



AESC Insights

Q4 2011

State of the Executive Search Industry

Continued Growth for Retained Executive Search Industry in 2011:
Year end State of the Industry report shows 9% uptick over 2010



AESC State of the Executive Search Industry 2011 Annual Report

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.

Continued Growth for Retained Executive Search Industry in 2011

Year end State of the Industry report shows 9% uptick over 2010

The AESC's 2011 Annual Report on the Retained Executive Search Industry shows that the retained executive search industry experienced continued momentum during 2011 with a 9% yearly increase, bringing total industry revenues to an estimated \$10.41 billion. 2011 saw the third highest revenues on record for the industry, not far off from all time industry high of \$11 billion reached in 2008.

Commenting on the success of 2011, AESC President Peter Felix, said: "The continued growth within the executive search industry during a period of sustained global economic volatility illustrates how critical and valuable the services are that our member firms deliver each day. While not all industries and regions saw growth in executive recruitment in 2011, the overall trends were positive and demonstrate areas of opportunities for senior executives around the world."

The global, average number of new executive searches started in 2011 rose 5.4% over 2010 figures with North America and Europe contributing the most growth, up 9.7% and 4.7% respectively. Asia Pacific remained flat with only 0.2% growth and Central/South America saw a slight decline of 1%. Industry market share remained relatively flat across the board with the biggest growth seen in the Industrial (1.5%) and Consumer Products (1%) sectors. The financial sector decreased its share of the market by 2.3% and technology decreased by 1.2%.

Felix continued: "It is encouraging to see how strongly the search industry has come back from the deep recession of 2009, and that clients continue to actively employ executive search to combat the underlying talent shortage. We remain in very challenging markets, but I am convinced that retained executive search will continue as a key part of the management toolbox when looking for long term competitiveness and success."

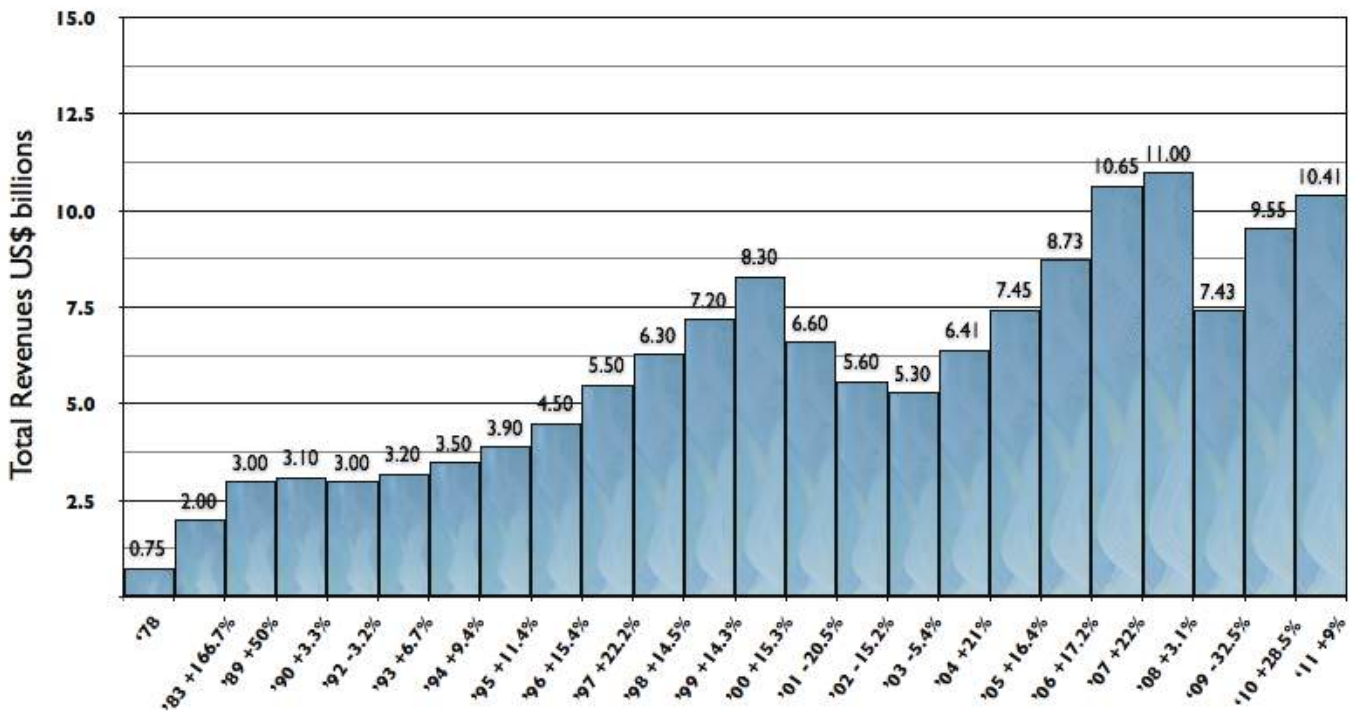
2011 Annual State of the Executive Search Industry Report

FINANCIAL TRENDS - 2011

Trend in Average Net Revenues: 1978 - 2011

Global retained executive search industry revenues rose 9% annually in 2011 from 2010 - resulting in estimated worldwide industry revenues of \$10.41 billion in 2011.

