

Under Embargo until 0:01, 12 June 2018

ManpowerGroup Employment Outlook Survey: Spanish hiring intentions remain positive in the third quarter

- Net Employment Outlook stands at +4%.
- By geographical zone, employers in the North West report the strongest hiring intentions with an Outlook of +3%.
- Employers in seven of the 10 industry sectors expect to increase staffing levels and the strongest labor market is anticipated by employers in the Restaurants & Hotels sector who report a Net Employment Outlook of 17%.
- At the international level, payrolls are expected to grow by varying margins in all countries and territories with the exception of Italy where the Outlook is negative for the second consecutive quarter.

12th June 2018.- According to the data from the **ManpowerGroup Employment Outlook Survey for the third quarter of 2018, hiring intentions among Spanish employers are cautious but remains relatively stable in comparison with 2Q 2018.** Thus, Spanish employers place the Net Employment Outlook at +4%, after applying seasonal adjustments, this figure declines by 2 percentage points in a year-over-year comparison.

According to **Raul Grijalba**, Spain Country Manager and Mediterranean Regional Managing Director at ManpowerGroup, "Although with a slight slowdown, Spain continues to grow, as does its labor market. This way, we are chaining fifteen consecutive quarters with favorable hiring intentions. Everything indicates that the Spanish economy could be, for the second consecutive year, creating more than 450,000 jobs and being the one that grows more in the EU, ".

Of the 1,000 Spanish employers who participated in the second-quarter survey, 8% plan to add to their workforce in the next three months, 4% intend to reduce staff and 86% plan no changes. Once the corresponding seasonal adjustments have been made, Spain's Net Employment Outlook stands at 3%.

The ManpowerGroup Employment Outlook Survey, which was conducted in Spain for the first time in 2003, analyzes the intention of employers worldwide to increase or reduce their teams quarterly, through interviews done by nearly 60,000 employers in 44 countries. All employers responded to the question, "How do you anticipate total employment at your location to change in the three months to the end of September 2018 compared to the current quarter?".

Payroll gains in four of the six regions

The study carried out by ManpowerGroup divides the country into six regions in order to calculate the outlook in each of them: Centre (Castile-La Mancha and Madrid); East (The Valencian Community and Murcia); North (Aragon, Cantabria, La Rioja, Navarre and the Basque Country); North East (The Balearic Islands and Catalonia); North West (Asturias, Castile and León, and Galicia); and South (Andalusia, The Canary Islands and Extremadura). Using this classification, the data anticipates payroll gains in four of the six regions and a flat labor market with Outlooks of 0% in the two other regions.

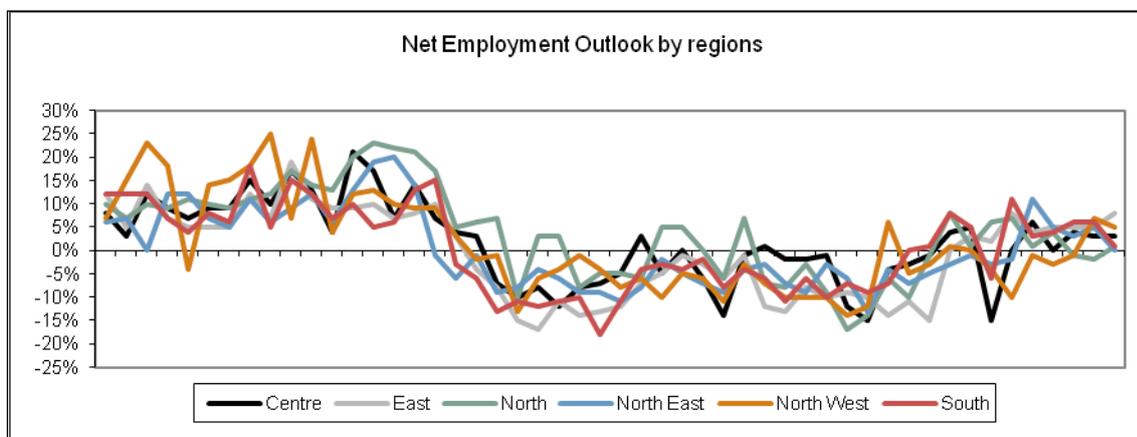
In concrete terms, employers in the North West show the most optimistic results, with a Net Employment Outlook of +3%, followed by those in the North East and the South (+2%), and the East (1%). Flat hiring activity is forecast in the Centre and the North with Outlooks of 0%.

