex as % of revenue</i>	<i>16.2%</i>	<i>15.3%</i>		
EBITA	178	261	-/- 32%	-/- 32%
<i>EBITA margin</i>	<i>4.5%</i>	<i>5.7%</i>		
<hr/>				
income before taxes	-/- 455	161		
tax	223	-/- 43		
effective tax rate	-/- 49%	27%		
net income	-/- 231	119		
adjusted net income (attr. to ordinary shareholders)	122	122		
diluted EPS**	0.72	1.04	-/- 31%	

* before impairment, integration costs and one-offs

** before amortization acquisition related intangibles, impairment goodwill, integration costs and one-offs

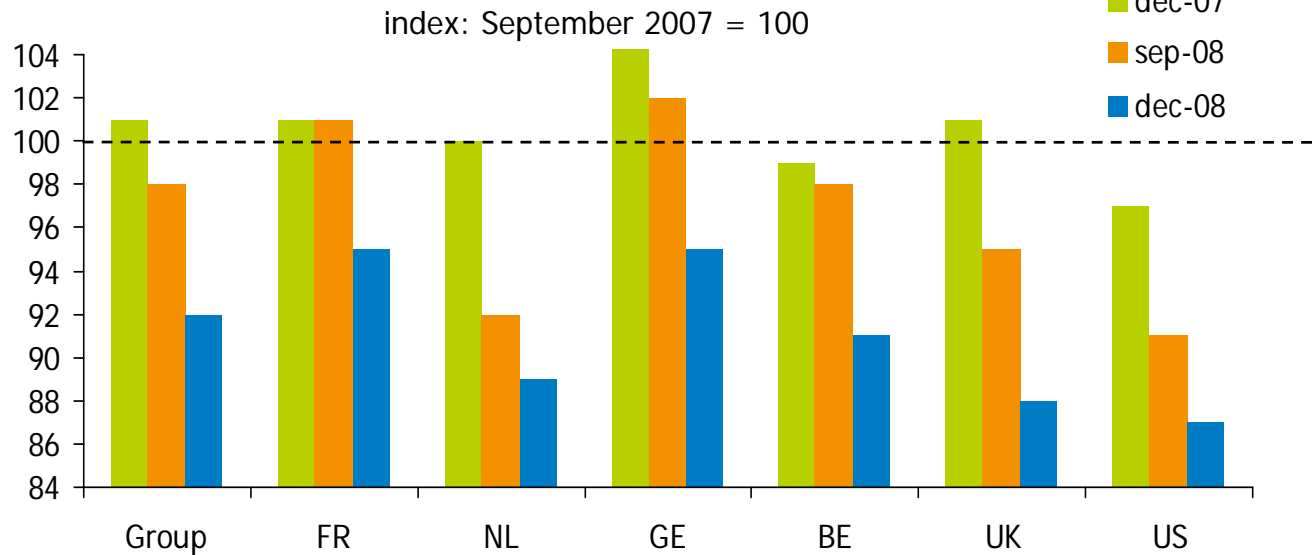
gross margin development Q4 2008



