



AESC Insights

Q1 2012

State of the Executive Search Industry

Senior Executive Search Shows Small Declines in First Quarter of 2012:

Despite slight overall declines, the technology and consumer industries show strength



AESC State of the Executive Search Industry Q1 2012

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 1,430 executive search consultants in 46 countries worldwide. The AESC estimates that annual net revenues for the worldwide retained executive search industry totaled \$10.41 billion in 2011.

Senior Executive Search Shows Small Declines in First Quarter of 2012

Despite slight overall declines, the technology and consumer industries show strength.

The Association of Executive Search Consultants' (AESC) first quarter 2012 State of the Executive Search Industry survey revealed a small increase (+2.5%) in the number of new executive searches started as compared to the fourth quarter of 2011. However the overall trend was a decline in revenue, both on a quarter to quarter and year to year basis (-6.3% and -7% respectively). The technology and consumer industries showed strength, but other major industry groupings, such as the industrial and financial sectors, saw a drop in demand.

AESC President, Peter Felix, commented: "The first quarter results for our industry are disappointing but were presaged by our outlook survey conducted just before the start of the New Year. Many search consultants have felt continuing uncertainty in demand from their clients as economic turbulence persists in various parts of the world. Certain sectors such as financial have suffered considerably given that the outlook for banks and financial institutions still remains so unclear."

Nevertheless most regions enjoyed a comparative quarter-on-quarter rise in new executive search activity in Q1 2012 from Q4 2011, including Central/South America (+10.6%), Asia Pacific (+6.3%), and North America (+3%). EMEA saw the number of new search mandates decline -1.4%, from Q4 2011.

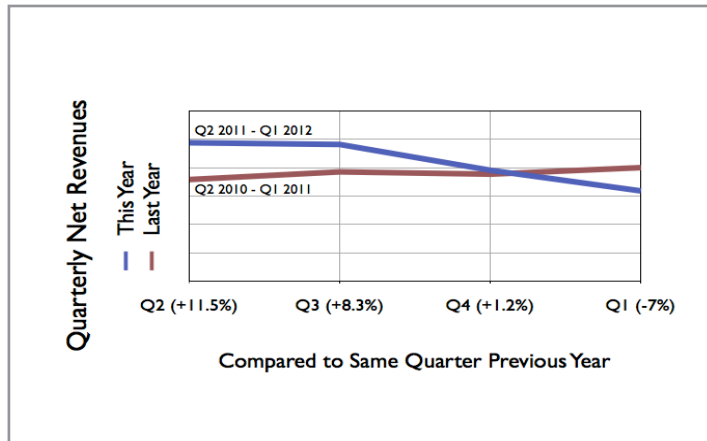
Felix continued: "Quarterly statistics are only one indicator of a trend but there is no doubt that confidence in the executive search market has declined since the end of last year and is unlikely to fully recover until we see clients regain their confidence about the future and again start searching for that rare commodity: executive talent. I am confident that when the worldwide economy begins to grow again and the talent shortage begins to 'bite', that we shall see a significantly heightened demand for retained executive search services."

Average Net Revenues

Year-on-year trend: Q1 2011 to Q1 2012 -7% (pictured below)

Quarter-on-quarter trend: Q4 2011 to Q1 2012 -6.3%

Trend in Quarterly Average Net Revenues, as Compared to Previous Year

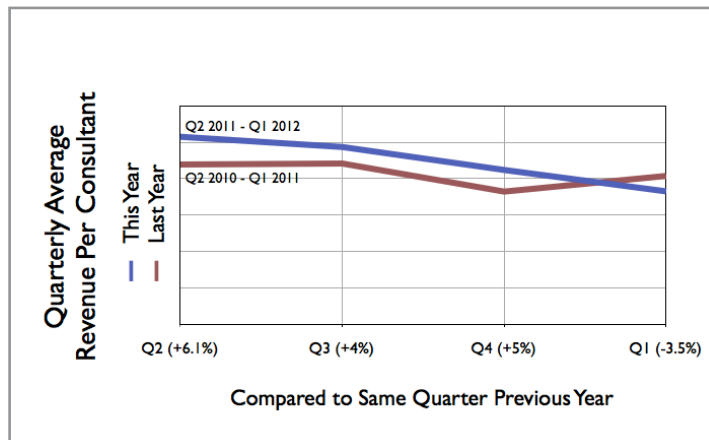


Average Revenue Per Consultant

Year-on-year trend: Q1 2011 to Q1 2012 -3.5% (pictured below)

