



AESC Insights

Q1 2010

State of the Executive Search Industry

Executive Search Builds Momentum:

Quarter One Data Reveals Widespread Growth Across Industries



AESC State of the Executive Search Industry Report Q1 2010

The AESC State of the Executive Search Industry Report is quarterly research carried out by the Association of Executive Search Consultants (AESC) since 2004 on trends in the global retained executive search industry. Data for the report is collected from a consistent sample of AESC member search firms representing the activity of over 1300 executive search consultants in 46 countries worldwide. Data does not account for annual inflation. The AESC estimates that annual net revenues for the worldwide retained executive search industry totaled \$7.43 billion in 2009.

EXECUTIVE SEARCH BUILDS MOMENTUM

Quarter one Data Reveals Widespread Growth across Industries

The first quarter of this year showed further positive signs of recovery for the senior executive search industry around the world with annual growth of 30.2 per cent in new executive search mandates and a 22 per cent rise in revenues – revealed new data from the Association of Executive Search Consultants (AESC).

All industry sectors included in the survey enjoyed annual and quarterly increases in new search activity with the most significant annual growth witnessed in the Financial (+39.2%) and Technology (+37.3%) sectors. This was followed by notable yearly growth in the Life Sciences/Healthcare (+26.4%), Consumer (+25%) and Industrial (+20.1%) sectors.

AESC President Peter Felix commented, “These global search industry statistics confirm that senior executive recruitment is continuing its pullback from the rigor mortis of 12 months ago. While the first quarter figures are in themselves encouraging, what is more so is the cumulative growth since our industry turned the corner in the third quarter of last year. While momentum has been slow in coming, as seen for the global economy as a whole, growth is now not only tangible but the rate of growth is increasing.”

The Asia Pacific region experienced a significant year-on-year rise in new search mandates in January to March this year (+48.3%), followed by North America (+29%) and then Europe (+26%).

Mr. Felix added, “Although the industry’s revenues fell by 32.5 per cent in 2009, the low point was still considerably higher than the low point in 2002, during the last recession. If the pullback from that recession took three years to reach the previous high and only another two to reach new all time highs then this pullback is already in line with that and gives us hope of regaining former heights.”

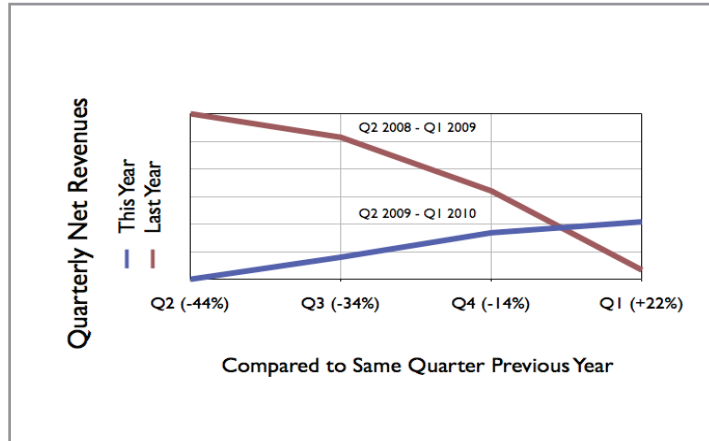
“This indication of renewed hiring at the senior executive level will give greater confidence to executives who are either in transition or considering career changes. Our recent BlueSteps.com survey suggested that 41 per cent of executives are dissatisfied with their present positions and would respond positively to a new opportunity. We are not yet “out of the woods” but the underlying trends of talent shortage - caused by changing demographics and the demand from emerging markets - will, I am confident, continue to feed the demand for exceptional talent in the years ahead.”

Average Net Revenues

Annual trend: Q1 2009 to Q1 2010 +22% (pictured below)

Quarterly trend: Q4 2009 to Q1 2010 +4.3%

Quarterly Net Revenues,
as Compared to Previous Year

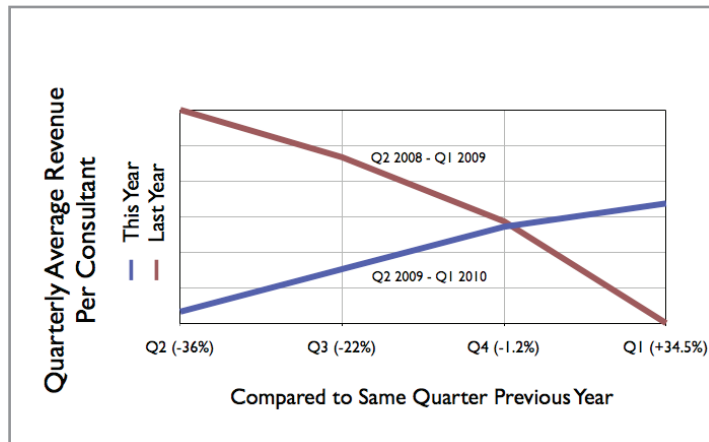


Average Revenue Per Consultant

Annual trend: Q1 2009 to Q1 2010 +34.5% (pictured below)