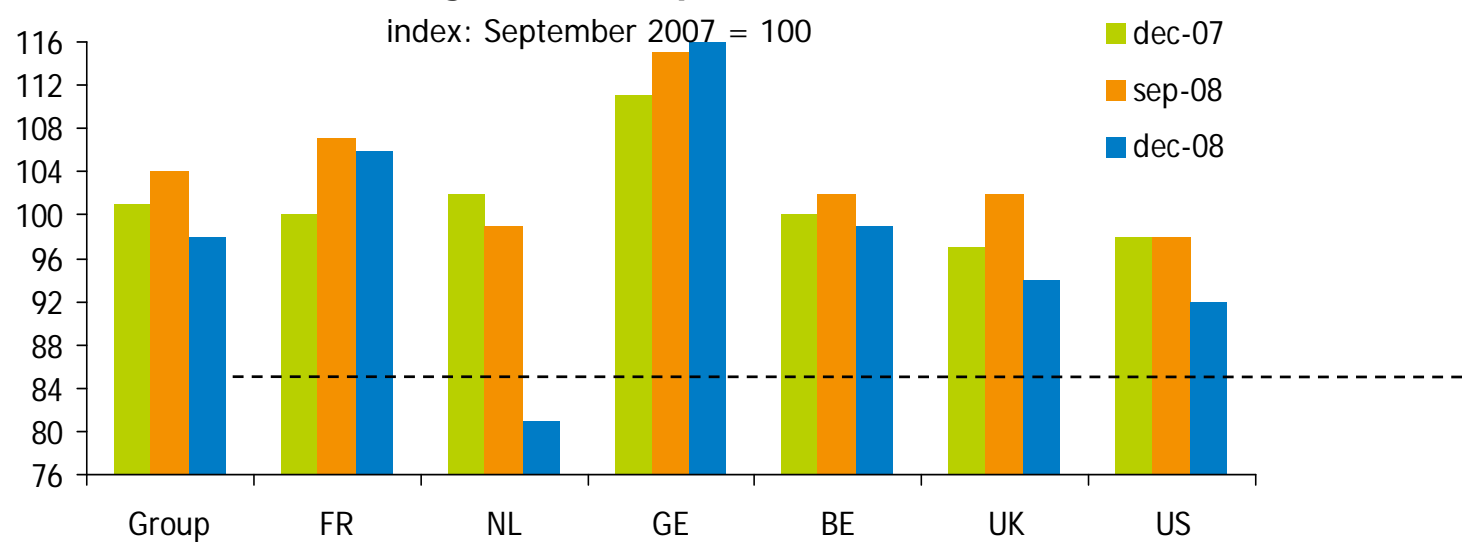
- perm fees 10.2% of gross profit vs. 11.6% in Q3 2008 and 10.9% LY

development* in corp. employees & outlets

indexed organic development in corporate FTEs



indexed organic development in outlets



* end of month figures

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consolidated cash flow statement

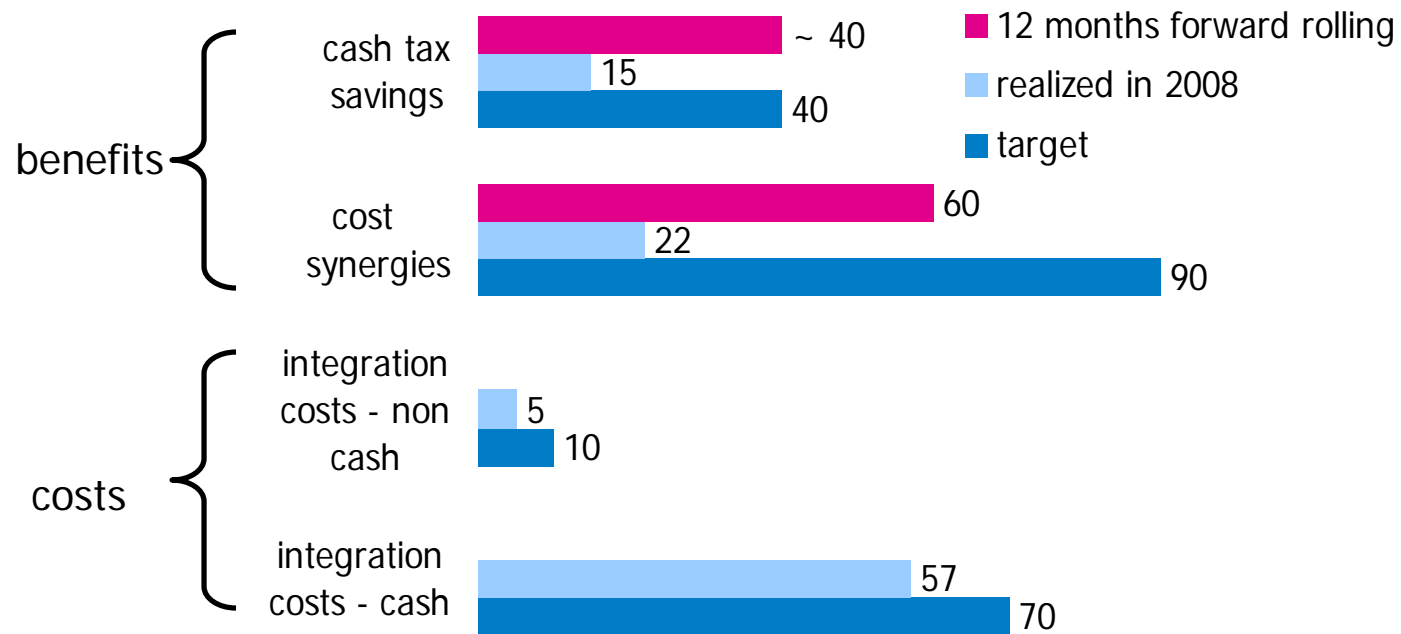
€ million	Q4 2008	Q4 2007
net cash flow operating activities	322	161
additions of PPE	-/-18	-16
additions of software	-/-10	-6
financial receivables	-/-15	-1
disposals of PPE	1	0
free cash flow	280	138