Quarter-on-quarter trend: Q4 2011 to Q1 2012 -4.7%

Trend in Quarterly Average Revenue Per Consultant, as Compared to Previous Year

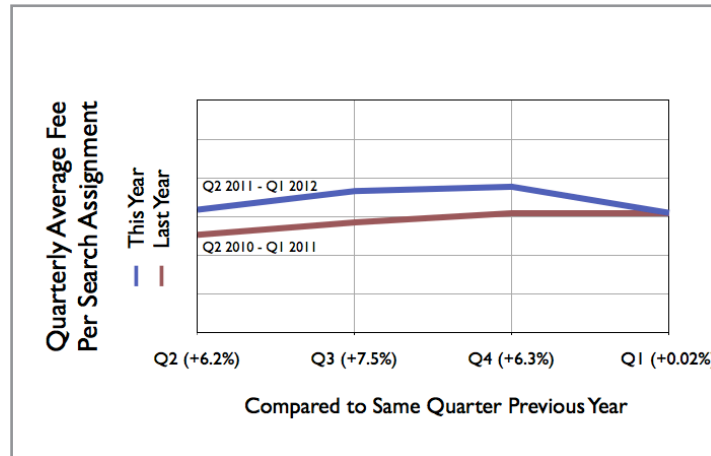


Average Fee Per Search Assignment

Year-on-year trend: Q1 2011 to Q1 2012 flat (pictured below)

Quarter-on-quarter trend: Q4 2011 to Q1 2012 -5.7%

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

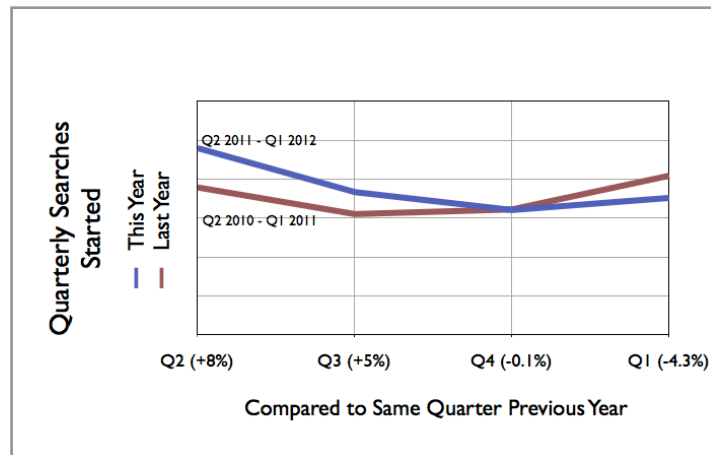


Average Number of Searches Started

Year-on-year trend: Q1 2011 to Q1 2012 -4.3% (pictured below)

