



# Disclaimer

Certain statements in this document comprise forecasts on USG People's future financial condition and results from operations, in addition to 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 may be, but are not limited to, general economic conditions, scarcity on the employment market, the variation in demand for (flexible) personnel, changes in employment legislation, future currency exchange rates and interest rates, future corporate mergers, acquisitions and divestments and the pace of technical change.

The forecasts here apply exclusively as of the date on which this document is presented.

Some results in this presentation are on pro forma basis in order to inform our stakeholders in the best possible way, regarding the financial performance and capabilities of the company. The company tries to avoid any confusion by stating when our figures are pro forma.

**Q1 results 2006**

**Analysts' presentation**

**May 9, 2006**

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# Q1 results 2006

- I. Highlights
- II. Operational performance
- III. Financial performance
- IV. Outlook

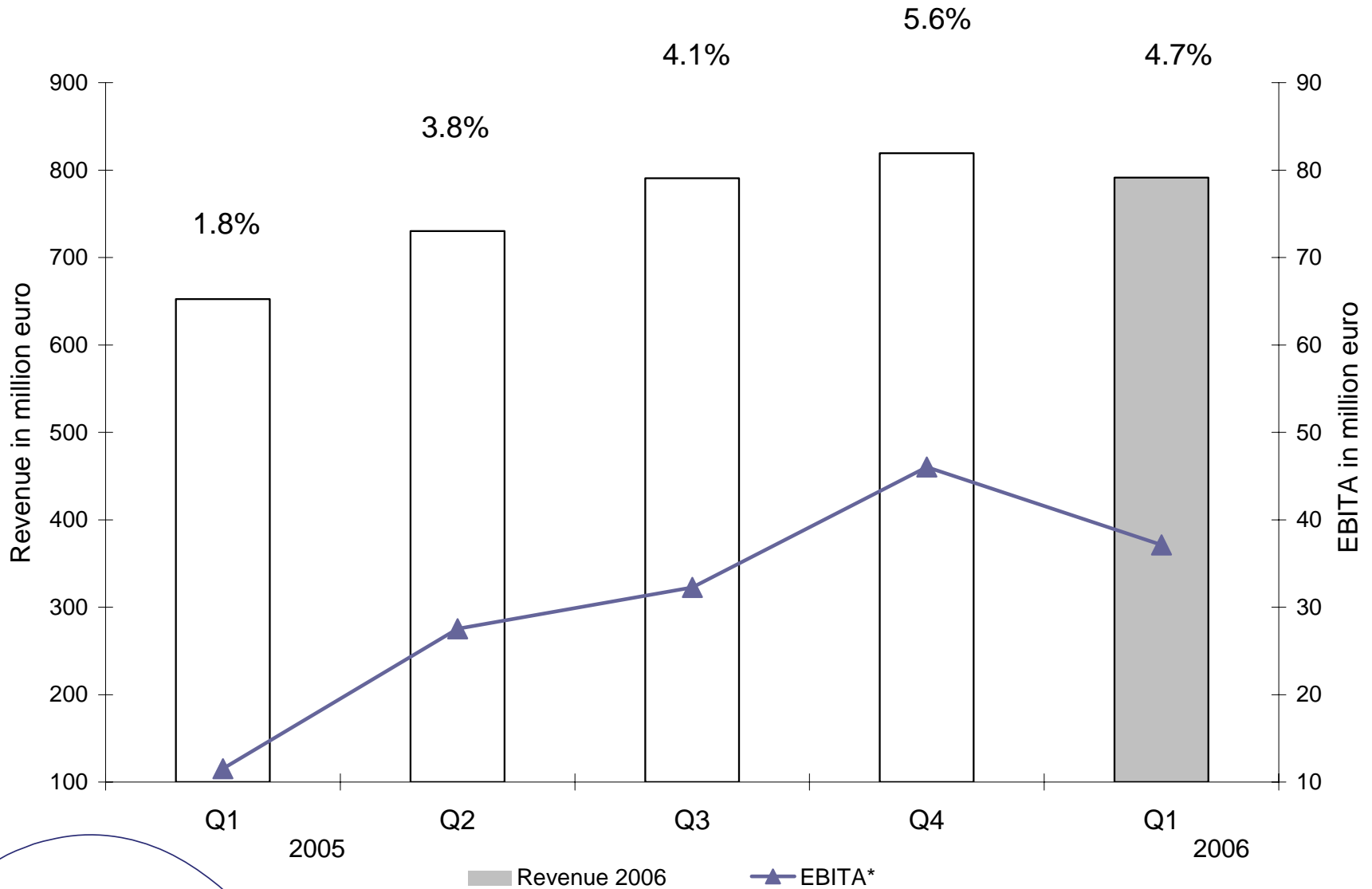
# Highlights Q1 2006

- Revenue increased to 791 million euro (2005 Q1: 653 million euro)
  - 2006 Q1 revenue growth of 21.3%; accelerated against previous quarters
  - 2 more working days than 2005 Q1
  - Growth in Netherlands 25.1%
- Gross profit up to 189 million euro (2005 Q1: 156 million euro)
  - Gross margin stable at 23.9%
- SG&A (relative) cost base improved further to 19.2% of revenue (2005 Q1: 22.1%)
  - Cost reduction programs / SSC integration on track
  - Scale effects work out well
- EBITA\* increased substantially to 37.1 million euro (2005 Q1: 11.5 million euro)