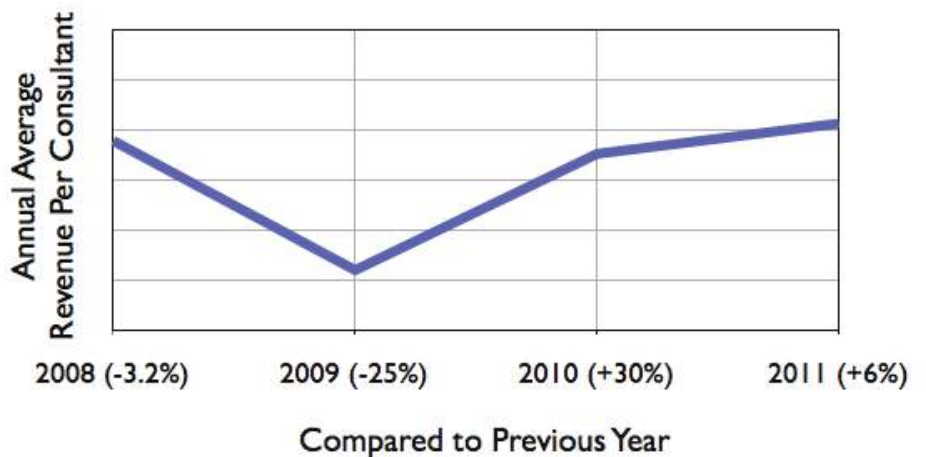
Estimated Worldwide Retained Executive Search Industry Revenues 1978 - 2011



Average Revenue Per Consultant

Annual trend: 2010 to 2011 +6% (pictured below)

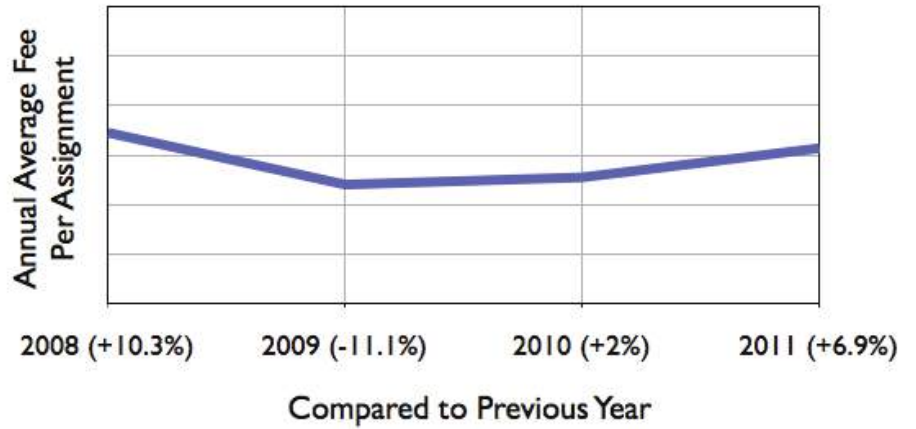
Trend in Annual Average Revenue Per Consultant, as Compared to Previous Year



Average Fee Per Search Assignment

Annual trend: 2010 to 2011 +6.9% (pictured below)

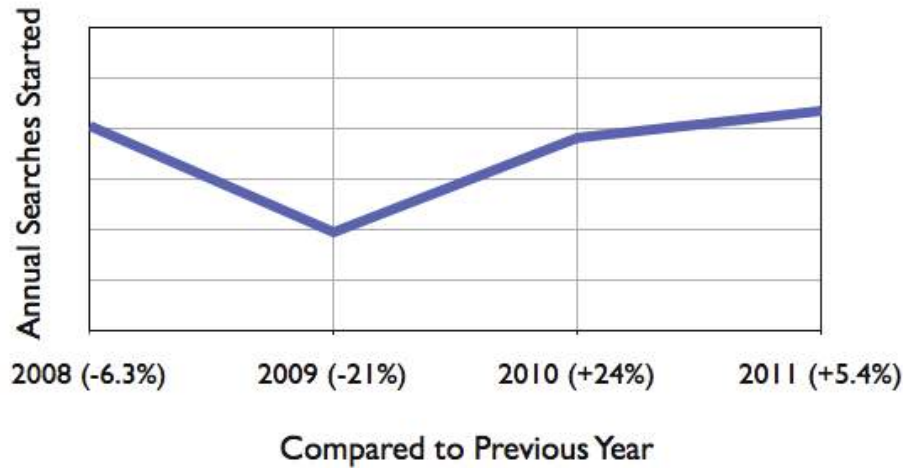
Trend in Annual Average Fee Per Search Assignment, as Compared to Previous Year



Average Number of Searches Started

Annual trend: 2010 to 2011 +5.4% (pictured below)