Quarter-on-quarter trend: Q4 2011 to Q1 2012 +2.5%

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



Average Number of Searches Started by Industry

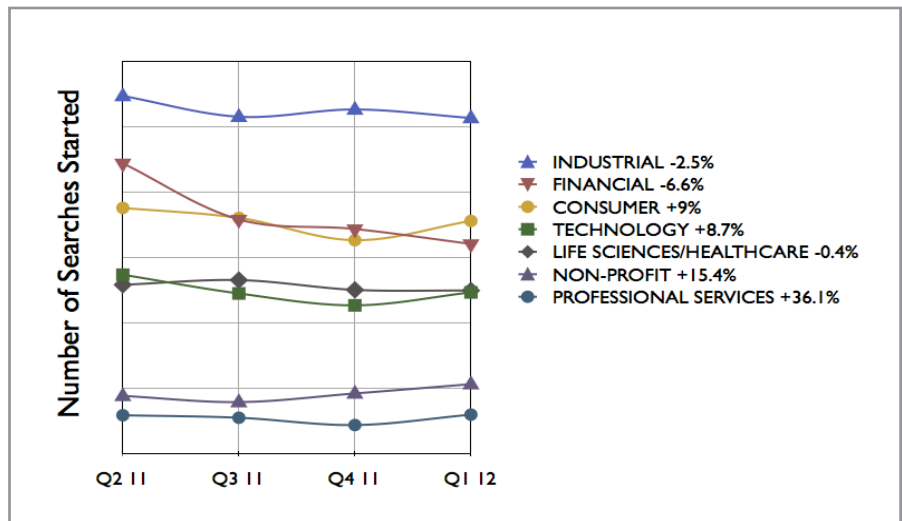
Year-on-year trend: Q1 2011 to Q1 2012

- Increasing: Consumer +1.6% (Non-Profit +14.8%, Professional Services +0.6% ~ from a smaller survey sample)
- Decreasing: Technology -15.9%, Financial -14.2%, Life Sciences/Healthcare -1.1%, Industrial -0.4%

Quarter-on-quarter trend: Q4 2011 to Q1 2012 (pictured below)

- Increasing: Consumer +9%, Technology +8.7% (Professional Services +36.1%, Non-Profit +15.4% ~ from a smaller survey sample)
- Decreasing: Financial -6.6%, Industrial -2.5%, Life Sciences/Healthcare -0.4%

Trend in Average Number of Searches Started Quarterly, by Industry

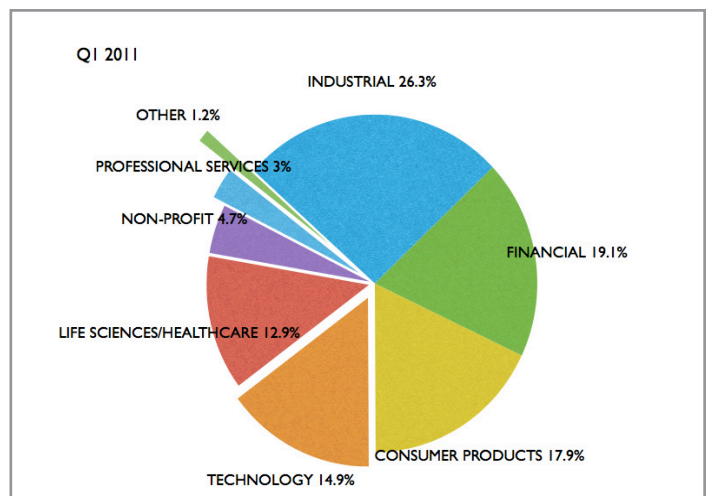
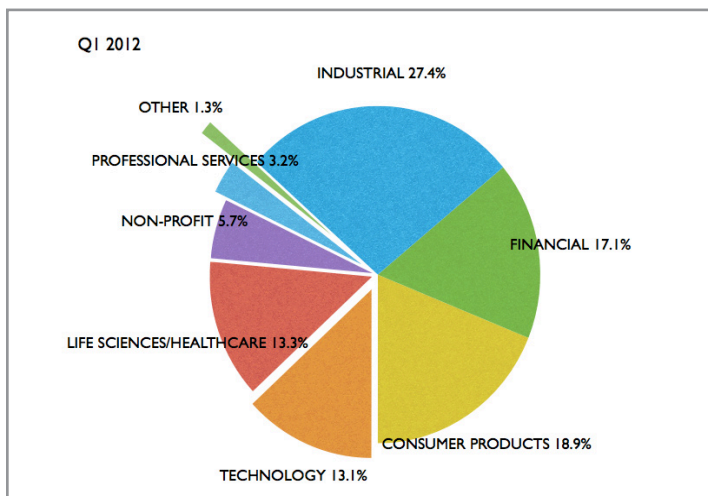


Market Breakdown by Industry

Year-on-year trend: Q1 2011 to Q1 2012 (pictured below)

- Increasing: Industrial +1.1%, Consumer Products +1%, Life Sciences/Healthcare +0.4%, Professional Services +0.2%
- Decreasing: Financial -2%, Technology -1.8%, Non-Profit +1%

