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CZECH EMPLOYERS´ HIRING INTENTIONS REMAIN CAUTIOUSLY OPTIMISTIC FOR 2Q 2016

Prague, 8th March – ManpowerGroup Czech Republic releases today results of the Manpower Employment Outlook Survey for the second quarter of 2016.

Czech employers report conservative hiring intentions for 2Q 2016. With 7% of employers forecasting an increase in staffing levels, 3% anticipating a decrease and 89% expecting no change. Once seasonal variations are removed from the data, the resulting Net Employment Outlook is +2%.

“Clearly, a Net Employment Outlook of +2% reflects a very conservative hiring environment. But the second-quarter forecast seems consistent with what we’ve recently seen in the labour market, and it certainly doesn’t signal any widespread contraction of payrolls. The number of unemployed people dropped by 100 thousand in a year-over-year comparison which means a decrease of nearly 20%. Unemployment in the Czech Republic and in Germany is the lowest in the EU and as it shows from the results of Manpower Employment Outlook Survey, it may reach the same low level as in 2008. It is a great news for candidates seeking better jobs. At the same time it is a big challenge for the employers, who cannot find suitable candidates for the jobs from qualified positions to manufacturing operators. The market suffers from lack of IT specialists, mechanical engineers, or craftsmen. The Czech companies have thousands of vacant jobs in production and logistics. But it is clearly evident that the labour market is very rigid and despite the fact that there are some 200 thousand jobs in the market, over 450 thousand people are still registered as unemployed in the labour office. The biggest challenge for companies, state and for each individual is to eliminate this discrepancy in the most effective way,” said Jaroslava Rezlerová, Managing Director of ManpowerGroup Czech Republic and Slovakia.

Industry sector comparisons

Employers in seven of the 10 industry sectors expect payrolls to grow during the April-June time frame. Electricity, Gas & Water Supply sector employers anticipate the strongest labor market, reporting a Net Employment Outlook of +10%. Elsewhere, Wholesale & Retail Trade sector employers report encouraging signs for job seekers with an Outlook of +7%, while the Outlook for the Transport, Storage & Communication sector stands at +5%. Meanwhile, employers in three sectors forecast a decline in staffing levels, including the Public & Social sector and the Mining & Quarrying sector, with Outlooks of -3% and -2%, respectively. When compared with the previous quarter, hiring prospects improve in six of the 10 industry sectors. A considerable increase of 11 percentage points is reported for the Agriculture, Hunting, Forestry & Fishing sector, while the Mining & Quarrying sector Outlook is 4 percentage points stronger. However, hiring intentions weaken in three sectors, most notably by 10 percentage points in the Public & Social sector, and by 3 percentage points in the Restaurants & Hotels sector.

Regional comparisons

Job gains are forecast by employers in two of the three regions in the April-June time frame. Prague employers report encouraging signs for job seekers with a Net Employment Outlook of +7%, while the Outlook for Moravia stands at +5%. However, Bohemia employers



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anticipate an uncertain hiring climate with an Outlook of -1%. When compared with the previous quarter, Prague employers report an improvement of 4 percentage points, but the Outlook for Bohemia is 3 percentage points weaker. Moravia employers report relatively stable hiring intentions.

Organization Size Comparisons

Participating employers are categorized into one of four organization sizes: Micro businesses have less than 10 employees; Small businesses have 10-49 employees; Medium businesses have 50-249 employees; and Large businesses have 250 or more employees.