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



INDUSTRY TRENDS - 2011

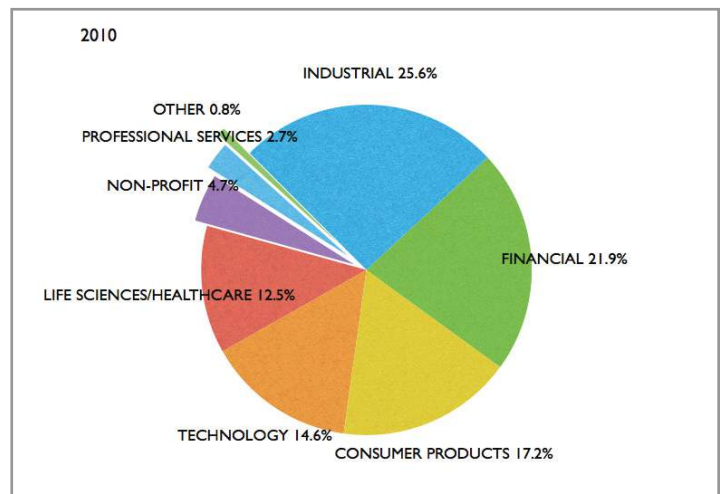
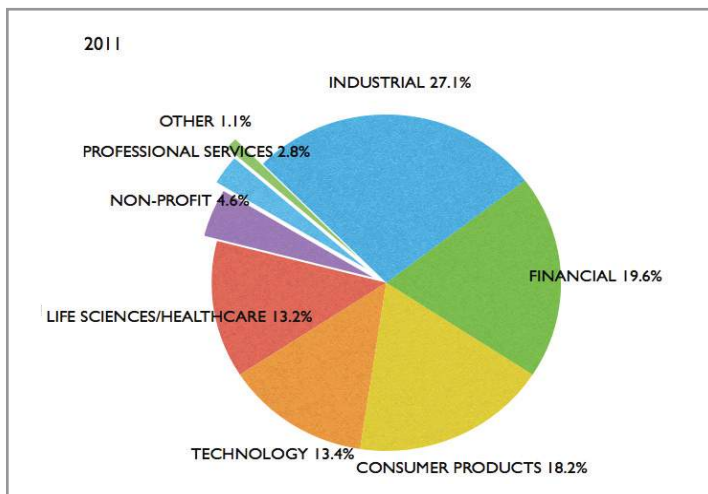
Market Breakdown by Industry

Annual trend: 2010 to 2011 (pictured below)

Industry market shares remained relatively flat year-on-year, with the following slight changes:

- Increasing: Industrial +1.5%, Consumer Products +1%, Life Sciences/Healthcare +0.7%, Professional Services +0.1%
- Decreasing: Financial -2.3%, Technology -1.2%, Non-Profit -0.1%

Searches Started Annually by Industry, as Percentage of Total

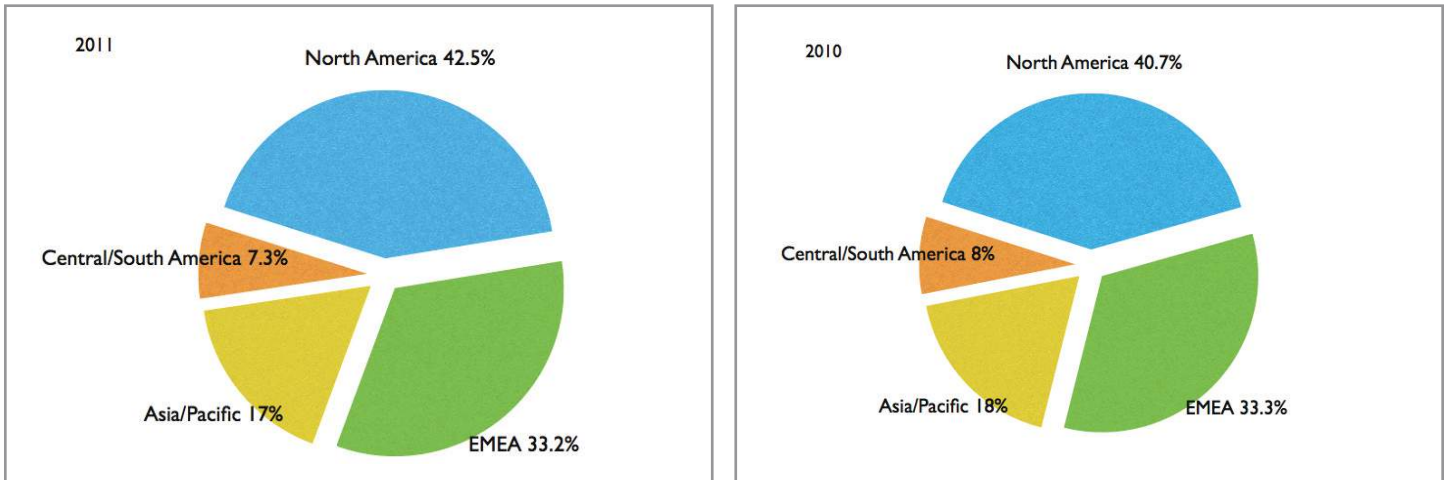


Market Breakdown by Region

Annual trend: 2010 to 2011 (pictured below)

- Increasing: North America +1.8%
- Decreasing: Asia/Pacific -1%, EMEA -0.1%, Central/South America -0.7%