€ million	Q4 2008
free cash flow	280
(acquisition)/ disposals subsidiaries	-/- 8
interest	-/- 29
translation result on borrowings	5
net debt movement Q4 2008 – Q3 2008	248

note: cash flow statement Q4 2007 is Randstad standalone

tracking synergies / integration costs

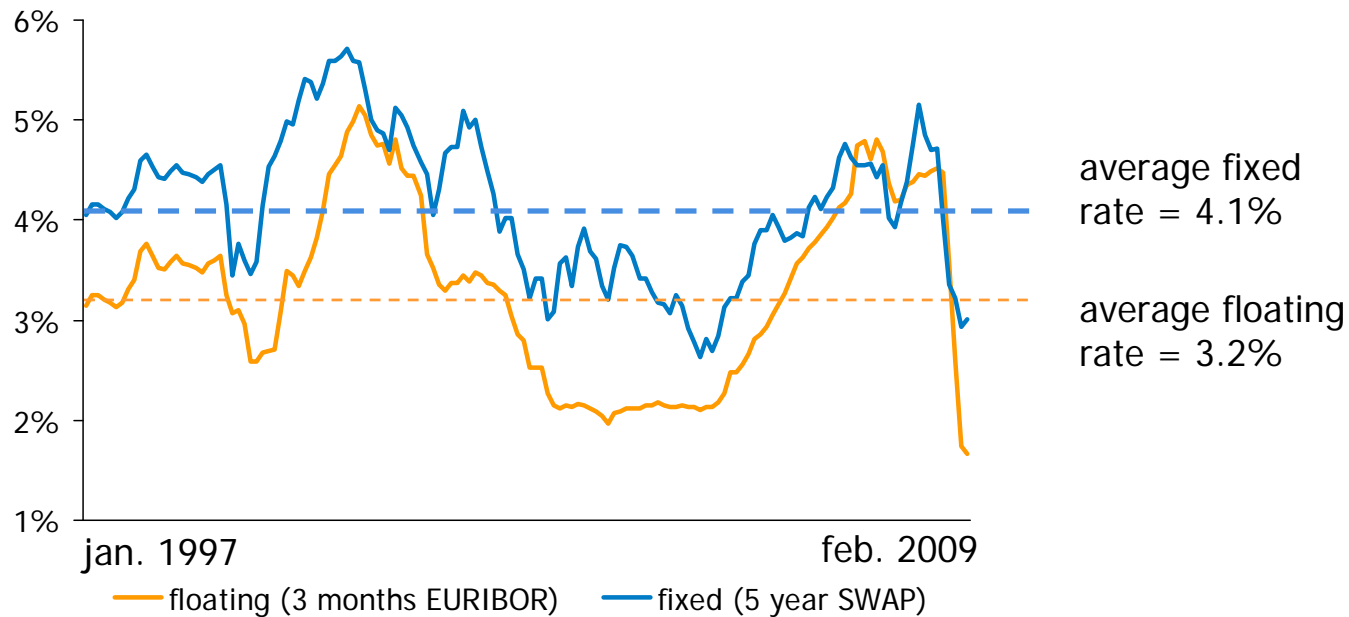
synergies and integration costs (€ million)



