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ManpowerGroup Employment Outlook Survey Q4 2017 Results Announced: Japanese employers report optimistic hiring intentions for the fourth quarter 2017

Yokohama-City, Kanagawa, Japan (12 September 2017) - ManpowerGroup Co., Ltd. (Masahiro Ikeda, Representative Director, and President), today announced the results of the ManpowerGroup Employment Outlook Survey conducted to measure employer hiring intentions for the October- December period of 2017. Japanese employers report solid hiring prospects for the next three months. With 23% of employers anticipating an increase in staffing levels, 3% forecasting a decrease and 43% expecting no change, the Outlook stands at +23% once the data is adjusted to allow for seasonal variation, and is unchanged both quarter-over-quarter and year-over-year. Japan's forecast is the most optimistic reported in the fourth quarter among the 43 countries and territories that participate in the survey.

Employers forecast solid payroll gains in all three regions during the final quarter of 2017. The strongest labor market is anticipated in Nagoya, where employers report a Net Employment Outlook of +28%, while Outlooks stand at +23% and +22% in Osaka and Tokyo, respectively. When compared with 3Q 2017, Nagoya employers report a slight improvement of 2 percentage points. Elsewhere, the Outlook for Osaka remains relatively stable, while Tokyo employers report no change. Employers report stronger hiring prospects in both Nagoya and Osaka when compared with this time one year ago, with Outlooks increasing by 4 and 2 percentage points, respectively. Meanwhile, Tokyo employers report relatively stable hiring intentions.

Nagoya: Job seekers can expect an active labor market in the upcoming quarter, according to employers who report a Net Employment Outlook of +28%. Hiring prospects improve by 2 percentage points quarter-over-quarter, and are 4 percentage points stronger when compared with the final quarter of 2016.

Osaka: With a Net Employment Outlook of +23%, employers anticipate solid workforce gains during the October-December period. The Outlook remains relatively stable when compared with the previous quarter, and is 2 percentage points stronger when compared with this time one year ago.

Tokyo: A healthy increase in staffing levels is likely in 4Q 2017, according to employers who report a Net Employment Outlook of +22%. Hiring plans are unchanged when compared with 3Q 2017 and remain relatively stable when compared with 4Q 2016.

^{*}Throughout this report, we use the term "<u>Net Employment Outlook</u>." 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 <u>Net Employment Outlook</u>.

Employers in all seven industry sectors expect to grow staffing levels during 4Q 2017. Mining & Construction sector employers continue to report the strongest hiring prospects with a bright Net Employment Outlook of +35%. Healthy job gains are forecast by Transportation & Utilities sector employers with an Outlook of +29%, and by employers in both the Manufacturing sector and the Services sector, where Outlooks stand at +26%. In the Wholesale & Retail Trade sector, employers anticipate an active labor market with an Outlook of +24%, while Finance, Insurance & Real Estate sector employers expect a steady hiring pace, reporting an Outlook of +17%. As has been the case for more than seven years, the weakest sector Outlook is reported in the Public Administration & Education sector, standing at +9%.

Finance, Insurance & Real Estate sector: Reporting a Net Employment Outlook of +17%, employers anticipate the weakest hiring pace in more than three years during the final quarter of 2017. Hiring intentions remain relatively stable quarter-over-quarter, but decline by 6 percentage points when compared with this time one year ago.

Manufacturing sector: The strongest labor market in more than 10 years is forecast for the upcoming quarter. Employers report a Net Employment Outlook of +26%, improving by 3 percentage points when compared with the previous quarter, and by 6 percentage points when compared with the final quarter of 2016.

Mining & Construction sector: Job seekers can expect the strongest hiring pace in more than two years during the next three months, according to employers who report a robust Net Employment Outlook of +35%. Hiring intentions remain relatively stable when compared with the previous quarter, and improve by 3 percentage points when compared with 4Q 2016.

Public Administration & Education sector: The moderate hiring pace is expected to continue in 4Q 2017, with employers reporting a Net Employment Outlook of +9%. Hiring prospects remain relatively stable both quarter-over-quarter and year-over-year.

Services sector: Healthy payroll gains are forecast to continue in the forthcoming quarter, with employers reporting a Net Employment Outlook of +26% for the second consecutive quarter. Hiring plans are also unchanged when compared with this time one year ago.