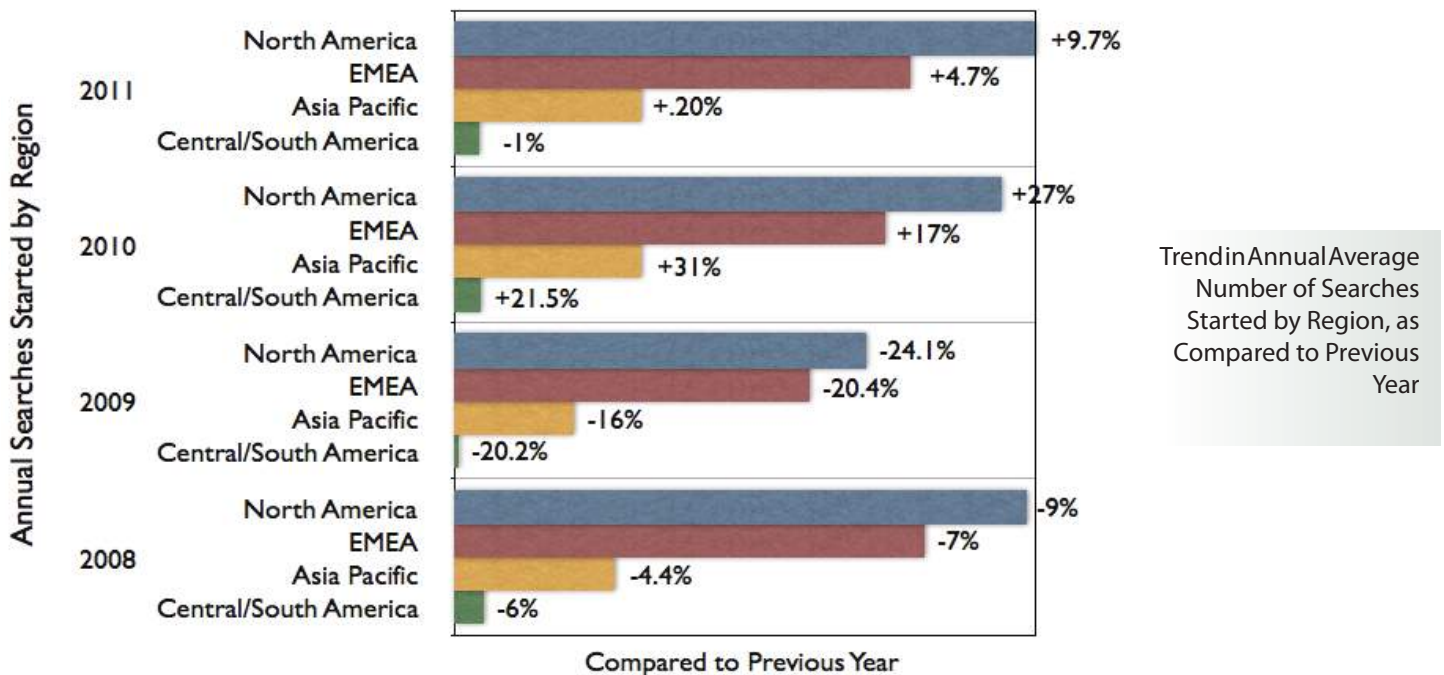
Searches Started Annually by Region, as Percentage of Total



Average Number of Searches Started by Region

Annual trend: 2010 to 2011 (pictured below)

- Increasing: North America +9.7%, EMEA +4.7%, Asia/Pacific +0.2%
- Decreasing: Central/South America -1%

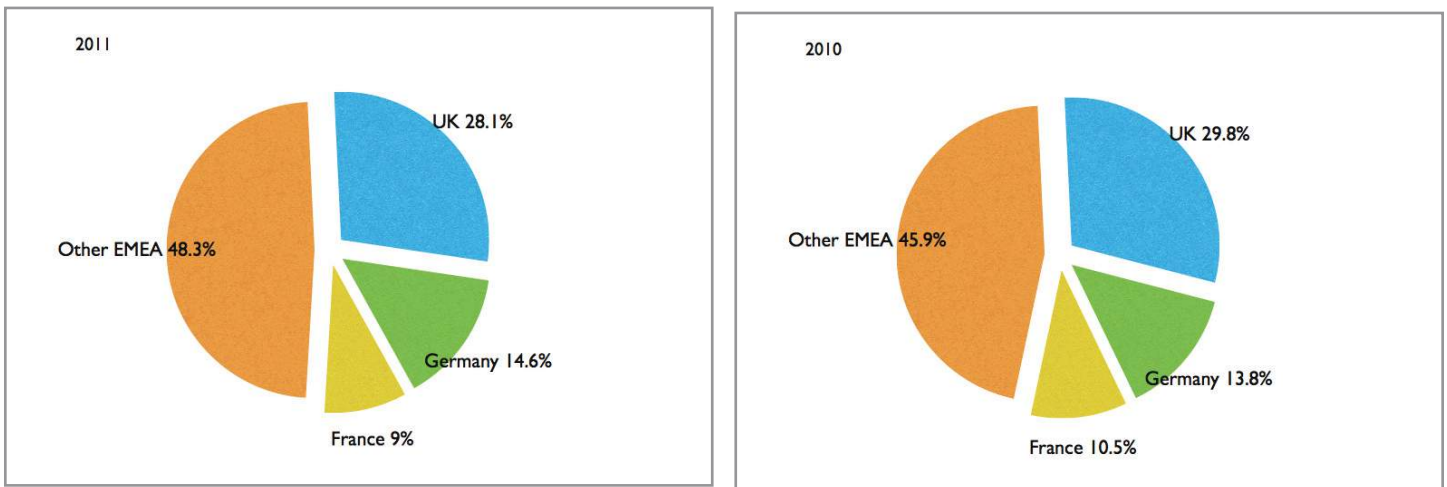


EMEA Regional Breakdown *

Annual trend: 2010 to 2011 (pictured below)

- Increasing: Other EMEA +2.4%, Germany +0.8%
- Decreasing: UK -1.7%, France -1.5%