dividend proposal

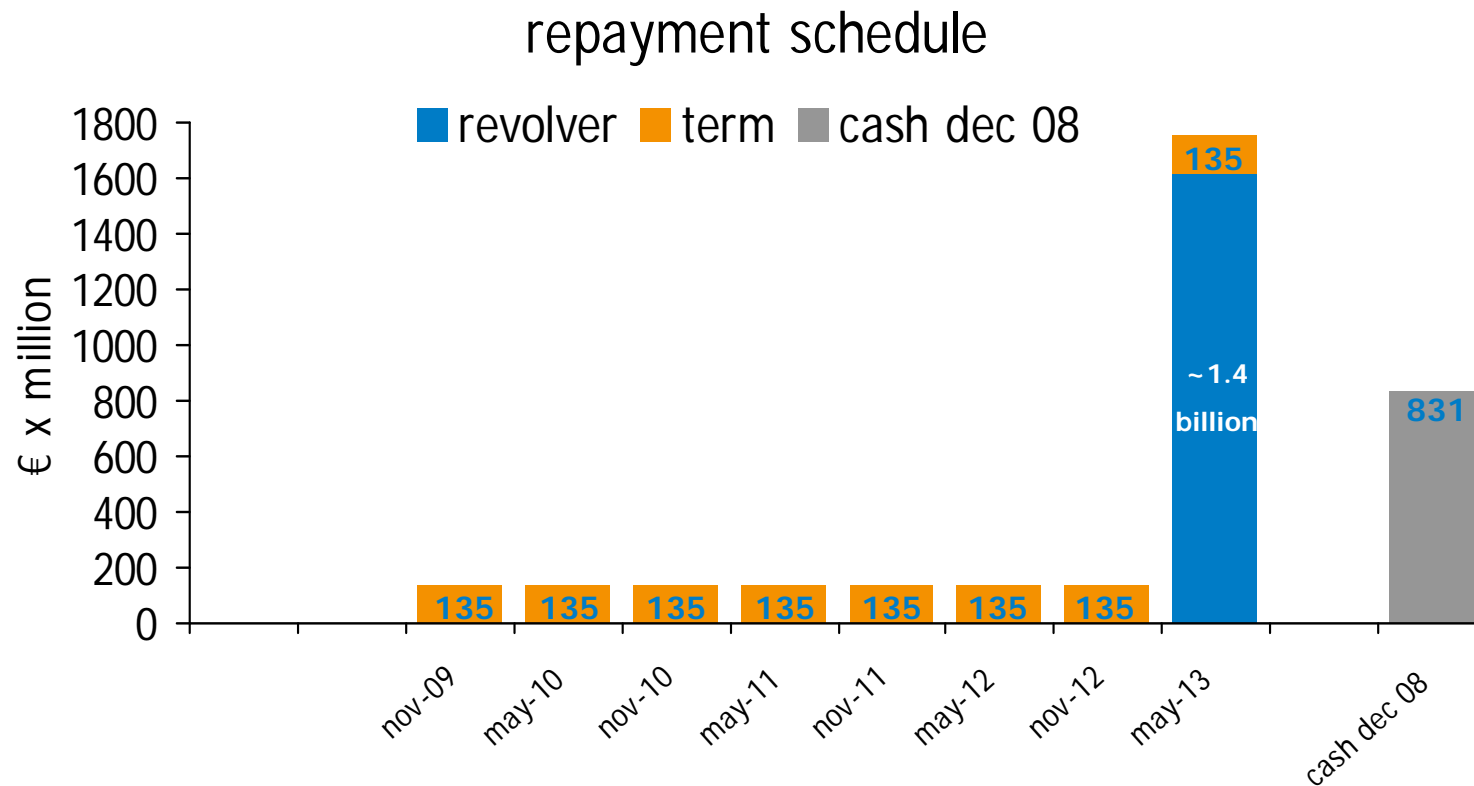
- dividend policy updated in 2007
 - aiming at consistent dividend growth over the cycle and a floor of € 1.25
 - flexible pay out ratio: min. pay out 30% - max. pay out 60%
 - new policy better matched cash flow which is less volatile than profit
- stress tested dividend payment in relation to financing of Vedior-deal
 - dividend could be safely paid in case of a revenue decline of 5% in H2 2008, 10% declines in 2009 and 2010 and a 5% decline in H1 2011
 - in the case of revenue declines beyond the stress case the 4% EBITA margin target can be challenging
- proposal not to pay dividend over FY 2008
 - current revenue contraction (-24% January 2009) is much steeper than in tested scenarios and outlook is very uncertain
 - precautionary measure to further strengthen the balance sheet
 - aim to re-instate payment of ordinary dividends as soon as trends reverse