Transportation & Utilities sector: Employers report optimistic hiring intentions for the final quarter of 2017 with a Net Employment Outlook of +29%. While the Outlook declines by 3 percentage points quarter-over-quarter, employers report an improvement of 3 percentage points when compared with 4Q 2016.

Wholesale Trade & Retail Trade sector: The active labor market is expected to continue in the next three months with employers reporting a Net Employment Outlook of +24%. Hiring prospects remain relatively stable both quarter-over-quarter and year-over-year.

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- Survey Period: 19 July 2017 2 August 2017
- Survey Target: HR Directors in 7 sectors in Tokyo, Osaka, and Nagoya
 - 1) Finance, Insurance & Real Estate, 2) Manufacturing, 3) Mining & Construction,
 - 4) Public Administration & Education (including government offices and schools),

5) Services (including information processing, software, entertainment), 6) Transportation & Utilities,7) Wholesale Trade & Retail Trade

- Survey Questionnaire: "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 (including contract and temporary)?"
- > Method: Collected by a.) telephone contacts and b) e-mail questionnaires
- No. of valid replies: 1,087 employers all over Japan (nearly 59,000 employers in 43 countries and territories worldwide)

Global Employment Outlook:

ManpowerGroup interviewed over 59,000 employers across 43 countries and territories to forecast labor market activity* in Quarter 4 2017. All participants were asked, "How do you anticipate total employment at your location to change in the three months to the end of December 2017 as compared to the current quarter?"

Fourth-quarter forecasts are mostly positive with employers in 42 of 43 countries and territories expecting workforces to grow by varying margins over the next three months. Only employers in Switzerland forecast a flat fourth-quarter hiring pace. As a result, for the first time since Quarter 2 2008 and the ensuing global recession there are no negative Net Employment Outlooks in any of the 43 countries and territories surveyed. When compared with Quarter 3 2017, Outlooks improve in 23 of the 43 countries and territories, decline in 13 and are unchanged in seven. When compared with this time one year ago, hiring plans strengthen in 25 of the 43 countries and territories, weaken in 15 and are unchanged in three. The most optimistic Net Employment Outlooks are reported in Japan, Taiwan, Costa Rica, India and Hungary. The weakest fourth-quarter hiring plans are reported in Switzerland, Brazil and the Czech Republic.

* Commentary is based on seasonally adjusted data where available. Data is not seasonally adjusted for Portugal.

About the ManpowrGroup Employment Outlook Survey

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The ManpowerGroup Employment Outlook Survey is conducted quarterly to measure employers' intentions to increase or decrease the number of employees in their workforces during the next quarter. ManpowerGroup's comprehensive forecast of employer hiring plans has been running for more than 50 years and is one of the most trusted surveys of employment activity in the world. Various factors underpin the success of the ManpowerGroup Employment Outlook Survey:

Unique: It is unparalleled in its size, scope, longevity and area of focus.

Projective: The ManpowerGroup Employment Outlook Survey is the most extensive, forward-looking employment survey in the world, asking employers to forecast employment over the next quarter. In contrast, other surveys and studies focus on retrospective data to report on what occurred in the past. **Independent:** The survey is conducted with a representative sample of employers from throughout the countries and territories in which it is conducted. The survey participants are not derived from ManpowerGroup's customer base.

Robust: The survey is based on interviews with over 59,000 public and private employers across 43 countries and territories to measure anticipated employment trends each quarter. This sample allows for analysis to be performed across specific sectors and regions to provide more detailed information. **Focused**: For 55 years the survey has derived all of its information from a single question:

For the 4Q 2017 research, all employers participating in the survey worldwide are asked the same question, "How do you anticipate total employment at your location to change in the three months to the end of December 2017 as compared to the current quarter?"

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 nearly 70 years. In 2017, ManpowerGroup was named one of the World's Most Ethical Companies for the seventh 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

About ManpowerGroup Co., Ltd.

ManpowerGroup Co., Ltd. was established in 1966 as a wholly owned Japanese subsidiary of ManpowerGroup. As the first temporary work services company in the country, ManpowerGroup has built foundation of the temporary work services and has been providing high-quality services. We now have 513,200 temporary staff. More information on ManpowerGroup Co., Ltd. can be found at the company's Web site, <u>www.manpowergroup.jp</u>