  - Strong operational leverage
  - 4.7% of revenue (2005 Q1: 1.8%)
- Net income increased to 17.9 million euro (2005 Q1: 4.4 million euro)
  - Earnings per share 0.57 euro (2005 Q1: 0.20 euro)

# Information per share

Earnings per share (euro)	Q1 2006	Q1 2005
<i>Consolidated net income</i>		
Basic	0.57	0.20
Outstanding 2006-03-31	0.57	0.20
Fully diluted(including conversion bond)	0.53	
<i>Net income before amortization intangibles</i>		
Basic	0.65	<b>0.20</b>
Outstanding 2006-03-31	0.65	<b>0.20</b>
Fully diluted(including conversion bond)	0.61	
<hr/>		
a. Number of shares for basic eps calculation:(average)	31,491,219	22,689,915
b. Non exercised option rights:	151,913	391,052
c. Number of shares outstanding as per 2006-03-31:	31,497,903	22,691,513
d. Shares from convertible bond:	3,209,601	
e. Number of shares for calculation of fully diluted eps (a+b+d)	34,852,733	23,080,967

# Highlights Q1 2006



# Integration shared service centres and back offices

## Integration shared service centres

Region	Location	Effectuation	Completion
Netherlands	Almere	2006	Q4 '06 / Q1 '07
Belgium	Antwerp	2005-2006	Q3 2006
Spain	Madrid	2005-2006	Q2 2006
Italy	Milan	2005-2006	Done
Germany	Munich	2005-2006	Done

## Cost savings (target)

	2005	2006	2007
Back office Start	9	9 + 11 = 20	20
Integration SSC's		5	5 + 25 = 30
Total cost savings	9	25	50

# Next Steps

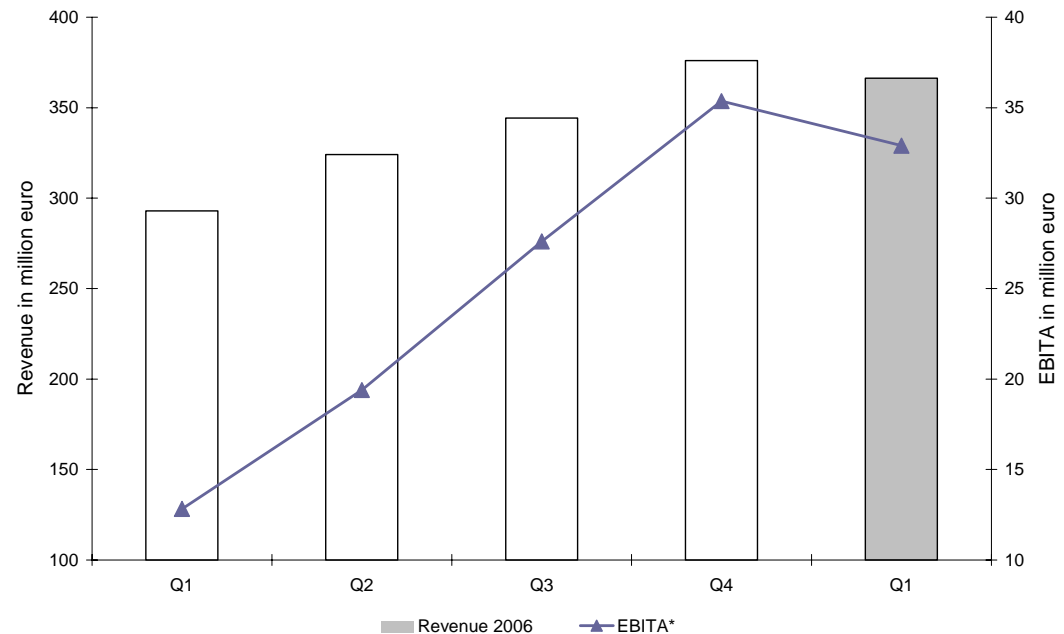
- Stimulate positive momentum in organic revenue growth
- Introduce specialty activities in France and Italy
- Expansion of revenue in Germany and Italy to 200 million euro through organic growth and acquisitions
- Finalise integration of back offices and commercial organisation
- Reduce DSO / Net Debt