financing: fixed vs. floating interest rates



- we use floating interest rates as a natural hedge
- decoupling of Euribor and money market in 2008 due to banking crisis
- trend normalizing again since Q4 2008

debt facilities & repayment schedule



- no refinancing before 2013

outlook

- organic revenue per working day minus 24% in January
- trend seems to have stabilized at best in first 2 weeks of February
- the European and North American markets remain challenging
- moderate growth emerging markets Asia & Latin America
- pricing mostly rational, perm fees declining
- reducing costs at full speed
 - expect operating expenses to be around €585 million in Q1 2009
 - budgeted operating expenses Q1 2009 lower than Q4 2008
- restructuring charges of € 25 million for France and € 25 million for other areas
- fast realization of synergies, enlarged footprint, enlarged presence in professionals segment, higher network density help to manage through the cycle

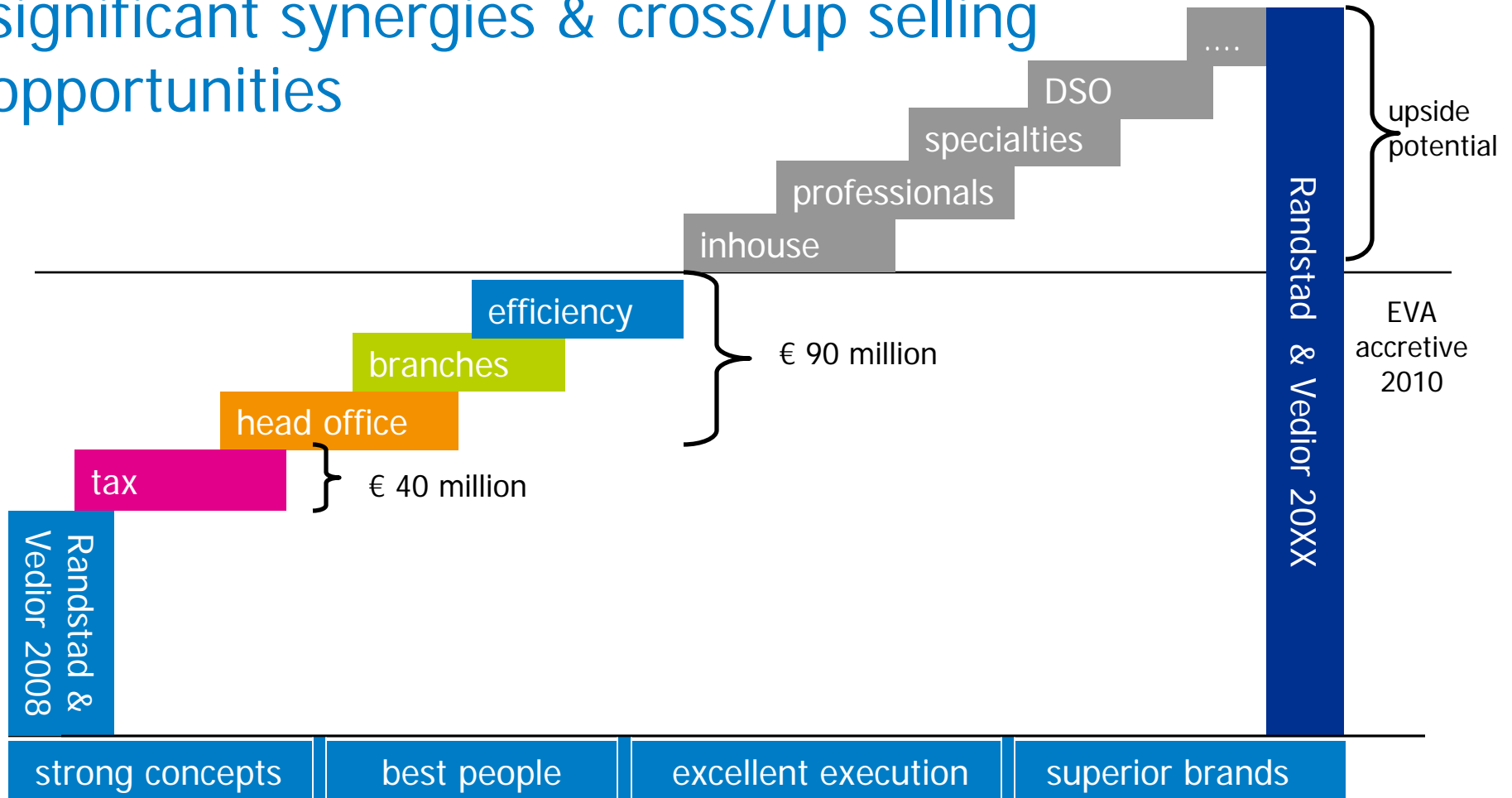
summary

- good operational progress over 2008
- integration process well on track
- very difficult markets
- pricing rational
- good cost containment
 - keep focus on productivity
