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First-Quarter ManpowerGroup Employment Outlook Survey Reveals:

Chinese employers report reserved hiring intentions in 1Q 2017

The strongest labor market is anticipated by Transportation & Utilities sector employers

- *Chinese employers report reserved hiring intentions for the January-March time frame. Once the data is adjusted to allow for seasonal variation, the Outlook stands at +4%. Hiring intentions remain relatively stable when compared with the previous quarter but dip 3 percentage points year-over-year.*
- *The strongest labor market is anticipated by Transportation & Utilities sector employers with a Net Employment Outlook of +8%. The weakest sector Outlooks of +3% are reported in the Mining & Construction sector and the Wholesale & Retail Trade sector.*
- *Employers report the strongest hiring intentions in the South and Shenzhen, with Net Employment Outlooks of +7%.*
- *Large employers report hopeful hiring intentions with a Net Employment Outlook of +15%.*
- *Globally, employers in 40 of 43 countries and territories intend to add to their payrolls by varying degrees. First-quarter hiring confidence is strongest in Taiwan, India and Japan.*

13 December 2016 [Shanghai, China]

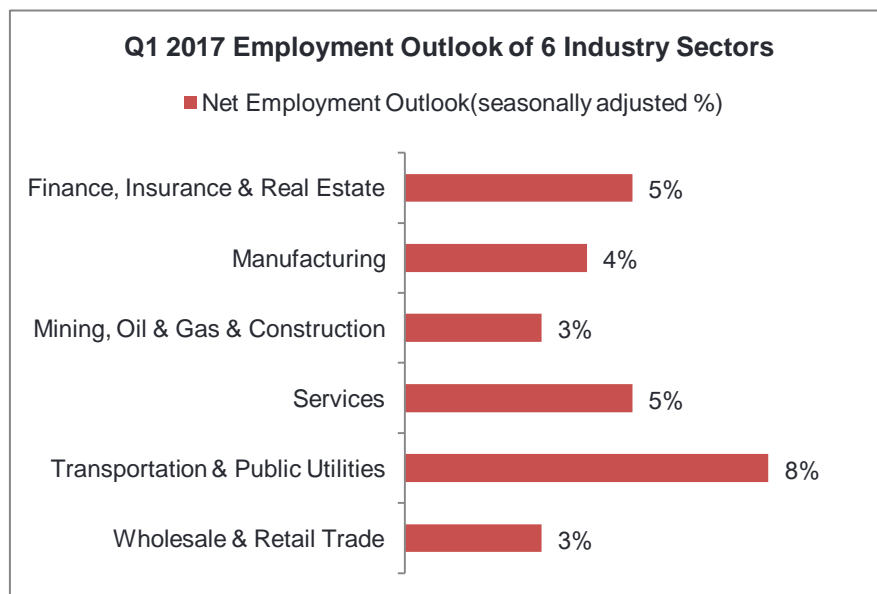
The First quarter 2017 ManpowerGroup Employment Outlook Survey report released by ManpowerGroup, the world leader in innovative workforce solutions, reveals Chinese employers report reserved hiring intentions for the January-March time frame. Employers report seasonally adjusted¹ Net Employment Outlook² of +4% for the next three months. Hiring intentions remain relatively stable when compared with the previous quarter but decline by 3 percentage points year-over-year.

“The first-quarter results indicate that Chinese employers continue to report modest first-quarter hiring intentions,” said Mr. Jinrong Zhang, Vice President, ManpowerGroup Greater China. “The survey reveals some signs that uncertainty associated with the Brexit vote or the U.S. is prompting many employers to delay immediate hiring decisions. Chinese employers understand that they are an integral part of the world's economic environment, especially multinational companies, so they are demonstrating prudence until global market trends become more firmly defined.”

The ManpowerGroup Employment Outlook Survey for the first quarter 2017 was conducted by interviewing a representative sample of 4,217 employers in China. Chinese employers report reserved hiring intentions for the January-March time frame. With 6% of employers anticipating an increase in staffing levels, 2% forecasting a decrease, 29% expecting no change and 63% reporting they don't know, the resulting Net Employment Outlook is +4%. Once the data is adjusted to allow for seasonal variation, the Outlook also stands at +4%. Hiring intentions remain relatively stable when compared with the previous quarter but decline by 3 percentage points year-over-year.