# Q1 results 2006

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- IV. Conclusion and outlook

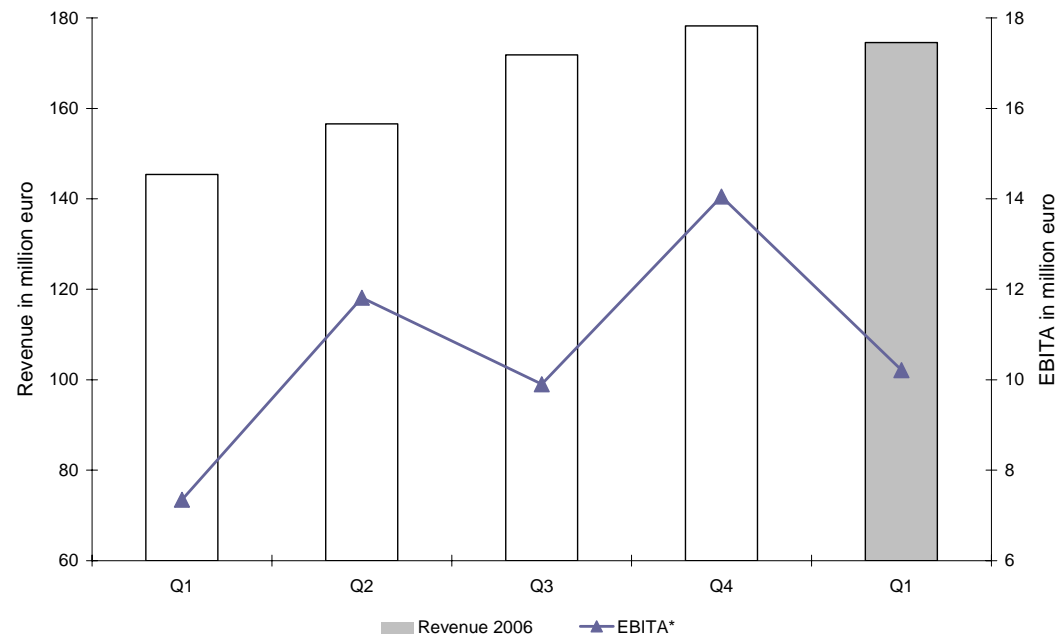
# The Netherlands

- Strong revenue growth in Q1 2006 of 25.1%
- EBITA up from 12.8 to 32.9 million euro
- Operating margin doubled from 4.4% to 9.0%
  
- General Staffing: + 23.8%
- Specialist Staffing: + 26.7%
- Professionals: + 33.4%
- Special services: + 0.2%
  
- **Strong growth at large accounts**
- **Upsurge in SME segment**
- **Strong improvement cost base (530 bps)**