- good EBITA margins
- goodwill impairment based on revenue decline in several regions
- solid cash flow generation
 - release of working capital in a downturn
- net debt improved to € 1,641 vs. € 1,889 in Q3 2008
- all ingredients available to emerge stronger than ever from the current slowdown



appendices

significant synergies & cross/up selling opportunities



- € 90 million of annual cost savings of which 75% implemented (run rate) in first 18 months
- € 40 million of annual tax savings
- additional synergies related to sharing of best practices and up-selling of proven concepts
- targeting leverage ratio (net debt/EBITDA) at or below 2.0 within 12 months after closing
- EVA target assumes low single digit revenue growth

geographic performance Q4 2008

€ million	Q4 2008	Q4 2007	organic growth
revenue:			
France	846	1,041	-/- 19%
the Netherlands	915	998	-/- 8%
Germany	427	463	-/- 14%
Belgium/Luxembourg	366	415	-/- 12%
United Kingdom	248	347	-/- 16%
Iberia	237	327	-/- 21%
North America	473	529	-/- 18%
EBITA margin:			
France	4.4%	4.0%	
the Netherlands	9.4%	9.6%	
Germany	4.7%	8.9%	
Belgium/Luxembourg	5.8%	6.4%	
United Kingdom	2.5%	4.3%	
Iberia	2.8%	3.4%	
North America	3.0%	4.1%	