Searches Started Annually by EMEA Sub-Region, as Percentage of Total EMEA

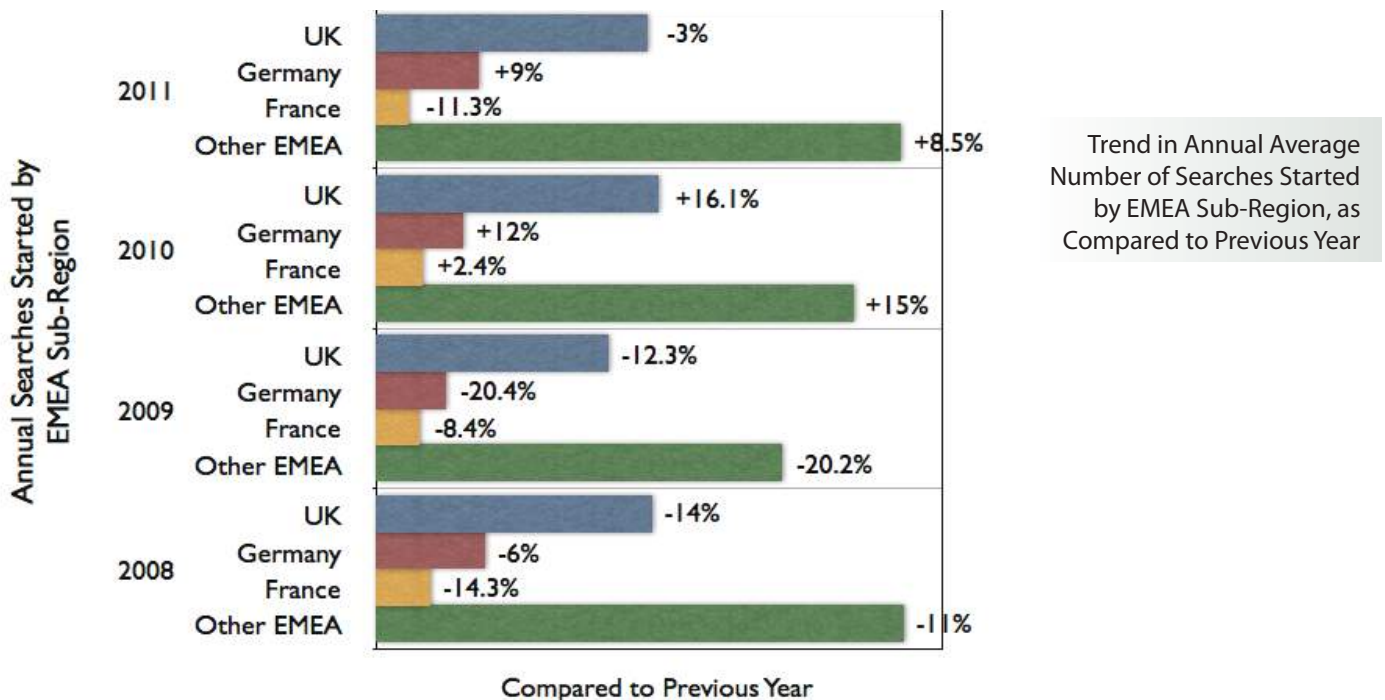


* Data for this question represents 715 executive search consultants in 46 countries, whereas data for all other questions represents 1,430 consultants in 46 countries.

Average Number of Searches Started by EMEA Sub-Region

Annual trend: 2010 to 2011 (pictured below)

- Increasing: Germany +9%, Other EMEA +8.5%
- Decreasing: France -11.3%, UK -3%



Fourth Quarter 2011 State of the Executive Search Industry Report

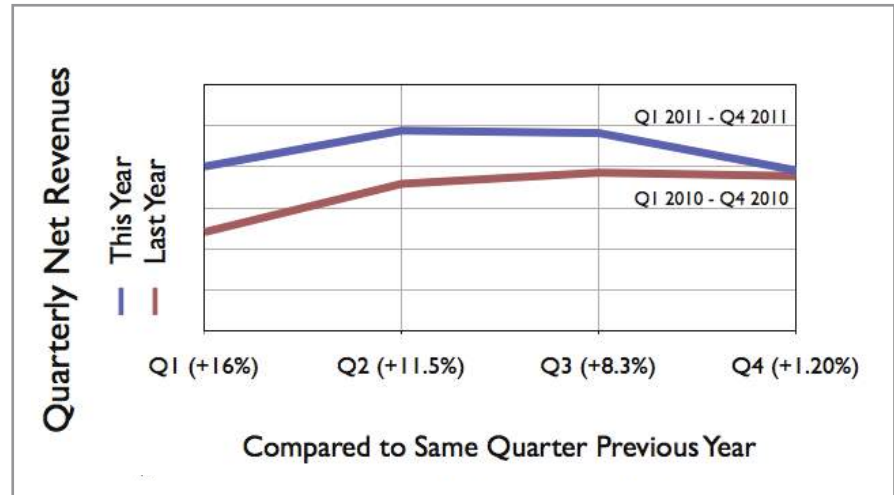
FINANCIAL TRENDS - Q4 2011

Average Net Revenues

Year-on-year trend: Q4 2010 to Q4 2011 +1.2% (pictured below)

Quarter-on-quarter trend: Q3 2011 to Q4 2011 -7.3%

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

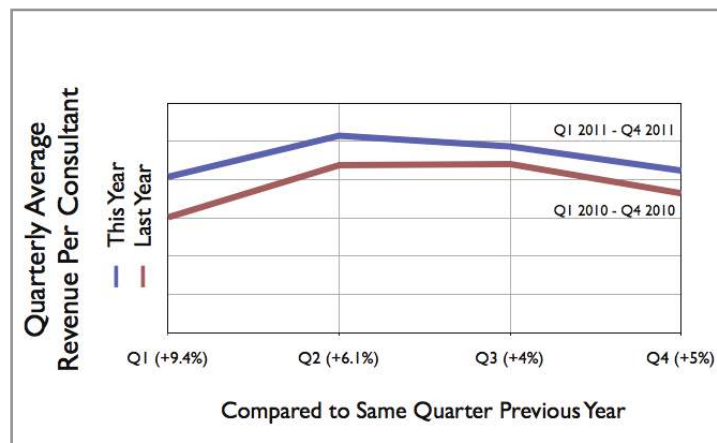


Average Revenue Per Consultant

Year-on-year trend: Q4 2010 to Q4 2011 +5% (pictured below)