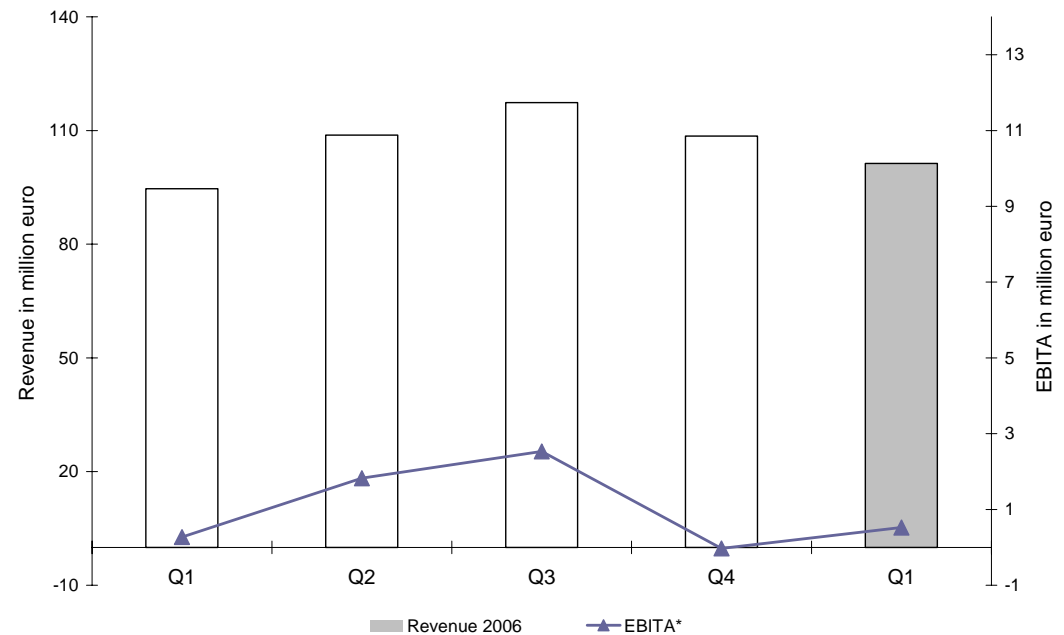
# Belgium and Luxemburg

- Strong revenue growth in Q1 2006 of 20.1%
- EBITA increased to 10.2 million euro from 7.3 million euro in Q1 2005
- General Staffing: + 23.2%
- Specialist Staffing: + 16.3%
- Professionals: + 14.5%
- Special services: + 26.5%
- **Strong growth in white collar segment**
- **Expansion number of branches**



# France

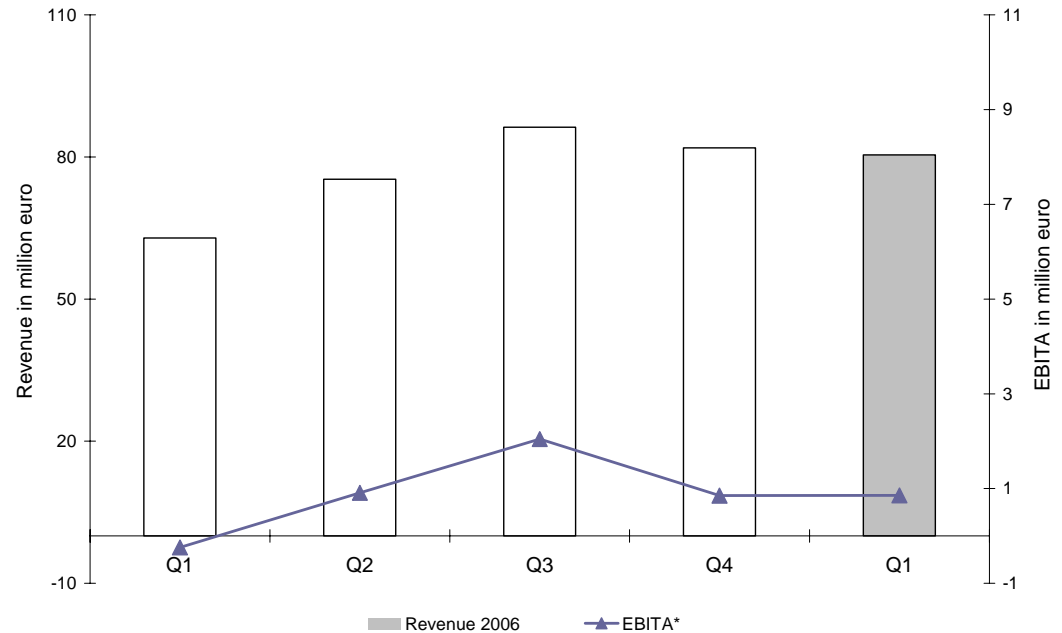
- Encouraging acceleration of revenue growth from 2.5% in Q4 2005 to 7.1% in Q1 2006
- General Staffing: + 6.9%
- Special services: + 45.9%
- **First new specialty (Secretary Plus) branches opened in Paris and Lille**



# Spain

- Strong revenue growth in Q1 2006 of 27.9%
- EBITA improved from -0.3 million euro in Q1 2005 to 1.1 million euro in Q1 2006

- General Staffing: + 23.9%
- Specialist Staffing: + 44.5%
- Special services: + 37.2%
- **Portugal 3 new openings of branches**