Net Employment Outlook by regions					
Regions	3Q17	4Q17	1Q18	2Q18	3Q18
Centre	6%	6%	4%	0%	0%
East	8%	3%	5%	6%	1%
North	9%	10%	6%	7%	0%
North East	5%	4%	4%	3%	2%
North West	0%	-3%	4%	0%	3%
South	2%	4%	2%	1%	2%

Source: ManpowerGroup

Compared with 2Q 2018, Outlooks decline by 7 percentage points in the North and by 5 percentage points in the East. However, North West employers report an improvement of 3 percentage points, while hiring intentions remain relatively stable in both the North East and the South.

Compared to last year, hiring prospects weaken in four of the six regions. The most noteworthy decline of 9 percentage points is reported in the North, while employers report a decrease of 7 percentage points in the East. Outlooks also weaken in the Centre and in the North. Meanwhile, North West employers report an improvement of 3 percentage points.



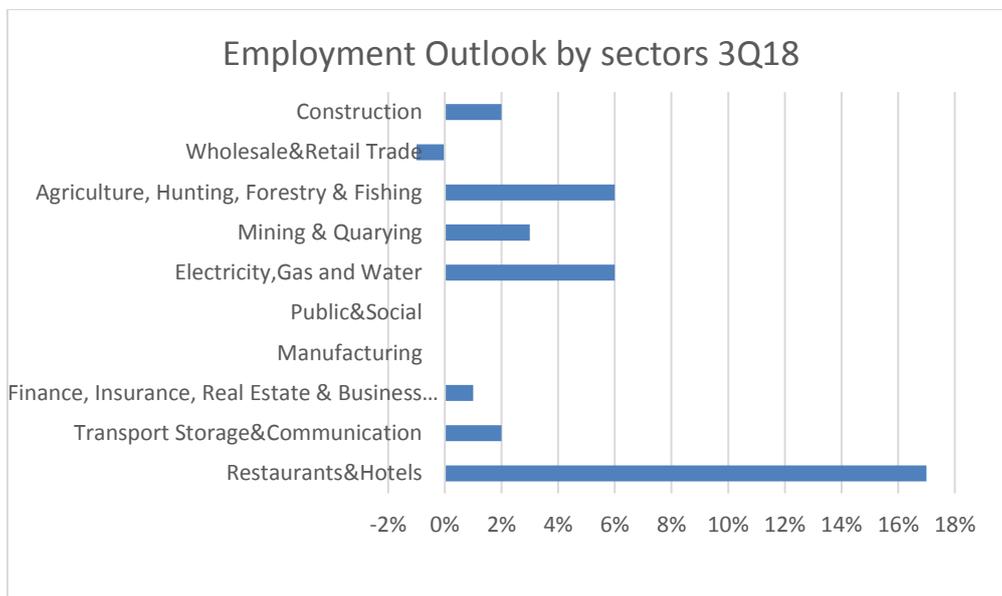
Source: ManpowerGroup



Employers in the Restaurant and Hotel sector report the strongest hiring intentions

In the ranking by industry sectors, employers in seven of the 10 sectors studied in the survey report increasing hiring prospects. The forecast among employers in the Restaurant & Hotel sector is the strongest, with a Net Employment Outlook of +17%. Following them are employers in the Agriculture, Hunting Forestry & Fishing sector and also at the Electricity, Gas & Water sector, with both a +6% Net Employment Outlook.

However, a flat hiring activity is anticipated in two sectors, the Manufacturing and the Public & Social sector, with Outlooks of 0%. Wholesale & Retail trade sector employers report uncertain hiring plans with an Outlook of -1%.



When compared with the previous quarter, Mining & Quarrying sector employers report moderately stronger hiring intentions with an improvement of 7 percentage points, and the Outlook for the Finance, Insurance, Real Estate & Business Services sector is 2 percentage points stronger. However, Construction sector employers report a decline of 7 percentage points. Elsewhere, hiring prospects remain relatively stable, or are unchanged.

Year-over-year, hiring plans weaken in six of the 10 industry sectors. The most notable declines of 7 and 6 percentage points are reported by employers in the Finance, Insurance, Real Estate & Business Services sector and the Public & Social sector, respectively. The Transport, Storage & Communication sector Outlook decreases by 4 percentage points, and Outlooks are 3 percentage points weaker in both the Manufacturing sector and the Wholesale & Retail Trade sector. Meanwhile, hiring prospects improve in two sectors, increasing by 5 percentage points for the Agriculture, Hunting, Forestry & Fishing sector, and by 4 percentage points for the Mining & Quarrying sector.