Quarter-on-quarter trend: Q3 2011 to Q4 2011 -4.8%

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

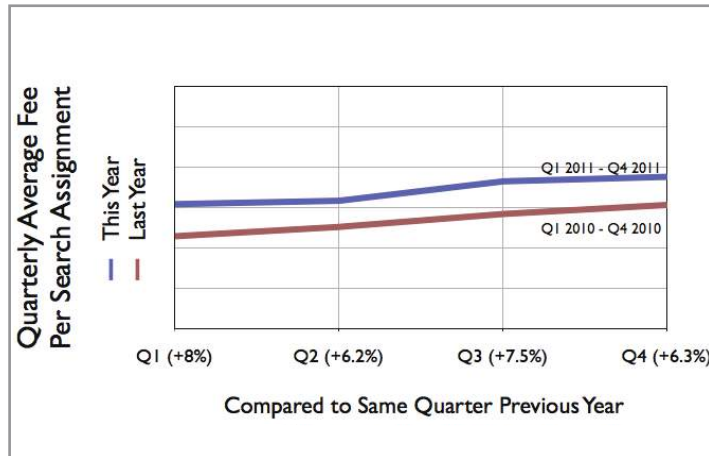


Average Fee Per Search Assignment

Year-on-year trend: Q4 2010 to Q4 2011 +6.3% (pictured below)

Quarter-on-quarter trend: Q3 2011 to Q4 2011 +1%

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

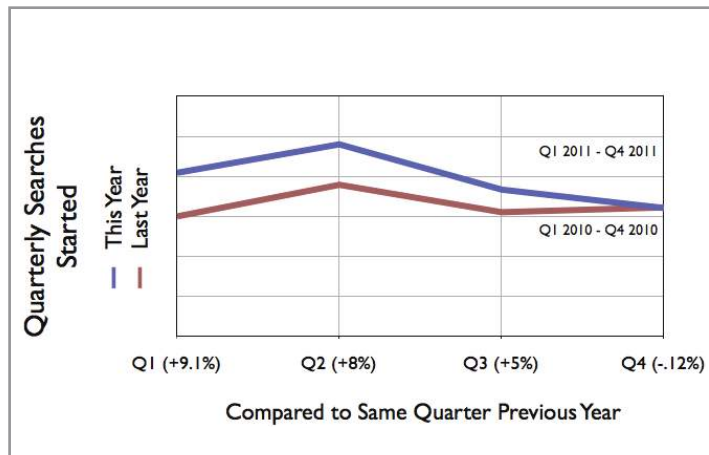


Average Number of Searches Started

Year-on-year trend: Q4 2010 to Q4 2011 -1.2% (pictured below)

Quarter-on-quarter trend: Q3 2011 to Q4 2011 -3.6%

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



Average Number of Searches Started by Industry

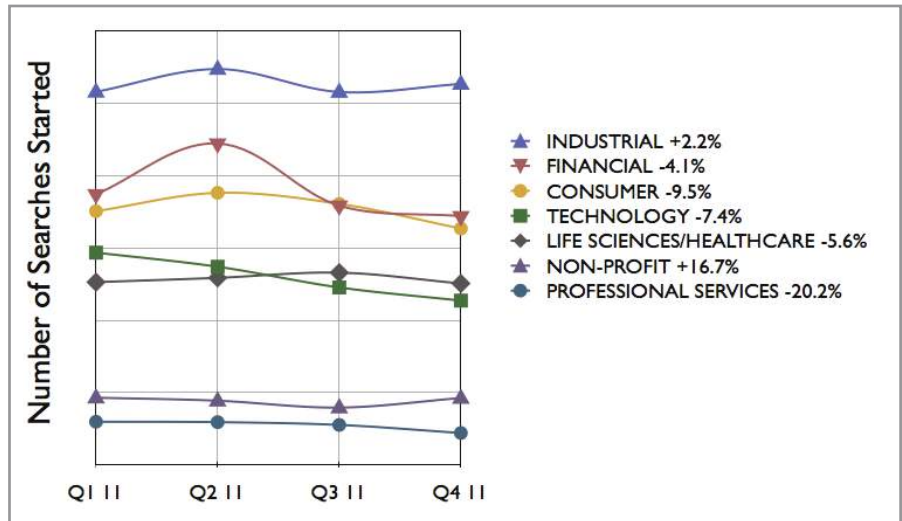
Year-on-year trend: Q4 2010 to Q4 2011

- Increasing: Life Sciences/Healthcare +8.4%, Industrial +8.2%, Consumer +6.5%, Non-Profit +9.4%*
 - Decreasing: Technology -14.7%, Financial -12.7%, Professional Services -7.8%*
- (* from a smaller survey sample)

Quarter-on-quarter trend: Q3 2011 to Q4 2011 (pictured below)

- Increasing: Non-Profit +16.7%*, Industrial +2.2%
 - Decreasing: Professional Services -20.2%*, Consumer -9.5%, Technology -7.4%, Life Sciences/Healthcare -5.6%, Financial -4.1%
- (* from a smaller survey sample)

