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Press Release

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ManpowerGroup Employment Outlook Survey

3Q17 FRANCE OUTLOOK: POSITIVE HIRING INTENTIONS FOR THE FIFTH CONSECUTIVE QUARTER

EMPLOYERS IN THE WHOLESALE & RETAIL TRADE SECTOR ARE THE MOST OPTIMISTIC FOR THE QUARTER AHEAD

- For the fifth quarter in a row, employers surveyed by ManpowerGroup in France report positive hiring intentions. Once the data is adjusted to allow for seasonal variations, the Outlook stands at +2% for Q3 2017. Hiring intentions remain stable quarter-over-quarter and improve by 1 percentage point year-over-year.
- For the July-September time frame, 7% of the employers surveyed plan on an increase in their workforce, while 3% of them plan on a decrease. Nearly 9 out of 10 employers expect to leave their workforce unchanged in the next quarter.
- Employers in three of the five regions covered by the survey report positive hiring activity for the quarter ahead. With an Outlook standing at +10%, the West Centre employment forecast is at its strongest since Q4 2012. The Net Employment Outlook is also positive for the North and the East Centre regions, reaching respectively +4% and +2%. Employers in the South region report the only forecast for flat payroll growth in the quarter to come, while employers in the Paris region are the most pessimistic, reporting the only negative forecast of the quarter with a Net Employment Outlook standing at -3% for Q3 2017.
- In a quarter-over-quarter comparison, the Net Employment Outlook improves in two regions and decreases in three. An improvement of 15 percentage points in the Outlook is reported in the West Centre region while employers in the North report an improvement of 1 percentage point. The quarter-over-quarter Outlook declines by 2 percentage points in the East Centre and by 5 percentage points in the Paris and the South regions.
- Year-over-year, the Outlook increases in two out of the five regions and decreases in three. The forecast is up 10 percentage points in the West Centre region and 5 percentage points in the North region. It decreases by 3 percentage points in the Paris region and by 4 percentage points in the East Centre and the South regions.
- For Q3 2017, payrolls are expected to increase in five out of the 10 industry sectors surveyed. For the quarter ahead, employers in the Wholesale & Retail Trade sector are the most optimistic with a Net Employment Outlook of +11%, the strongest forecast since the ManpowerGroup Employment Outlook Survey initiated. Positive Outlooks are also reported in the Restaurant & Hotels (+8%), Public & Social (+2%), Manufacturing (+1%), and Transport, Storage & Communication (+1%) sectors. Conversely, employers in the

Agriculture, Hunting, Forestry & Fishing (-6%) are the most pessimistic for the quarter ahead, followed by those in the Electricity, Gas & Water (-4%), the Finance & Business Services (-4%), the Mining & Quarrying (-3%), and the Construction (-1%) sectors.

- **When compared with the previous quarter, hiring prospects improve in only four out of the 10 industry sectors surveyed. The strongest improvement in the Outlook is reported by employers in the Wholesale & Retail Trade sector with an increase of 9 percentage points. Overall, hiring prospects improve in the Restaurant & Hotels (up 6 percentage points), the Mining & Quarrying (up 2 percentage points), and the Public & Social (up 2 percentage points) sectors. When compared with the last quarter, hiring prospects decrease in six sectors, most notably in the Construction and the Finance & Business Services sectors, with Outlooks declining 9 percentage points in both. The hiring prospects for the Transport, Storage & Communication sector, the Electricity, Gas & Water sector, the Agriculture, Hunting, Forestry & Fishing sector and the Manufacturing sector are down 7, 2, 1, and 1 percentage points, respectively.**
- **Year-over-year, hiring prospects increase in four out of 10 industry sectors. Again, the most notable increase in the Outlook is reported by employers in the Wholesale & Retail Trade sector (up 12 percentage points), slightly followed by the Restaurant & Hotels sector (up 10 percentage points). Conversely, the most noteworthy decline is reported by employers in the Agriculture, Hunting, Forestry & Fishing sector, down 11 percentage points.**
- **For Q3 2017, all four organization-size categories forecast an increase in their hiring activities with a Net Employment Outlook for the coming quarter of +12% for Large businesses, +8% for Medium businesses, and +2% for both Small and Micro businesses.**
- **Employers surveyed by ManpowerGroup in the Europe, Middle East & Africa (EMEA) region report almost exclusively positive hiring intentions for the quarter ahead with 23 countries planning to add to their payrolls during the next three months.**
- **For Q3 2017, employers in Hungary, Turkey, and Romania are the most optimistic among the EMEA region with a Net Employment Outlook for the coming quarter reaching +20%, +15%, and +14%, respectively. The weakest outlook of the region for sixth quarter in a row is reported in Italy with a NEO of -2%.**