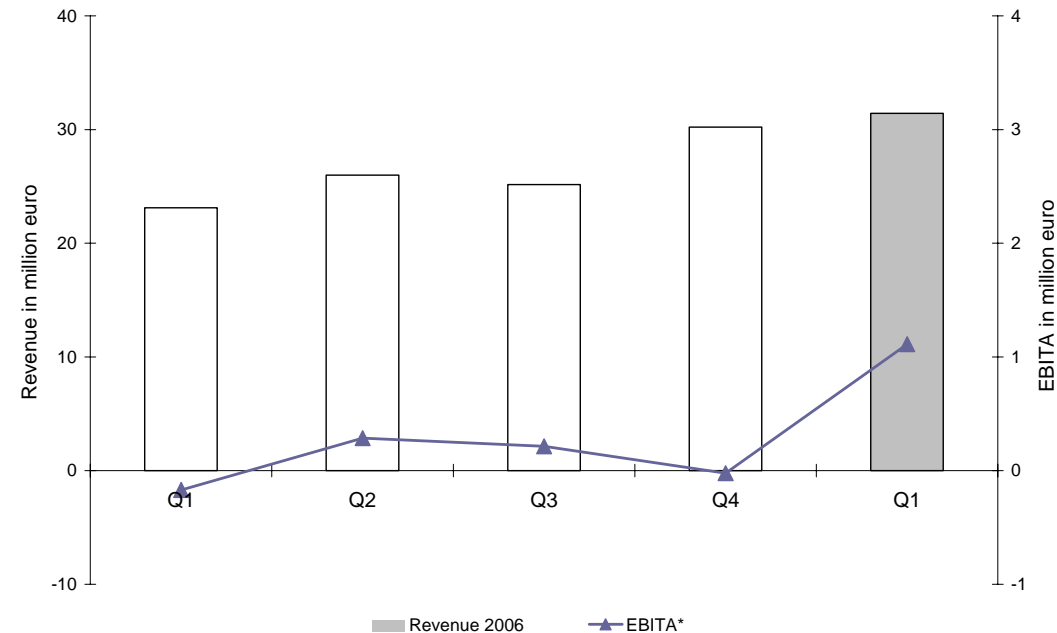


# Italy

- Very strong acceleration of revenue growth
- Revenue increased by 36% against Q1 2005
- EBITA arose from -0.2 to 1.1 million euro
- Operating margin improved from -0.9% to 3.5%

	Revenue	yoy growth
Q2	26.003	9,9%
Q3	25.158	13,6%
Q4	30.219	14,9%
Q1	31.432	36,0%