Quarterly trend: Q4 2009 to Q1 2010 +5.3%

Quarterly Average Revenue Per Consultant,
as Compared to Previous Year

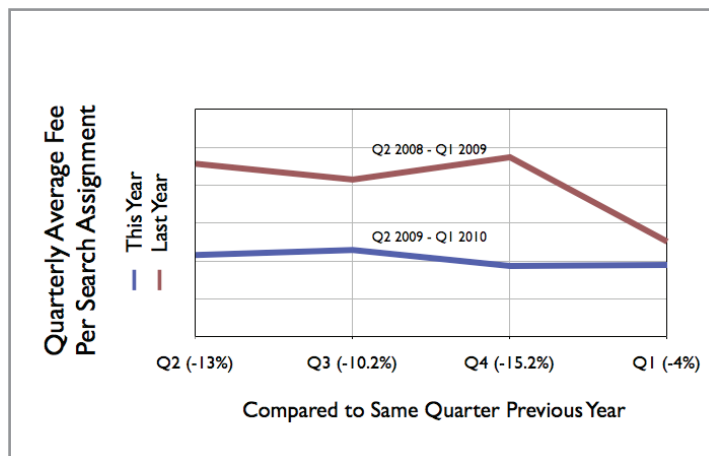


Average Fee Per Search Assignment

Annual trend: Q1 2009 to Q1 2010 -4% (pictured below)

Quarterly trend: Q4 2009 to Q1 2010 +0.1%

Quarterly Average Fee Per Search
Assignment, as Compared to Previous Year

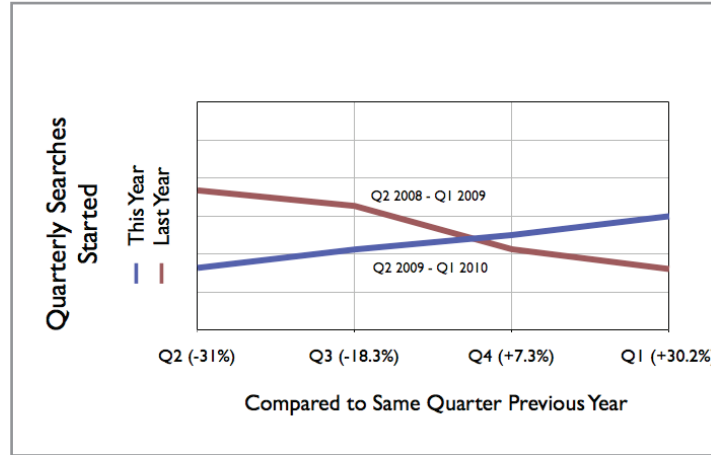


Trend in Number of Searches Started

Annual trend: Q1 2009 to Q1 2010 +30.2% (pictured below)

Quarterly trend: Q4 2009 to Q1 2010 +9%

Quarterly Average Number of Searches Started, as Compared to Previous Year



Trend in Number of Searches Started by Industry

Annual trends: Q1 2009 to Q1 2010

All industries experienced a large yearly rise in the number of searches started in the first quarter of 2010:

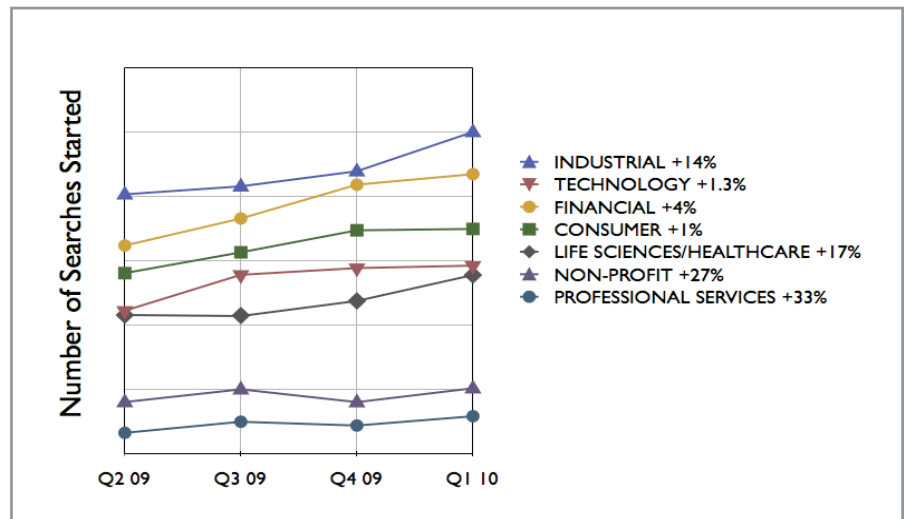
- Financial +39.2%, Technology +37.3%, Life Sciences/Healthcare +26.4%, Consumer +25%, Industrial +20.1%, and from a smaller survey sample; Non-Profit +43%, Professional Services +26.5%