WEST CENTRE STANDS OUT AS EMPLOYERS IN THREE OUT OF FIVE REGIONS REPORT POSITIVE OUTLOOKS FOR THE NEXT QUARTER

NOTE: The following Net Employment Outlooks (NEO) have been seasonally adjusted.

For Q3 2017, employers in three out of five regions forecast an increase in their workforces with a Net Employment Outlook of +10% for the West Centre region, +4% for the North, and +2% for the East Centre. Conversely, employers in the Paris regions forecast a contraction of their workforce with a NEO reaching -3% while the South region's employers foresee no change in payroll levels for the quarter to come.

Quarter-over-quarter, employers report an improvement of hiring intentions in only two of the five regions. Hiring prospects in the West Centre and North regions are respectively up 15 and 1 percentage points. Meanwhile, the Outlook weakens by 5 percentage points in the Paris and the South regions. Hiring intentions are also down 2 percentage points in the East Centre region.

Year-over-year, the Net Employment Outlook increases in two regions and decreases in three. Forecasts increase by 10 and 5 percentage points respectively in the West Centre and the North regions. Forecasts for the East Centre, the South, and the Paris regions declines by 5, 5, and 2 percentage points respectively.

The following content examines changes in the Net Employment Outlook for Q3 2017 for all five regions, compared with the Outlooks for the previous quarter (Q2 2017) and figures for the same period last year (Q3 2016).

- Employers in the **West Centre** region expect their strongest payroll gains since Q2 2012, reporting a Net Employment Outlook of **+10%** for the July-September time frame. The Outlook is up 15 percentage points quarter-over-quarter and up 10 percentage points year-over-year.
- A positive hiring pace is expected for the upcoming quarter in the **North** region, with a Net Employment Outlook of **+4%**. Consistently, hiring plans increase by 1 percentage point quarter-over-quarter and by 5 percentage points year-over-year.
- In the **East Centre** region, job seekers can also expect a positive hiring activity during the coming quarter with a Net Employment Outlook standing at **+2%**. Although, the Outlook is 2 percentage points weaker quarter-over-quarter and decreases by 4 percentage points year-over-year.
- Employers in the **South** region anticipate no change in their workforce for the July-September time frame. Nevertheless, the Outlook declines by 5 percentage points quarter-over-quarter and by 4 percentage points year-over-year.
- Employers in the **Paris** region are the most pessimistic for the quarter to come with a Net Employment Outlook forecast of **-3%**, the only negative forecast for the quarter to come. The Outlook declines by 5 percentage points quarter-over-quarter, and by 3 percentage points year-over-year.

POSITIVE HIRING INTENTIONS IN FIVE OUT OF THE 10 SECTORS SURVEYED

Employers in five out of the 10 industry sectors surveyed forecast an increase in their payroll for the next three months. The strongest hiring climate is anticipated in Wholesale & Retail Trade sector where the Net Employment Outlook stands at +11%. Positive signs are also reported in the Restaurants & Hotels, Public & Social, Manufacturing, and Transport, Storage & Communication sectors with Outlooks reaching +8%, +2%, +1%, and +1%, respectively. Employers in the five other sectors expect to reduce their payroll in the quarter to come, most notably in the Agriculture, Hunting, Forestry & Fishing (-6%), the Electricity, Gas & Water (-4%), the Finance & Business Services (-4%), the Mining & Quarrying (-3%), and the Construction (-1%) sectors.