Trend in Average Number of Searches Started Quarterly, by Industry

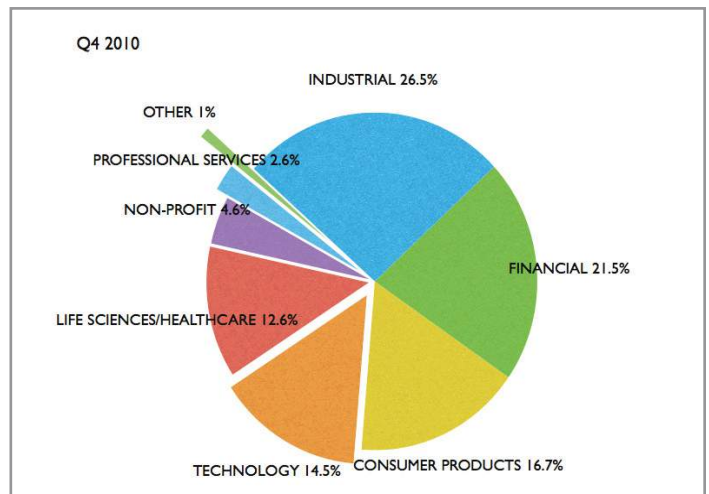
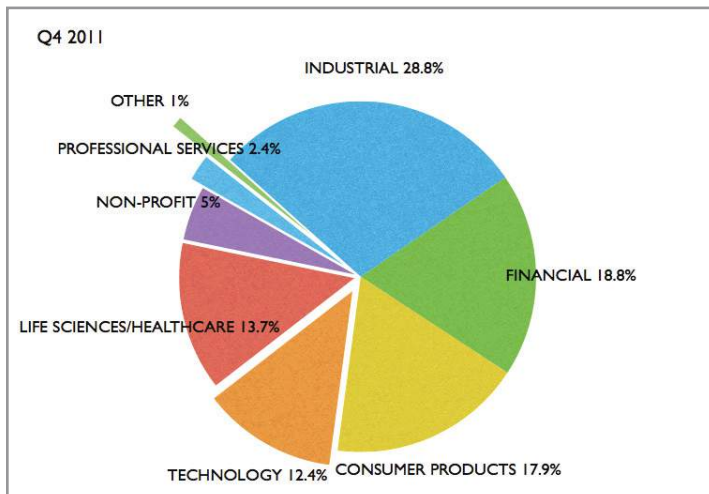


Market Breakdown by Industry

Year-on-year trend: Q4 2010 to Q4 2011 (pictured below)

- Increasing: Industrial +2.3%, Consumer Products +1.2%, Life Sciences/Healthcare +1.1%, Non-Profit+0.4%
- Decreasing: Financial -2.7%, Technology -2.1%, Professional Services -0.2%

Searches Started Quarterly by Industry, as Percentage of Total



Average Number of Searches Started by Region

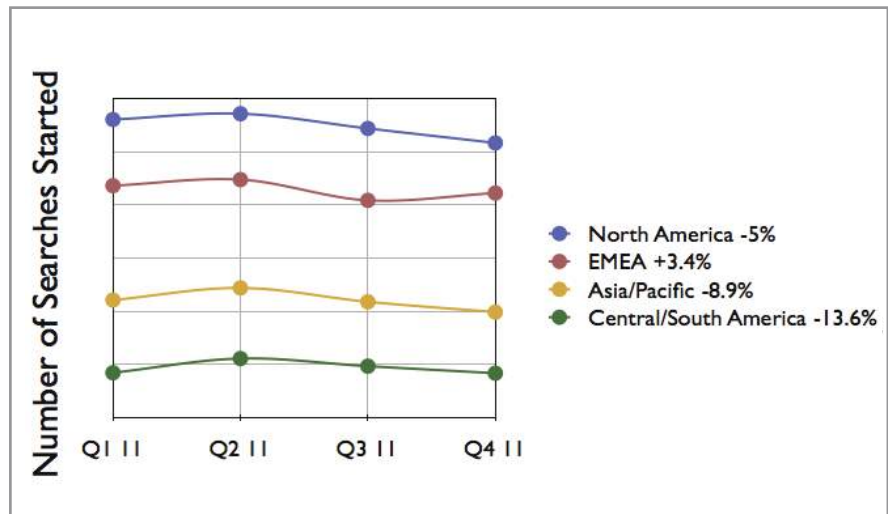
Year-on-year trend: Q4 2010 to Q4 2011

- Increasing: EMEA +7.9%, North America +1%
- Decreasing: Central/South America -13.5%, Asia/Pacific -9.9%

Quarter-on-quarter trend: Q3 2011 to Q4 2011 (pictured below)

- Increasing: EMEA +3.4%
- Decreasing: Central/South America -13.6%, Asia/Pacific -8.9%, North America -5%