Global overview

ManpowerGroup's second-quarter research reveals that job gains are expected in 39 of 42 countries and territories during the April-June time frame. However, despite little indication of labor market contraction, hiring intentions in most countries and territories continue to remain modest. In fact, some key labor markets, such as Germany, France and Italy, are clearly struggling to gain traction amid the current economic uncertainty. Faced with the slowdown in China and ongoing turmoil in commodity markets, most employers across the globe appear to be taking the measured approach of adding staff only when needed. Despite some anticipated job gains, actual job growth is expected to slow by varying degrees with employers in a slim majority of countries and territories scaling back their hiring plans in both quarter-over-quarter and year-over-year comparisons. Hiring plans strengthen in only eight of 42 countries and territories when compared with the first three months of 2016 and weaken in 22. Outlooks improve in 12 countries and territories when compared with Quarter 2 2015 but decline in 23. Second-quarter hiring confidence is strongest in India, Japan, Taiwan, Colombia and Guatemala, while the weakest hiring prospects are reported in Brazil, France and Italy.

The next Manpower Employment Outlook Survey results will be published on 14th June 2016.

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Note to Editors

Commentary is based on seasonally adjusted data where available. Full survey results for each of the 42 countries and territories included in this quarter's survey, plus regional and global comparisons, can be found in the ManpowerGroup Press Room at www.manpowergroup.com/meos. In addition, all tables and graphs from the full report are available to be downloaded for use in publication or broadcast from the ManpowerGroup Web site at: <http://www.manpowergroup.com/press/meos.cfm>

ManpowerGroup has also released its Manpower Employment Outlook Survey Explorer tool, a new interactive way to examine and compare its data. The tool can be viewed at <http://www.manpowergroupsolutions.com/DataExplorer/>

This survey is conducted quarterly to measure employers' intentions to increase or decrease the number of employees in their workforce during the next quarter. The Czech Republic is one of 42 countries and territories participating in the quarterly



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measurement of employer hiring intentions. The survey for Quarter 2 2016 was conducted by interviewing a representative sample of 750 employers in the Czech Republic and asking the same question: “How do you anticipate total employment at your location to change in the three months to the end of June 2016 as compared to the current quarter?”

The global Manpower Employment Outlook Survey has been running more than 50 years, and uses a validated methodology in accordance with the highest standards in market research. This survey helps to identify the hiring intentions of both regional and industry sector employers, and facilitates preparation for labor market pressures.

About the Survey

The global leader in innovative workforce solutions, ManpowerGroup releases the Manpower Employment Outlook Survey quarterly to measure employers’ intentions to increase or decrease the number of employees in their workforce during the next quarter. It is the longest running, most extensive, forward-looking employment survey in the world, polling over 58,000 employers in 42 countries and territories. The survey serves as a bellwether of labor market trends and activities and is regularly used to inform the Bank of England’s Inflation Reports, as well as a regular data source for the European Commission, informing its EU Employment Situation and Social Outlook report the *Monthly Monitor*. ManpowerGroup’s independent survey data is also sourced by financial analysts and economists around the world to help determine where labor markets are headed.

About ManpowerGroup™

ManpowerGroup® (NYSE: MAN) is 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

In January 2011, at the World Economic Forum Annual Meeting in Davos, Switzerland, ManpowerGroup announced the world has entered the Human Age, where talent has replaced capital as the key competitive differentiator. This concept of talentism as the new capitalism continues to resonate and was echoed as a core theme of the 2012 Annual Meeting of the World Economic Forum in Davos. Learn more about this new age at www.manpowergroup.com/humanage.

Gain access to ManpowerGroup’s extensive thought leadership papers, annual Talent Shortage surveys and the Manpower Employment Outlook Survey, one of the most trusted indices of employment activity in the world, via the ManpowerGroup World of Work Insight iPad application. This thought leadership app explores the challenges faced by employers navigating the changing world of work and provides in-depth commentary, analysis, insight and advice on strategies for success.



Enter the Human Age at: www.manpowergroup.com/humanage

About ManpowerGroup Czech Republic

Through a network of over 25 offices, we provide staff (more than 6,000) for around 1,000 clients. With employment opportunities in the public and private sector, on both a permanent and temporary basis, we make it easy for people to find employment and for companies to find staff with the skills they need. Solutions include permanent and temporary positions, holiday, maternity or sick coverage, through to large workforce transformation and outsourcing contracts.

More information available on www.manpowergroup.cz