Quarterly trends: Q4 2009 to Q1 2010 (pictured below)

All industries saw a quarterly rise in the number of searches started in Q1 2010:

- Life Sciences/Healthcare +17%, Industrial +14%, Financial +4%, Consumer +1%, Technology +1.3%, and from a smaller survey sample; Professional Services +33%, Non-Profit +27%

Trend in Number of Searches Started Quarterly, by Industry

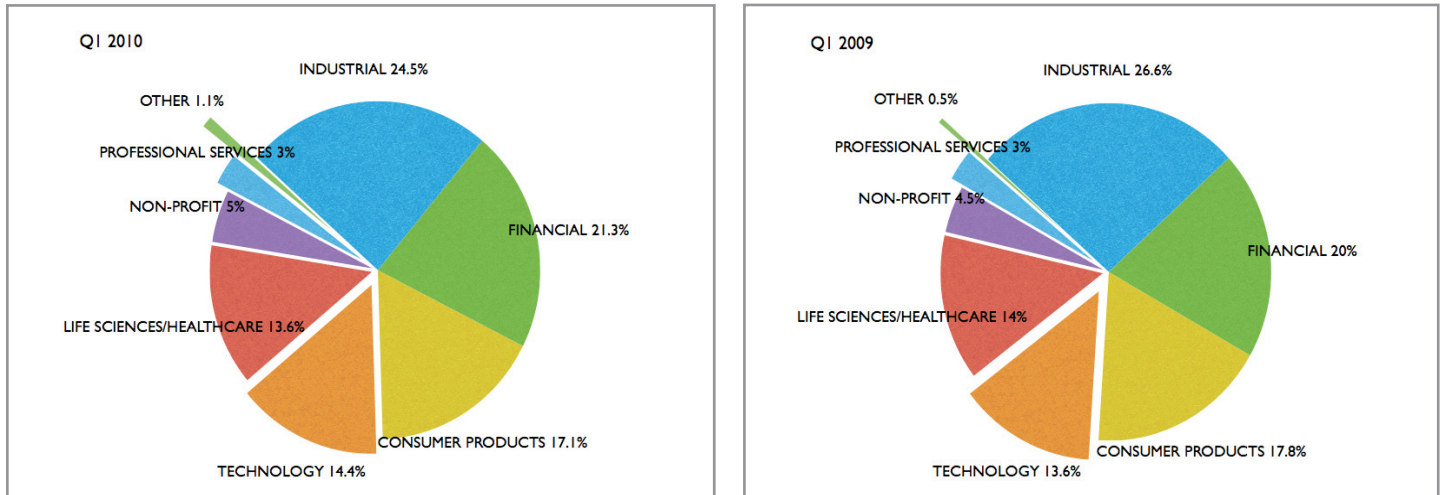


Market Breakdown by Industry

Annual trends: Q1 2009 to Q1 2010 (pictured below)

- Increase in market share: Financial +1.3%, Technology +0.8%, Non-Profit +0.5%
- Decrease or no change in market share: Industrial -2.1%, Consumer Products -0.7%, Life Sciences/Healthcare -0.4%, Professional Services - no change

Searches Started Quarterly by Industry, as Percentage of Total



REGIONAL TRENDS GLOBAL - Q1 2010

Trend in Number of Searches Started by Region

Annual trends: Q1 2009 to Q1 2010

All regions experienced a significant annual increase in the number of searches started in Q1 2010:

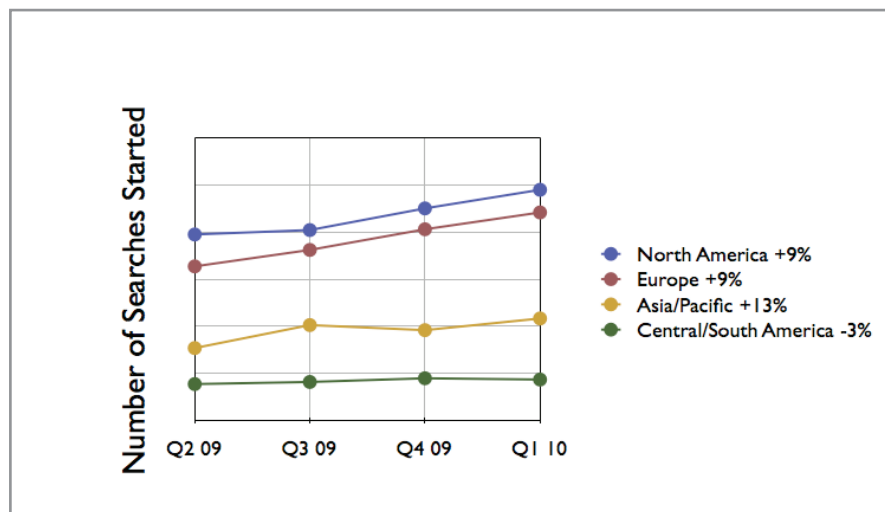
- Asia/Pacific +48.3%, North America +29%, Europe +26%, Central/South America +16.4%

Quarterly trends: Q4 2009 to Q1 2010 (pictured below)

Most regions saw a quarterly rise in the number of searches started in Q1 2010, except Central/South America:

- Asia/Pacific +13%, Europe +9%, North America +9%, Central/South America -3%

Trend in Number of Searches Started Quarterly, by Region

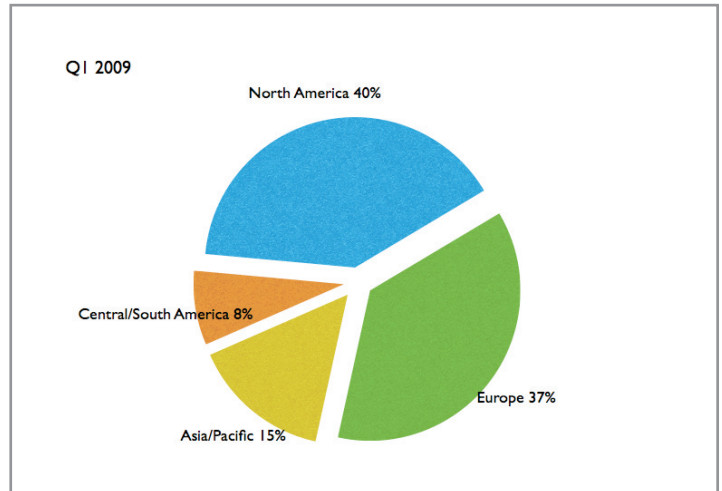
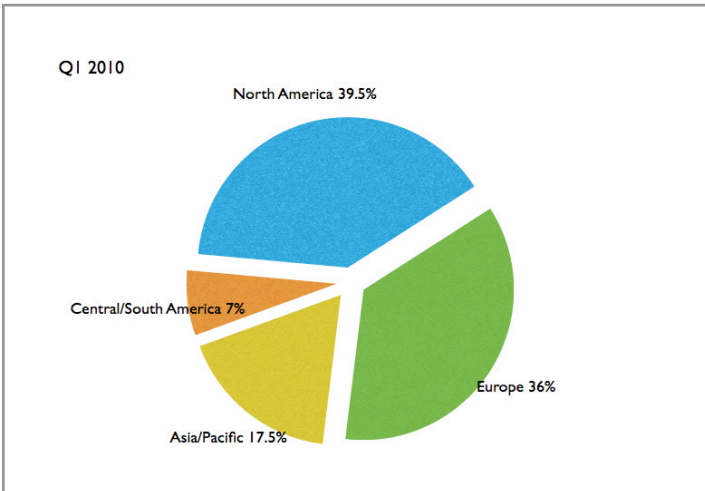


Market Share by Region

Annual trends: Q1 2009 to Q1 2010 (pictured below)

- Increase in market share: Asia/Pacific +2.5%
- Decrease in market share: Central/South America -1%, Europe -1%, North America -0.5%