- **Integration shared service centre completed in Q1**

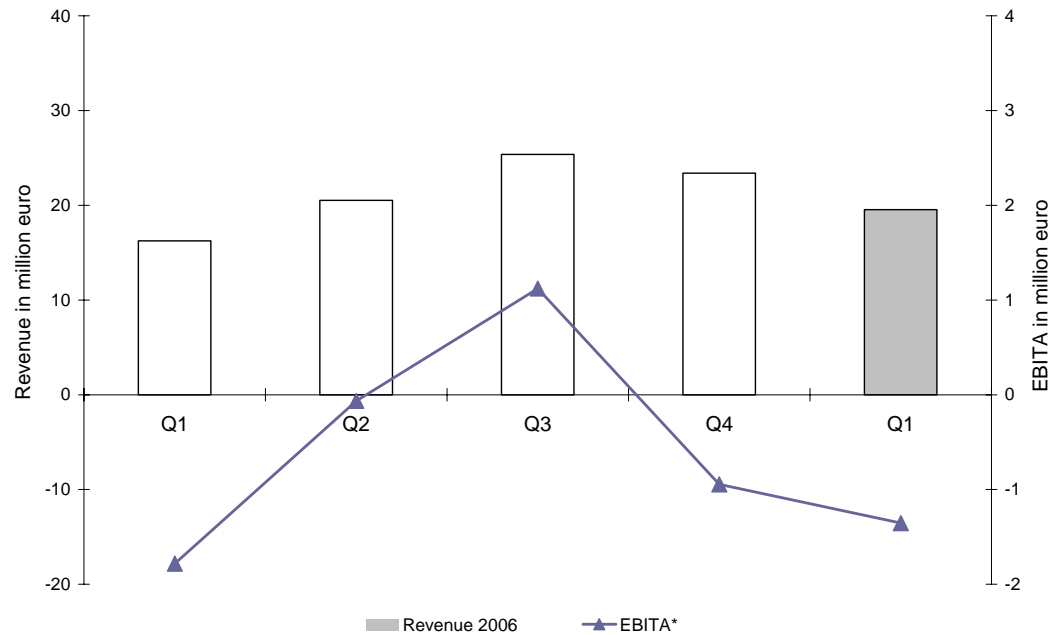


# Germany

- Revenue growth in Q1 2006 of 20.3%

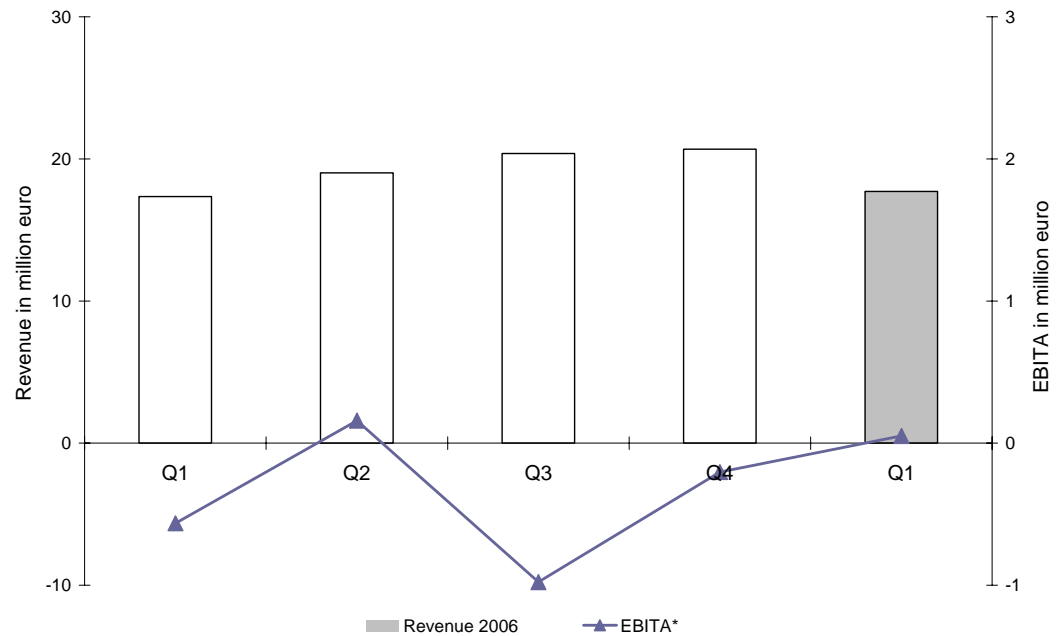
- General Staffing: +16.6%
- Specialist Staffing: +30.1%

- **Shared service centre integrated in Q1**



# Switzerland / Austria / Poland

- Revenue slightly up by 2.2%
- EBITA slightly positive



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# Profit & Loss Q1

In million euro	Q1 2006	Q1 2005 PF	Change
Revenue	<b>791.3</b>	<b>652.5</b>	<b>21.3%</b>
Gross profit	<b>189.2</b>	<b>155.7</b>	<b>21.5%</b>
Gross margin	23.9%	23.9%	
SG&A	<b>152.1</b>	<b>144.2</b>	<b>5.5%</b>
SG&A ratio	19.2%	22.1%	-290 bps
EBITA	<b>37.1</b>	<b>11.5</b>	<b>222.1%</b>
Operating margin	4.7%	1.8%	+290 bps
Amortization	<b>3.9</b>		
EBIT	<b>33.2</b>	<b>11.5</b>	
Net financial cost	<b>-6.4</b>	<b>-3.9</b>	
Net income	<b>17.9</b>	<b>4.4</b>	

# Results by segment

In million euro	Q1 2006	Q1 2005 PF	Change
<b>Revenue</b>			
General Staffing	462,7	388,4	19,1%
Specialist Staffing	244,5	195,2	25,3%
Professionals	64,0	49,9	28,2%
Special Services	20,1	18,9	6,3%
<b>Total revenue</b>	<b>791,3</b>	<b>652,5</b>	<b>21,3%</b>
<b>EBITA</b>			
General Staffing	10,3	1,6	8,7
Specialist Staffing	24,0	9,8	14,2
Professionals	7,4	4,6	2,8
Special Services	2,6	1,7	0,9
<b>Corporate</b>	<b>-7,2</b>	<b>-6,2</b>	<b>-1,0</b>
<b>Total EBITA</b>	<b>37,1</b>	<b>11,5</b>	<b>25,6</b>
<b>Operating margin</b>	<b>4,7%</b>	<b>1,8%</b>	<b>+290 bps</b>

