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CZECH EMPLOYERS REPORT LIMITED HIRING INTENTIONS FOR 2Q 2018

Prague, 13th March – ManpowerGroup Czech Republic releases today results of the ManpowerGroup Employment Outlook Survey for the second quarter of 2018.

Czech employers report subdued hiring plans for the second quarter of 2018 with a seasonally adjusted Net Employment Outlook of +1%. The Outlook declines by 3 and 5 percentage points from 1Q 2018 and 2Q 2017, respectively.

“Czech unemployment rate remains the lowest in Europe and GDP growth is one of highest but according to the ManpowerGroup Employment Outlook Survey for the 2nd quarter of 2018 we observe structure shifts in demand for new employees in the Czech economy. Our second-quarter forecast certainly doesn’t suggest that broad-based workforce contractions are in store, but it does suggest that the overall pace of hiring will slow slightly in comparison to the prior quarter and year. There is decrease in hiring intentions in manufacturing, logistics and increase in services. Anyway, overall hiring intentions remain positive for next quarter and good news is that 40 % of large companies plan to increase number of staff. In-demand profiles are now emphasizing specialized skills in IT, engineering, skill trades or non-qualified jobs in manufacturing and logistics. On the other hand, there is an oversupply in middle-class positions in the administration,” said Jaroslava Rezlerová, Managing Director of ManpowerGroup Czech Republic.

Industry sector comparisons

Staffing levels are forecast to decline in six of 10 industry sectors in the next three months, although workforce gains are anticipated in two of three regions. Hiring intentions weaken in seven sectors and two regions both quarter-over-quarter and year-over-year. Restaurants & Hotels sector employers report the most optimistic of the 10 industry sector forecasts with an Outlook of +12%. The Outlook is the strongest since the survey began 10 years ago, improving by 10 and 9 percentage points from 1Q 2018 and 2Q 2017, respectively. With a gloomy Outlook of -11%, Transport, Storage & Communication sector employers anticipate the weakest sector hiring activity. Hiring plans decline by 12 percentage points when compared with the previous quarter and decrease by a steep margin of 27 percentage points year-over-year, resulting in the weakest Outlook in five years.

Regional comparisons

In a regional comparison, employers in two regions report reserved hiring intentions with Outlooks of +2%. In Prague, the Outlook is 3 percentage points weaker quarter-over-quarter, while remaining unchanged year-over-year. Bohemia employers report declines of 5 and 2 percentage points from 1Q 2018 and 2Q 2017, respectively. The weakest regional forecast is reported in Moravia, where the Outlook of 0% is unchanged in comparison with 1Q 2018 but drops by a considerable 13 percentage points year-over-year.

Organization Size Comparisons

Employers in three of the four organization size categories expect to increase payrolls in 2Q 2018, including Large employers who report a bright Outlook of +37%. Meanwhile, Micro employers anticipate a flat labor market with an Outlook of 0%.



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Global overview

Employers forecast varying levels of job gains in 43 of 44 countries and territories during the April-June time frame, including Croatia where employers, surveyed for the first time, report healthy hiring intentions based on unadjusted survey data. When forecasts are compared with those reported in the first-quarter, hiring intentions improve in 17 countries and territories, decline in 17 and are unchanged in nine. Some upward momentum is detected in the year-over-year comparison with forecasts improving in 25 of 43 countries and territories, declining in 13, and remaining unchanged in five. Among the countries and territories featuring seasonally adjusted data, confidence is strongest in Taiwan, Japan, Hungary and the United States, while the weakest hiring prospects are reported in Italy, the Czech Republic and Switzerland.

The next ManpowerGroup Employment Outlook Survey featuring the forecast for the 3Q 2018 period will be published on 12th June 2018.

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Note to Editors

Commentary is based on seasonally adjusted data where available. Full survey results for each of the 44 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 ManpowerGroup 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 44 countries and territories participating in the quarterly measurement of employer hiring intentions. The survey for Quarter 2 2018 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 2018 as compared to the current quarter?"

The global ManpowerGroup Employment Outlook Survey has been running for more than 55 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 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,



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polling over 59,000 employers in 44 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 70 years. 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 2018, ManpowerGroup was named one of the World's Most Ethical Companies for the eighth 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 ManpowerGroup 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 35 offices, we provide staff (nearly 12,000) for around 1,200 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