Searches Started Quarterly by Industry, as Percentage of Total



Average Number of Searches Started by Region

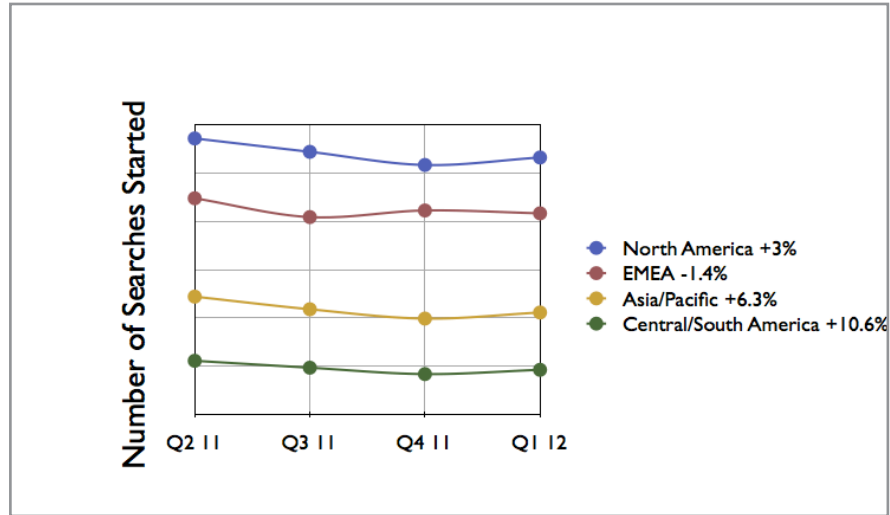
Year-on-year trend: Q1 2011 to Q1 2012

- Increasing: Central/South America +9.5%
- Decreasing: North America -5.1%, EMEA -4.5%, Asia/Pacific -4.5%

Quarter-on-quarter trend: Q4 2011 to Q1 2012 (pictured below)

- Increasing: Central/South America +10.6%, Asia/Pacific +6.3%, North America +3%
- Decreasing: EMEA -1.4%

Trend in Average Number of Searches Started Quarterly, by Region

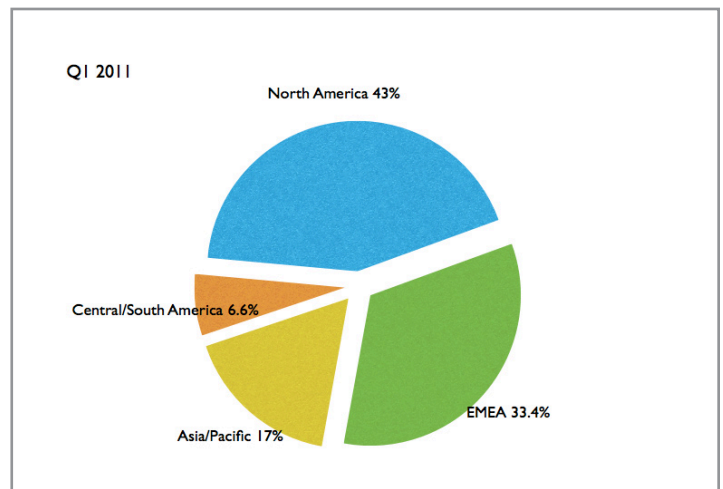
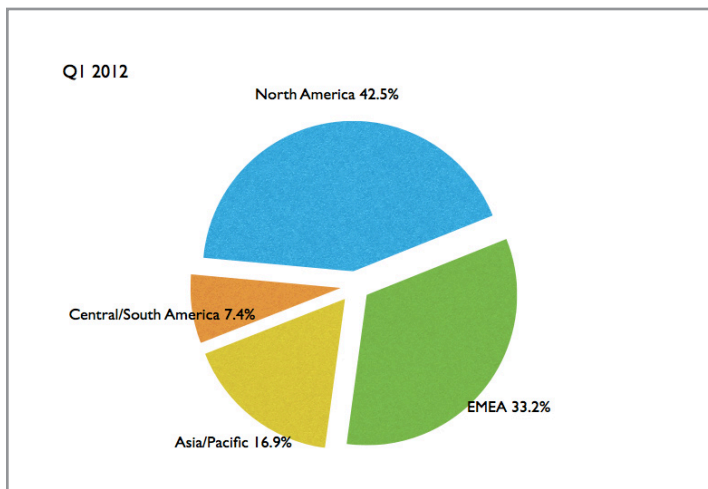