Hiring prospects forecast to be strongest employers in Transportation & Utilities sector

Staffing levels are forecast to grow in all six industry sectors during the next three months. The strongest of the six industry sector Outlooks is +8%, reported for the Transportation & Utilities sector. The Outlook improves by 2 percentage points quarter-over-quarter and remains relatively stable year-over-year. The weakest sector Outlooks of +3% are reported in the Mining & Construction sector and the Wholesale & Retail Trade sector. When compared with 1Q 2016, Outlooks weaken in four of the six industry sectors, most notably by 5 and 4 percentage points for the Wholesale & Retail Trade sector and the Services sector, respectively.



Source: ManpowerGroup Employment Outlook Survey

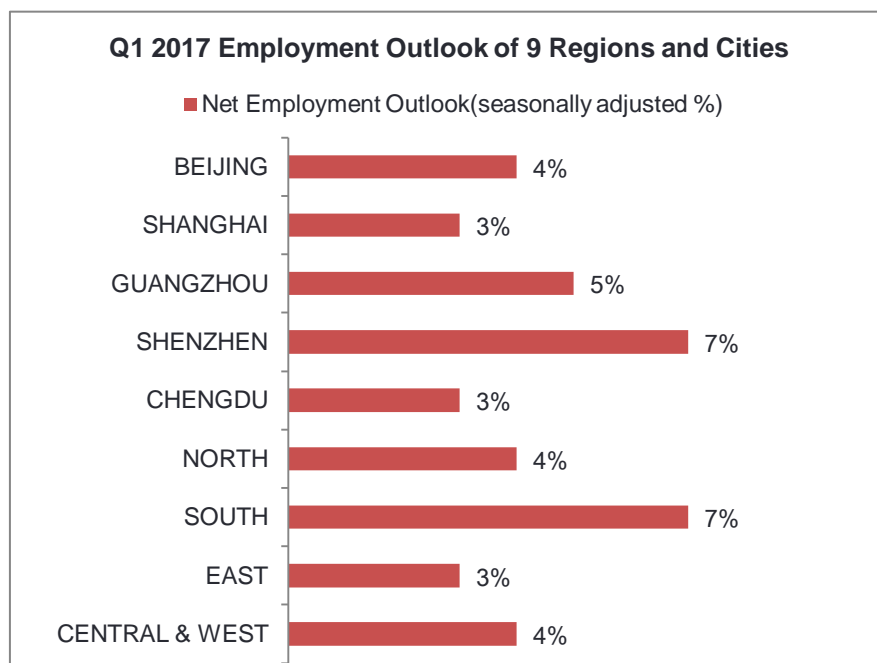
“The hiring pace in five of six industry sectors has dropped slightly or remains relatively stable except Transportation & Public Utilities sector when compared to the previous quarter.” mentioned Mr. Jinrong Zhang, “Job opportunities are growing in the transportation & public utilities sector thanks to the government to boost infrastructure investment and more overseas high-speed rail projects. China is on track to fulfill its annual railway investment target as its fixed-asset investment for the sector hit 542.3

billion Yuan in the first three quarters, up 10.3 percent year on year, according to the latest data. This trend has increased the demand for talents in this field.”

“With the shift from 'made in China' to 'intelligent manufacturing in China', talent demand will change from quantity to quality in the manufacturing sector,” noted Mr. Jinrong Zhang. “The use of automatic equipment or robots will replace more and more workers. This means more and more companies have to lay off workers with the industrial upgrading and shift the focus of their search for talent on advanced skills for innovation.”

Employers in the South and Shenzhen report the strongest regional hiring intentions among Mainland China’s nine regions and cities³

Once the data is adjusted to allow for seasonal variation, Payrolls are expected to grow in all nine regions during the first quarter of 2017. Employers report the strongest hiring intentions in the South and Shenzhen, with Net Employment Outlooks of +7%. Employers report relatively stable hiring prospects in the South and Shenzhen both quarter-over-quarter and year-over-year. The East, Shanghai and Chengdu employers report the weakest regional forecast with Outlooks of +3%. When compared with the previous quarter, hiring intentions are 3 percentage points weaker in the East and Shanghai, while Outlooks decline by 2 percentage points in Chengdu.