Trend in Average Number of Searches Started Quarterly, by Region

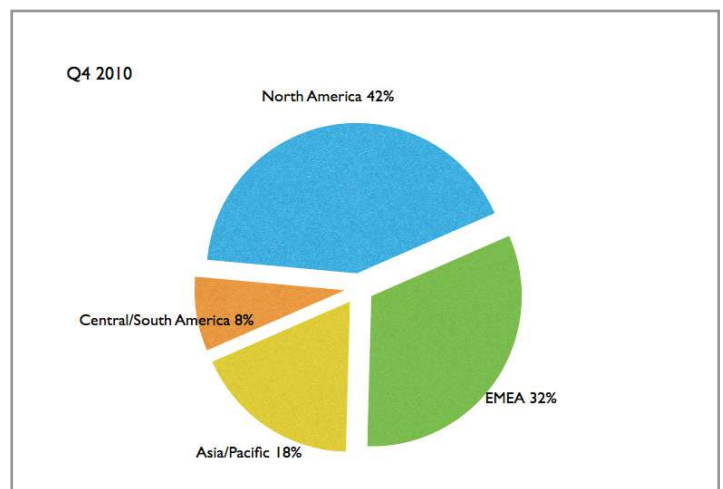
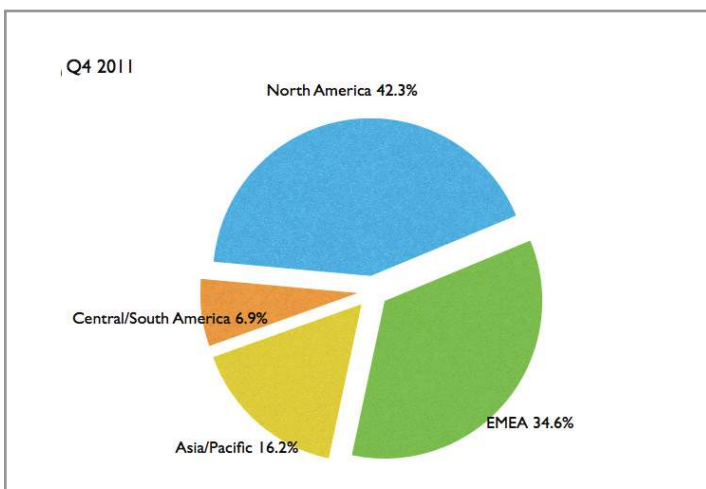


Market Share by Region

Year-on-year trend: Q4 2010 to Q4 2011 (pictured below)

- Increasing: EMEA +2.6%, North America +0.3%
- Decreasing: Asia/Pacific -1.8%, Central/South America -1.1%

Searches Started Quarterly by Region, as Percentage of Total

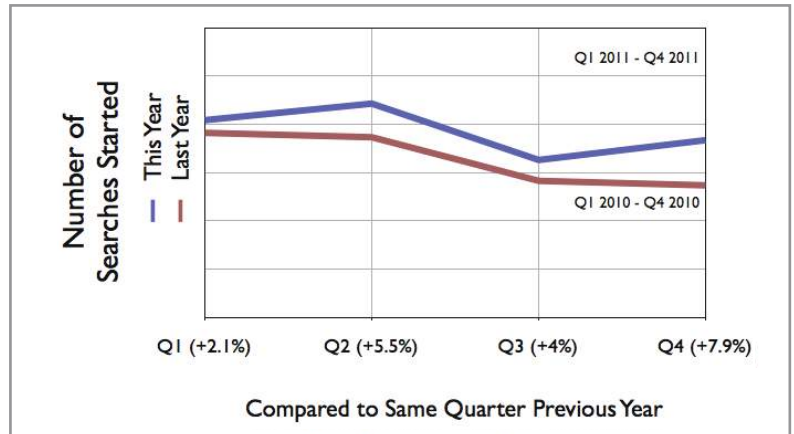


Average Number of Searches Started in EMEA

Year-on-year trend: Q4 2010 to Q4 2011 +7.9% (pictured below)

Quarter-on-quarter trend: Q3 2011 to Q4 2011 +3.4%

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

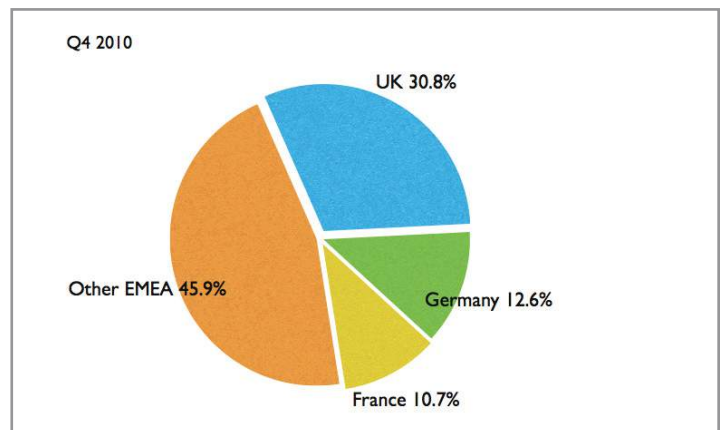
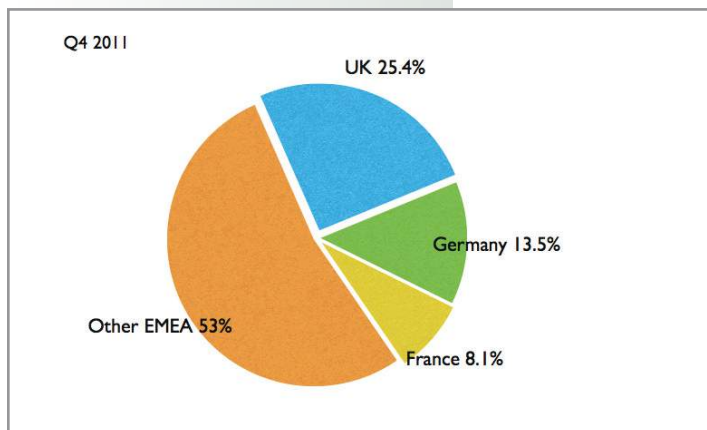


Market Share by EMEA Sub-Regions *

Year-on-year trend: Q4 2010 to Q4 2011 (pictured below)

- Increasing: Other EMEA +7.1%, Germany +0.9%
- Decreasing: UK -5.4%, France -2.6%

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 1430 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.