Compared with the previous quarter at the same period, the most notable change in the Outlooks is reported by employers in the Wholesale & Retail Trade (up 9 percentage points), the Construction, and the Finance & Business Services sectors (both down 9 percentage points).

- Employers in the **Wholesale & Retail Trade** sector report the strongest hiring activity for Q3 2017 with a Net Employment Outlook standing at **+11%**, reaching its most optimistic level since the initiation of the ManpowerGroup Employment Outlook Survey. Hiring intentions are 9 percentage points stronger quarter-over-quarter and up 12 percentage points year-over-year.
- In the **Restaurants & Hotels** sector, employers forecast a substantial growth of their payroll for the next three months, with a Net Employment Outlook reaching **+8%**. Hiring intentions are 6 percentage points stronger quarter-over-quarter and up 10 percentage points year-over-year.
- With a Net Employment Outlook standing at **+2%**, employers in the **Public & Social** sector anticipate a cautious hiring pace for the quarter to come. The Outlook is 2 percentage points stronger quarter-over-quarter and improves by 4 percentage points year-over-year.

- Employers in the **Manufacturing** sector expect their workforce to increase at a subdued pace for the forthcoming quarter, with a Net Employment Outlook reaching **1%**. Hiring plans are down 1 percentage point quarter-over-quarter and down 4 percentage points when compared with Q3 2016.
- In the **Transport, Storage & Communication sectors** sector, employers are anticipating a cautious hiring pace for the next three months, with a Net Employment Outlook standing at **+1%**. Hiring prospects are down 7 percentage points quarter-over-quarter and down 4 percentage points year-over-year.
- With a Net Employment Outlook at **-1%**, employers in the **Construction** sector anticipate a disappointing labor market for the quarter to come. The Outlook is down 9 percentage points in a quarter-over-quarter perspective and decreases by 3 percentage points year-over-year.
- In the **Mining & Quarrying** sector, employers expect the labor market to tighten during the next three months with a Net Employment Outlook reaching **-3%**. Hiring plans are up 2 percentage points quarter-over-quarter and 1 percentage point year-over-year.
- An adverse hiring climate is reported in the **Electricity, Gas & Water** sector for the July-September time frame, with a Net Employment Outlook standing at **-4%**. Consequently, hiring intentions are 2 percentage points weaker quarter-over-quarter but stable year-over-year.
- In the **Finance & Business Services** sector, employers are also facing an adverse hiring pace for the next three months, with a Net Employment Outlook standing at **-4%**. Hiring prospects are down 9 percentage points quarter-over-quarter and down 7 percentage points year-over-year.
- Employers in the **Agriculture, Hunting, Forestry & Fishing** sector report the most pessimistic hiring prospects for the upcoming quarter with a negative Net Employment Outlook reaching **-6%**. The Outlook worsen by 1 percentage point in a quarter-over-quarter comparison and decreases by 11 percentage points year-over-year.

A GLOBAL LABOUR MARKET THAT REMAINS ALMOST EXCLUSIVELY FAVORABLE TO JOB SEEKERS

- **Globally, employers in 41 of 43 countries and territories surveyed intend to add to their payrolls during the July-September time frame.** In a quarter-over-quarter comparison, forecasts increase in 16 countries and territories, decrease in 16 and remain unchanged in 10. Year-over-year, forecasts improve in 25 countries and territories, decline in 15, and remain unchanged in two.
- **Q3 2017 hiring confidence is the strongest in Taiwan, Japan, and Hungary. The weakest forecast is reported in Italy with NEO standing at -2%, reaching its weakest level since Q4 2015. Employers in Hungary report their most optimistic forecasts since their surveys started, with NEOs of +20% while Brazil's employers report a positive forecast, the first since Q2 2015, with the NEO standing at +2%**

➡ In the EMEA Region, Positive Forecasts Dominate the Labor Market

- **In the Europe, Middle East & Africa (EMEA) region, employers in 22 countries out of the 24 surveyed expect workforce gains.** In a quarter-over-quarter comparison, hiring intentions improve in 8 countries, weaken in 10 and remain stable in six. When compared to Quarter 3 2016, employer confidence is stronger in 14 countries and weaker in 10.