Searches Started Quarterly by Region, as Percentage of Total



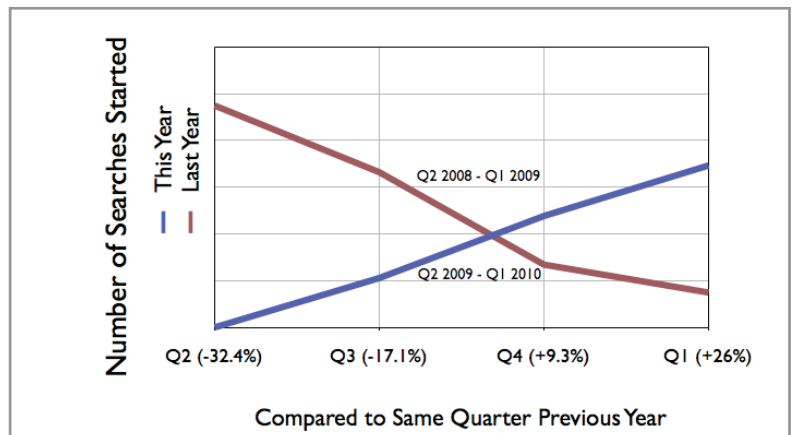
REGIONAL TRENDS EUROPE - Q1 2010

Trend in Number of Searches Started in Europe

Annual trend: Q1 2009 to Q1 2010 +26% (pictured below)

Quarterly trend: Q4 2009 to Q1 2010 +9%

Quarterly Trend in Number of Searches Started in Europe, as Compared to Previous Year

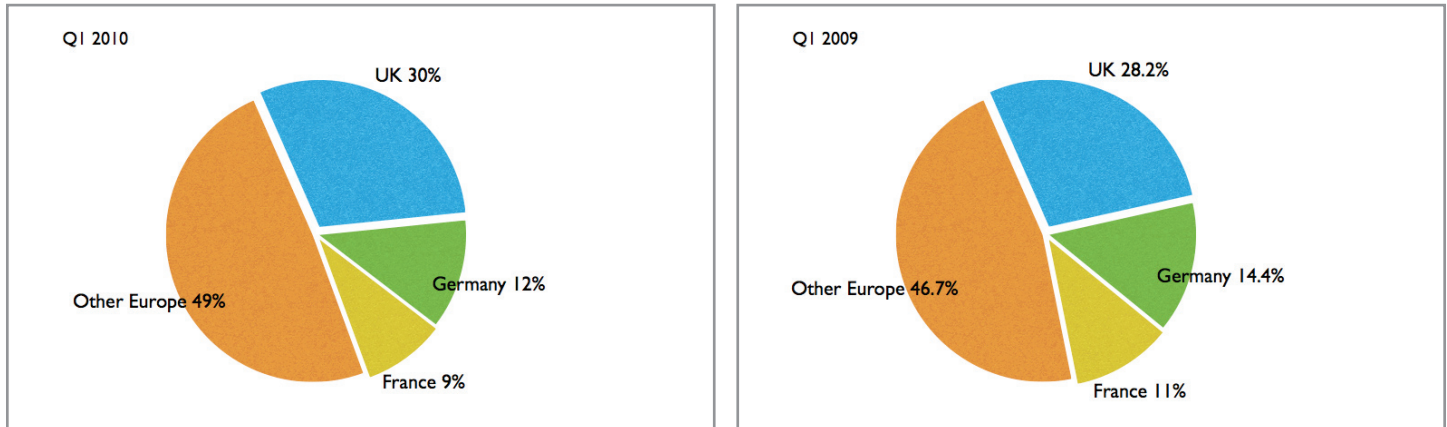


Market Share by European Sub-Region *

Annual trends: Q1 2009 to Q1 2010 (pictured below)

- Increase in market share: UK +1.8%, Other Europe +2.3%
- Decrease in market share: Germany -2.4%, France -2%

Searches Started Quarterly by European Sub-Region, as Percentage of Total Europe



* Data for this question represents 750 executive search consultants in 46 countries, whereas data for all other questions represents 1500 consultants in 46 countries.

About The Association of Executive Search Consultants

The Association of Executive Search Consultants (AESC) is the worldwide professional association for the retained executive search industry. The AESC promotes the highest professional standards in retained executive search consulting, broadens public understanding of the executive search process, and serves as an advocate for the interests of its member firms. For more information, or to download the AESC Code of Ethics and Professional Practice Guidelines, please visit www.aesc.org.

The AESC offers www.bluesteps.com, a career management service for senior executives, and www.executivesearchconnect.com, a service for the HR community offering industry information and tools to assist with senior executive recruiting, including access to the AESC membership directory.



Association of Executive Search Consultants

The Worldwide Association for Retained Executive Search Consulting Firms