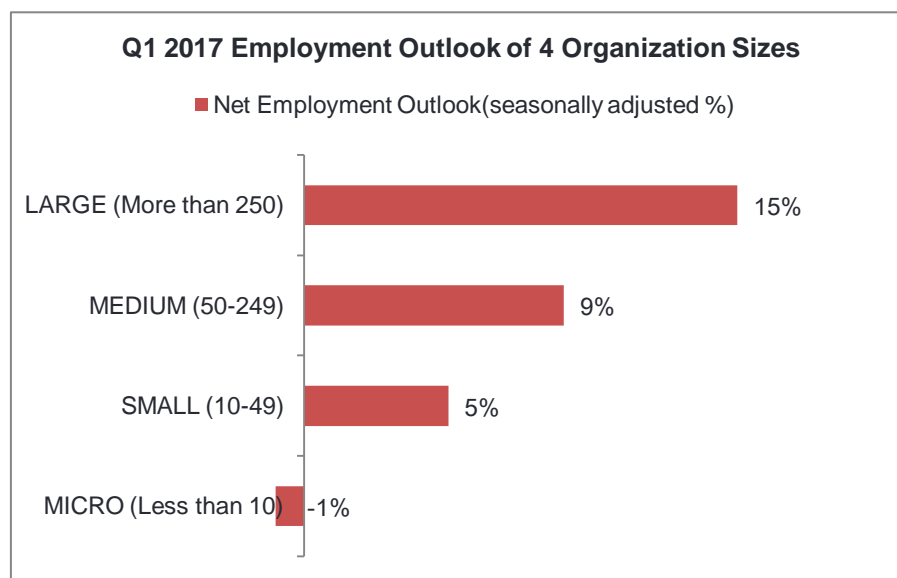
Source: ManpowerGroup Employment Outlook Survey

“Shenzhen is evidently turning into a gathering place for innovative companies. This development of emerging industries is helping to create more jobs. Data shows that GDP of Shenzhen has grown by 8.7% in the first three quarters of 2016, 2 percentage points higher than

Chinese GDP,” commented Mr. Jinrong Zhang, “Moreover, being close to an international financial centre and to a big port is one of the most powerful and significant forces in Shenzhen's economy and job growth.”

Employers in Large-size employers⁴ forecast the most upbeat hiring intentions

Staffing levels are expected to increase in three of the four organization size categories during the first quarter of 2017. Large employers report hopeful hiring intentions with a Net Employment Outlook of +15%, while Outlooks stand at +9% and +5% for Medium- and Small-size employers, respectively. However, Micro employers report subdued hiring plans with an Outlook of -1%.



Source: ManpowerGroup Employment Outlook Survey

“Large enterprises are adopting continuous acquisition of new technologies. It can be prospected that this trend will be continuing.” addressed Mr. Jinrong Zhang, “Increased innovation spending will raise the demand for the innovative talents.”

Globally, strongest hiring intentions reported in Taiwan.

ManpowerGroup interviewed nearly 59,000 employers across 43 countries and territories to forecast labor market activity* in Quarter 1 2017.

Employers in 40 of 43 countries and territories intend to add to their payrolls by varying degrees at the start of 2017, and the survey reveals few signs that uncertainty associated with the Brexit vote or the U.S. election will result in any significant labor market volatility. Instead, employers appear content to keep a watchful eye on marketplace conditions and adjust workforce levels according to their business needs. Hiring plans improve in 19 of 43 countries and territories when compared quarter-over-quarter, decline in

17, and are unchanged in seven. Outlooks strengthen in 20 countries and territories year-over-year, weaken in 18, and are unchanged in four. First-quarter hiring confidence is strongest in Taiwan, India, Japan, Hungary and Slovenia. The weakest forecasts are reported in Brazil, Switzerland and Italy.

Employers in all eight Asia Pacific countries and territories expect workforce gains in the January-March time frame. When first-quarter forecasts are compared with the final three months of 2016, hiring plans strengthen in three countries/territories, weaken in three and are unchanged in two. In a year-over-year comparison hiring is expected to accelerate only in New Zealand, slow in five other countries/territories and remain unchanged in two. Taiwanese employers expect the strongest hiring pace in the region as well as across the globe. Meanwhile, Chinese employers report the region's most cautious hiring plans.