- Opportunities for job seekers are expected to be the strongest in **Hungary** (+20%), and **Turkey** (+15%). The weakest and only negative forecast is reported in **Italy** with a Net Employment Outlook of -2%.

➡ All Employers in the Americas Expect Second-Quarter Payroll Growth

- **All 10 countries surveyed in the Americas report positive hiring plans for the quarter to come.** After nine consecutive quarters of reporting negative forecasts, employers in Brazil now expect to grow payrolls over the next three months and the Outlook grows to **+2%**. When compared with the previous quarter, the Outlook increases in six countries, declines in three and remains stable in one. In a year-over-year comparison, forecasts strengthen in six countries, declines in three and stay stable in one.
- Hiring intentions for Q3 2017 are the strongest in the **United States** (+17%), **Mexico** (+14%), **Colombia** (+13%) and **Costa Rica** (+12%).

➡ Positive forecasts reported throughout the Asia-Pacific Region.

- **Payrolls are expected to increase in all eight Asia Pacific countries and territories.** However, in a quarter-over-quarter comparison, the hiring pace improves in two out of the eight countries and territories, declines in three and remains stable in three. In a year-over-year comparison, the Outlook improves in five countries and territories, weakens in two and stay stable in one. Employers in **Taiwan** and **Japan** now report the most optimistic regional and global hiring plans (24%). **China** and **Singapore**'s employers are the most pessimistic of the region for the coming quarter, with employers in both reporting a Net Employment Outlook of +4%.

ManpowerGroup Employment Outlook Survey – Quarter 4 2017
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About the survey

The ManpowerGroup Employment Outlook Survey for the third quarter of 2017 was conducted from April 19 until May 2, 2017 with over 58,000 employers in 43 countries and territories, including both private companies and public bodies, of which 1,003 are based in France. The study involved analyzing data obtained in response to a single question: "How do you anticipate total employment at your location to change in the three months to the end of September 2017 as compared to the current quarter?" Throughout the report, we use the term "Net Employment Outlook." This figure is derived by taking the percentage of employers anticipating total employment to increase and subtracting from this the percentage expecting to see a decrease in employment at their location in the next quarter. The result of this calculation is the Net Employment Outlook, which may be positive or negative. Data have been seasonally adjusted to provide a more realistic assessment in each case. These adjustments smooth out the impact of seasonal variations, which generally occur during the same periods each year. Adjusted data is therefore more representative in the long term. Data is not seasonally adjusted for Portugal.

Data on all 43 countries is available through our new interactive resource, "ManpowerGroup Employment Outlook Explorer": <http://manpowergroupsolutions.com/DataExplorer/>

About ManpowerGroup

ManpowerGroup™ (NYSE: MAN) has been the world's workforce expert, creating innovative workforce solutions, for nearly 70 years. As workforce experts, we connect more than 600,000 people to meaningful work across a wide range of skills and industries every day. Through our ManpowerGroup family of brands — Manpower®, Experis™, Right Management® and ManpowerGroup® Solutions— we help more than 400,000 clients in 80 countries and territories address their critical talent needs, providing comprehensive solutions to resource, manage and develop talent. In 2016, ManpowerGroup was named one of the World's Most Ethical Companies for the sixth consecutive year and one of Fortune's Most Admired Companies, confirming our position as the most trusted and admired brand in the industry. See how ManpowerGroup makes powering the world of work humanly possible: www.manpowergroup.com

About ManpowerGroup France

ManpowerGroup, *HR Experts for a World of Challenges*, provides a portfolio of services in France ranging from temporary employment and permanent recruitment (Manpower), skills assessment and training to skills development (FuturSkill), recruitment of high-level experts and professional services (Experis), outsourcing and consulting (ManpowerGroup Solutions), career management and outplacement (Right Management). With 7,500 employees in France, ManpowerGroup generates a €4.4 billion turnover in 2016. <http://www.manpowergroup.fr/>

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