# Results by country per segment

In million euro	Revenue			EBITA			Operating margin	
	Q1 2006	Q1 2005 PF	Change	Q1 2006	Q1 2005 PF	Change	Q1 2006	Q1 2005 PF
<i>Netherlands</i>	366,3	292,8	25,1%	32,9	12,8	20,1	9,0%	4,4%
<i>Belgium / Luxembourg</i>	174,6	145,4	20,1%	10,2	7,3	2,9	5,8%	5,0%
<i>France</i>	101,3	94,7	7,1%	0,5	0,3	0,2	0,5%	0,3%
<i>Spain / Portugal</i>	80,4	62,9	27,9%	0,9	-0,2	1,1	1,1%	-0,3%
<i>Germany</i>	19,5	16,2	20,3%	-1,4	-1,8	0,4	-7,2%	-11,1%
<i>Italy</i>	31,4	23,0	36,5%	1,1	-0,2	1,3	3,5%	-0,9%
<i>Austria / Switzerland / Poland</i>	17,7	17,3	2,3%	0,1	-0,6	0,7	0,6%	-3,5%
<i>Corporate</i>				-7,2	-6,2	-1,0		
<b>Totals</b>	<b>791,3</b>	<b>652,3</b>	<b>21,3%</b>	<b>37,1</b>	<b>11,4</b>	<b>25,7</b>	<b>4,7%</b>	<b>1,8%</b>

# Gross margin analysis

## Gross margin analysis (x 1,000 euro)

<b>Gross Profit Q1 2005 pro forma (23.9%)</b>	<b>155,704</b>
Revenue growth	32,233
General Staffing - 30 bps	-1,142
Specialist Staffing + 70 bps	1,800
Professionals + 110 bps	655
Special Services - 40 bps	-68
<b>Gross profit Q1 2006 (23.9%)</b>	<b>189,182</b>

# Corporation tax

Specification corporation tax charge	Amount	Rate
<b>Average nominal taxation</b>	<b>8,337</b>	<b>31.1%</b>
Not deductible for tax purposes	618	2.3%
Not subject to tax	-1,032	-3.8%
Non valued losses	553	2.1%
<b>Tax charge at income statement</b>	<b>8,476</b>	<b>31.6%</b>

# Balance sheet

In million euro	31-03-2006	31-12-2005	Change
Goodwill	777	776	1
Other intangible fixed assets	136	142	-6
Tangible fixed assets	53	57	-4
Other fixed assets	122	124	-2
Total fixed assets	1,088	1,099	-11
Working capital	194	149	45
Cash at banks and in hand	97	301	-204
Share capital	493	474	19
Subordinated loans	179	191	-12
Provisions	36	38	-2
Deferred tax liability	52	53	-1
Long term borrowings bank	237	244	-7
Derivatives	2	4	-2
Short term borrowings	380	544	-164

**Net financial senior debt (excluding Start subordinated loan of 88 mln euro and convertible bond of 91 million euro): 520 million euro**

# Cash Flow statement

In million euro	Q1 2006	Q1 2005
Cash flow from operating activities	41.6	4.3
Change in working capital	-45.0	-7.2
Change in other short term liabilities	-6.4	-1.8
Cash flow from investments	-1.1	-2.5
Cash flow from financing activities	-192.8	12.7
<b>Increase/decrease of cash at banks and in hand</b>	<b>-203.7</b>	<b>5.5</b>
<i><b>Movement of cash at banks and in hand</b></i>		
Cash at banks and in hand at Januari 1	300.8	22.6
Increase/decrease of cash at banks and in hand	-203.7	5.5
<b>Cash at banks and in hand at March 31</b>	<b>97.1</b>	<b>28.1</b>

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# Outlook

- We expect positive trends for revenue and profitability to continue in 2006
- Focus on autonomous revenue growth and further roll-out speciality activities in France, Italy and Spain
- Operating margin target of minimal 6.5% reconfirmed
- Generate free cash flow by improve working capital usage and by bringing DSO down

# Q1 results 2006



Thank you, questions?