Job gains are expected in nine of the 10 countries surveyed in the Americas. Hiring confidence strengthens in four countries, declines in four, and is unchanged in two when compared to the final three months of 2016. Year-over-year, hiring prospects improve in four countries but weaken in the remaining six. The strongest first-quarter hiring plans are reported in both Guatemala and the United States, while employers in Brazil expect payrolls to shrink for the eighth consecutive quarter and report the weakest hiring plans across the region as well as across the globe.

Employers expect staffing levels to increase by varying degrees in 23 of 25 countries in the Europe, Middle East & Africa (EMEA) region. When compared quarter-over-quarter, hiring plans improve in 12 countries, weaken in 10 and are unchanged in three. In a year-over-year comparison, outlooks improve in 15 countries, decline in seven and are unchanged in two.** The region's most optimistic first-quarter hiring plans are reported in Hungary and Slovenia with employers in both countries expecting the strongest labor market activity since the surveys were launched in their respective countries. Conversely, the weakest employer sentiment is reported in Switzerland where the outlook slips into negative territory for the first time in two years and in Italy where labor market activity is expected to be flat in the first three months of the year.

* Data is not seasonally adjusted for Portugal

** Portugal joined the survey in Quarter 3 2016 and has no year-over-year trend data to compare at this point.

The ManpowerGroup Employment Outlook Survey is available free of charge to the public through http://www.manpower.com.cn/Employment_Outlook_Survey.html In addition, results for all 43 countries can be viewed in the new interactive [ManpowerGroup Employment Outlook Survey Explorer tool](#). The next ManpowerGroup Employment Outlook Survey will be released on 14 March 2017 to report hiring expectations for the second quarter of 2017.

Note To Editor

1. Seasonally adjusted data is a statistical process that allows us to present the survey data without the effect of fluctuations that normally occur through the course of the year, as a result of seasonal events such as changes in weather, public holidays, etc. Removal of the seasonal effect gives us the ability to observe the current labor market trends more meaningfully. All industry sector data reported above is seasonally adjusted. Regional and city data has not been adjusted to account for seasonal variation.
 2. The Net Employment Outlook is derived by taking the percentage of employers anticipating an increase in hiring activity less the percentage of employers who expect to reduce their workforces.
 3. Since Q1 2012, the previous 16 cities surveyed in mainland China are collected into 9 regions and cities. The five cities include Beijing, Shanghai, Guangzhou, Shenzhen, and Chengdu. The four regions include North, South, East and Central & West. The North region includes Beijing, Tianjin, Dalian and Chengdu, while the South region includes Guangzhou, Shenzhen, Xiamen and Changsha. The East region includes Shanghai, Nanjing, Suzhou and Hangzhou; and the Central & West region includes Chengdu, Chongqing, Xi'an and Wuhan.
 4. Since Q1 2015, ManpowerGroup Employment Outlook Survey shows the organization sizes data. 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.
- Full survey results for each of the 43 countries and territories included in this quarter's survey, plus regional and global comparisons, can be found at <http://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_landing.cfm

About the Survey

The global leader in innovative workforce solutions, ManpowerGroup releases the ManpowerGroup 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 nearly 59,000 employers in 43 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 China

As workforce expert, ManpowerGroup has rooted in China for more than 20 years, we provide comprehensive human resource solutions through our local expertise as well as combination of global resources and experience.

ManpowerGroup China boasts over 5,000 multinational and local companies, and increases over 5,000,000 selected middle-to-senior managing talents every year. We provide customized solutions for companies to fit their talent needs and achieve business strategic goals, including recruitment services, employment services, talent management and talent strategy. Also our products and services cover talents career cycle, including job seeking, job consultation, career development, skill advancement and career transition. In 2016, ManpowerGroup China was awarded “Asia-Pacific Human Resources Service Leading Enterprise Award” and “The Best HR Outsourcing Provider in Greater China (Foreign Company)”.

ManpowerGroup provides comprehensive solutions for companies and individuals through ManpowerGroup Solutions, Experis, Manpower, Right Management and two investments in China ReachHR and XAFesco.

ManpowerGroup China, as a socially responsible organization, took the ownership to build and operate Manpower Ningqiang Elementary School in China Wenchuan, the hit area of the 5.12 earthquake.

For more information about ManpowerGroup China, please visit: www.manpower.com.cn