segment performance Q4 2008

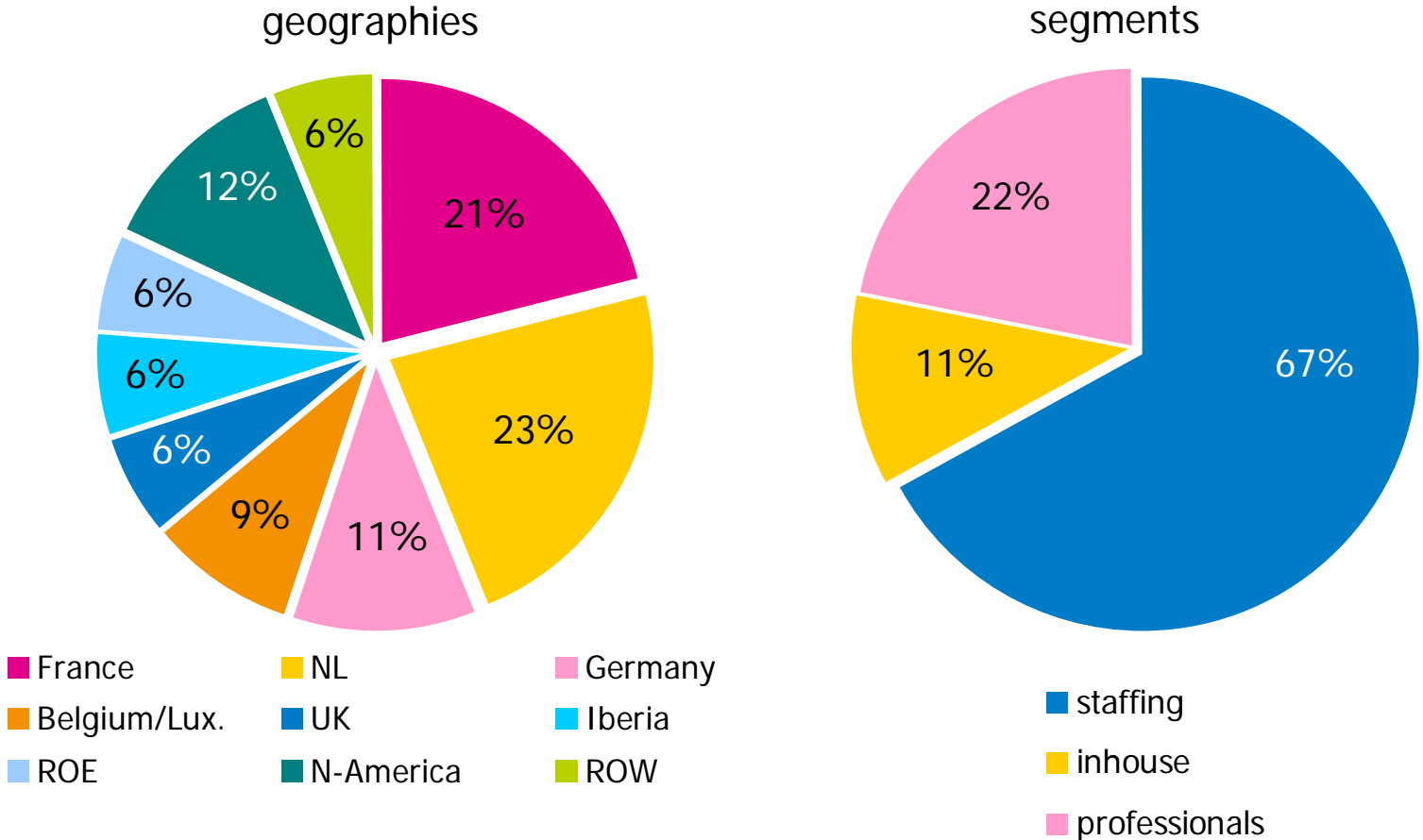
€ million	Q4 2008	Q4 2007	organic growth
revenue:			
staffing	2,752	3,235	-/- 14%
inhouse services	424	529	-/- 21%
professionals	797	850	-/- 6%

consolidated balance sheet

€ million	December 31, 2008	December 31, 2007
property, plant & equipment	191	136
intangible assets	3,315	433
deferred tax assets	422	283
other assets	3,795	2,465
group equity	2,421	1,022
non-current liabilities	2,937	960
current liabilities	2,365	1,335
balance sheet total	7,723	3,317
DSO	59	60
net debt position	1,641	144

note: balance sheet December 31 2007 is Randstad standalone

revenue split Q4 2008



outlets¹ by country

end of period	December 31, 2008	December 31, 2007
France	1,182	1,114
the Netherlands	885	1,107
Germany	597	566
Belgium/Lux	380	383
United Kingdom	381	391
Iberia	362	414
Other Europe	453	443
North America	614	654
Rest of world	379	338
total	5,233	5,410

1) branches and inhouse locations

staffing employees by country

averages Q4	Q4 2008	Q4 2007
France	131,100	154,300
the Netherlands	118,600	131,300
Germany	49,100	55,500
Belgium/Lux.	44,500	50,200
United Kingdom	26,000	29,900
Iberia	56,700	77,000
Other Europe	34,200	42,200
North America	55,000	67,800
Rest of world	114,500	106,400
total	629,700	714,600

corporate employees* by country

average	Q4 2008	Q4 2007
France	4,800	4,960
the Netherlands	7,450	8,240
Germany	3,200	3,280
Belgium/Lux.	2,370	2,480
United Kingdom	3,000	3,180
Iberia	1,940	2,450
Other Europe	2,240	2,170
North America	3,950	4,310
Rest of world	4,280	3,970
Holding	170	170
total	33,400	35,210

* Vedior; best estimate temps own use for Q4 2007