Large employers report the strongest hiring prospects

When employers are classified by number of workers, what stands out are the hiring prospects of large businesses, with a Net Employment Outlook of +17%. Following these are medium businesses, with 6%, and small-size employers with 7%. Micro employers report unstable hiring prospects with an Outlook of -1%.

When compared with the previous quarter, Outlooks for Medium- and Large-size employers are considerably weaker, declining by 12 and 10 percentage points, respectively. However, Small firms report a slight improvement of 2 percentage points, while the Outlook for Micro employers remains relatively stable.

In a year-over-year comparison, Medium employers report a considerable decline of 13 percentage points, while Outlooks are 4 and 3 percentage points weaker for Small- and Micro-size employers, respectively. Elsewhere, the Outlook for Large employers is unchanged.

Net Employment Outlook by size					
Size	3Q17	4Q17	1Q18	2Q18	3Q18
Micro	2%	2%	3%	0%	-1%
Small	11%	6%	6%	5%	7%
Medium	19%	15%	18%	18%	6%
Large	17%	20%	13%	27%	17%

Source: ManpowerGroup

Among EMEA countries only Italy presents a negative national forecast

In a global overview, employers in 43 of 44 countries and territories expect to add to their workforces by varying degrees during the July-September time frame. Despite an uncertain geopolitical outlook, employer confidence remains mostly resilient across the globe. Payrolls are expected to grow by varying degrees in all countries and territories with the exception of Italy (-2%) where the Outlook is negative for the second consecutive quarter.

The results indicate that a number of employers also indicate that overall payroll growth is likely to proceed at a more conservative pace than in the prior quarter or last year at this time. Examples of notable optimism are reported in Finland (12%) where the Outlook is the strongest reported since the country started the survey nearly six years ago, and in China (11%) where employers report their most optimistic hiring plans in three years. On the other hand, the weakest third quarter forecast is reported in Panama (2%).

Globally, the strongest third-quarter hiring plans are reported in Japan, Croatia, Taiwan, Hungary and the United States. When compared to last quarter, forecasts improve in 19 countries and territories, decline in 18 and remain unchanged in seven. A more favorable pattern emerges when forecasts are compared with last year at this time as hiring intentions improve in 24 countries, decline in only 12 and remain unchanged in seven.

In the EMEA (Europe, Middle East, and Africa) Region, employers in 25 of 26 countries report positive prospects and expect to grow staffing levels over the next three months. Croatian employers report the region's strongest third-quarter hiring plans, and also share with Japan the

strongest hiring intentions worldwide. Italian employers report the region's weakest Outlook and, as noted above, the only negative hiring intentions among the 44 countries and territories surveyed.

In the Asia Pacific region, payrolls are expected to grow in all eight countries and territories. Employers in Japan and Taiwan report the region's most optimistic forecasts, with the region's weakest forecasts in New Zealand and Australia.

Positive Outlooks are also reported in the 10 countries surveyed in the Americas. For the third consecutive quarter employers in the United States report the strongest hiring plans in the Americas, while opportunities for job seekers are expected to be weakest in Panama and Brazil.

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Note to Editors:

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 at <https://www.manpowergroup.com/workforce-insights/data-driven-workforce-insights/manpowergroup-employment-outlook-survey-results>. The next Manpower Employment Outlook Survey will be released on September 2016 to report hiring expectations for the first quarter of 2015.

About the Survey

The Manpower Employment Outlook Survey is the longest-running, most extensive, forward-looking employment survey in the world, commencing in 1962 and now polling over 65,000 employers in 42 countries and territories to measure their intentions to increase or decrease the number of employees in their workforce during the next quarter. 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 the health of labor markets.

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About ManpowerGroup

ManpowerGroup (NYSE: MAN), the leading global workforce solutions company, helps organizations transform in a fast-changing world of work by sourcing, assessing, developing and managing the talent that enables them to win. We develop innovative solutions for over 400,000 clients and connect 3+ million people to meaningful, sustainable work across a wide range of industries and skills. Our expert family of brands – Manpower®, Experis®, Right Management® and ManpowerGroup® Solutions – creates substantially more value for candidates and clients across 80 countries and territories and has done so for 70 years. 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 is powering the future of work: www.manpowergroup.com

If you need more information, graphs and data, please contact:

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