Market Share by Region

Year-on-year trend: Q1 2011 to Q1 2012 (pictured below)

- Increasing: Central/South America +0.8%
- Decreasing: North America -0.5%, EMEA -0.2%, Asia/Pacific -0.1%

Searches Started Quarterly by Region, as Percentage of Total

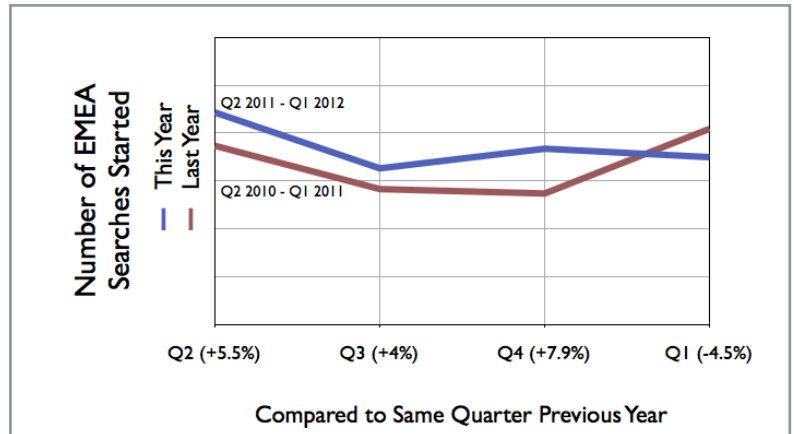


Average Number of Searches Started in EMEA

Year-on-year trend: Q1 2011 to Q1 2012 -4.5% (pictured below)

Quarter-on-quarter trend: Q4 2011 to Q1 2012 -1.4%

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

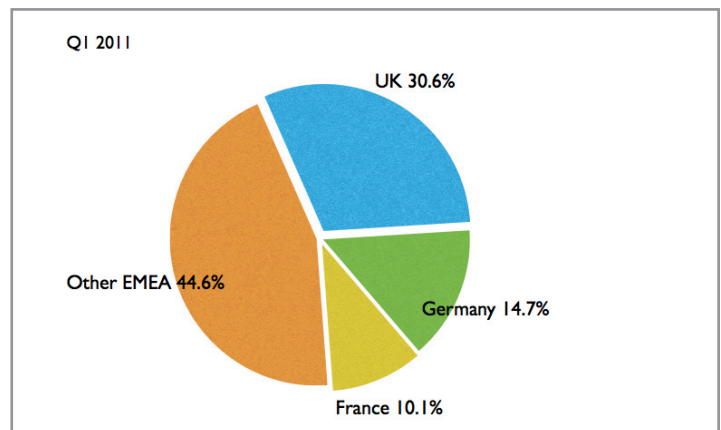
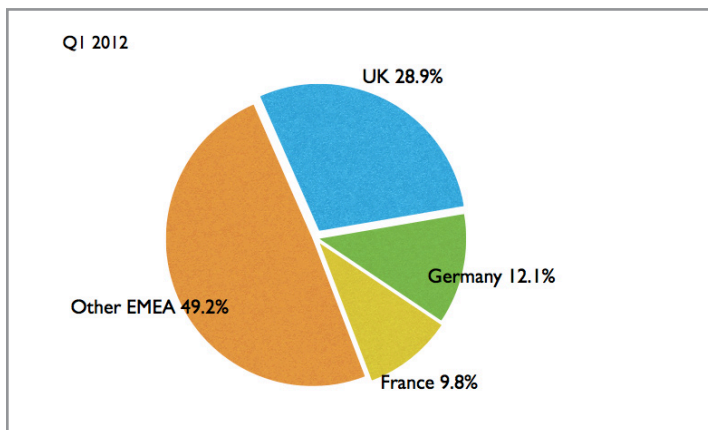


Market Share by EMEA Sub-Regions *

Year-on-year trend: Q1 2011 to Q1 2012 (pictured below)

- Increasing: Other EMEA +4.6%
- Decreasing: Germany -2.6%, UK -1.7%, France -0.3%

Searches Started Quarterly by EMEA Sub-Regions, as Percentage of Total EMEA



* Data for this question represents 715 executive search consultants in 46 countries, whereas data for all other questions represents 1,430 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's International Executive Search Directory.