



AESC Insights

Q2 2010

State of the Executive Search Industry

Executive Search Rebounds in Rapid Pace Quarterly Growth:

Q2 2010 Reveals Continued Renewal in Executive Search Activity around the Globe



Association of Executive Search Consultants

The Worldwide Association for Retained Executive Search Consulting Firms

AESC State of the Executive Search Industry Report Q2 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 REBOUNDS IN RAPID PACE QUARTERLY GROWTH

Q2 2010 Reveals Continued Renewal in Executive Search Activity around the Globe

The second quarter of 2010 revealed the highest quarterly rise in executive search industry revenues since the low point in the recession only 15 months ago. Building upon already strong quarters in the second half of 2009 and early 2010, the latest report from the Association of Executive Search Consultants (AESC) shows a quarter-on-quarter 12 per cent growth rate in net revenue worldwide and substantial year-on-year growth in the number of search mandates started across most industries and regions. Highlights include a 42 per cent year-on-year rise in industry-wide revenues and a 38 per cent year-on-year increase in the number of new executive searches started globally.

Executive searches within the Financial Services industry witnessed the greatest year-on-year growth in Q2 2010, rising 50 per cent from Q2 2009. This growth was closely followed by increased search activity within the Technology industry, up 43.5 per cent year-on-year, and then Industrial (+39%) and Consumer (+37%). Such positive trends suggest a resurgence for those industries hit hardest by the recession.

AESC President, Peter Felix, commented, "The latest figures show cumulative strength since the industry's weakest point in Q1 2009 – backed by strong year-on-year increases in activity and strong quarterly growth. The critical issue now is whether the next two quarters will hold up in the face of continuing uncertainty about a double dip recession. On the bright side, however, is the realization by many organizations that the shortage of talent, already evident before the recession, is reasserting itself strongly. Companies have begun to think strategically again and in looking for growth are seeking out those executives who can offer both operational strength but also practical leadership in taking organizations and teams forward. The retained search profession sees this as a challenging but exciting time in partnering with clients as they seek new growth in a much changed world."

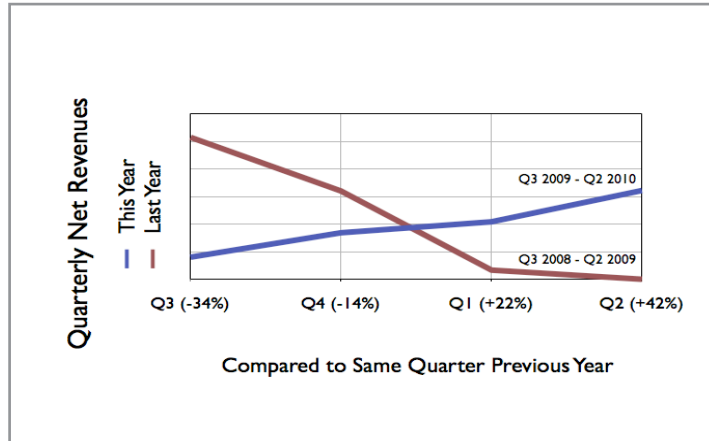
Based on quarterly regional trends, from Q1 2010 to Q2 2010, North America is emerging from the recession first and strongest, followed by Asia Pacific and other emerging markets. As predicted, Europe is lagging behind with flat results from quarter one to quarter two this year.

Average Net Revenues

Annual trend: Q2 2009 to Q2 2010 +42% (pictured below)

Quarterly trend: Q1 2010 to Q2 2010 +12%

Quarterly Net Revenues,
as Compared to Previous Year

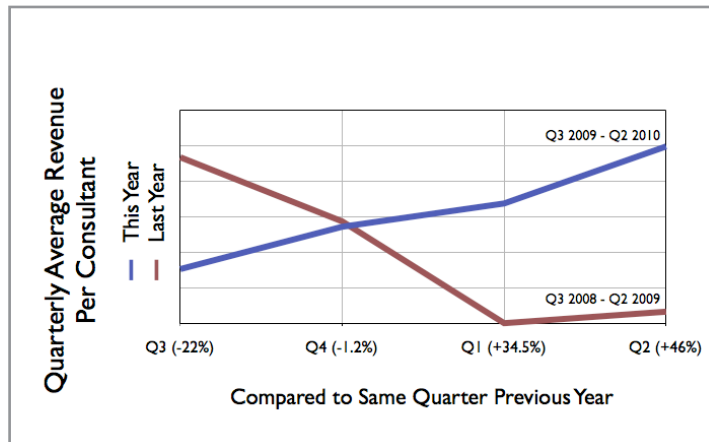


Average Revenue Per Consultant

Annual trend: Q2 2009 to Q2 2010 +46% (pictured below)

Quarterly trend: Q1 2010 to Q2 2010 +12.2%

Quarterly Average Revenue Per Consultant,
as Compared to Previous Year

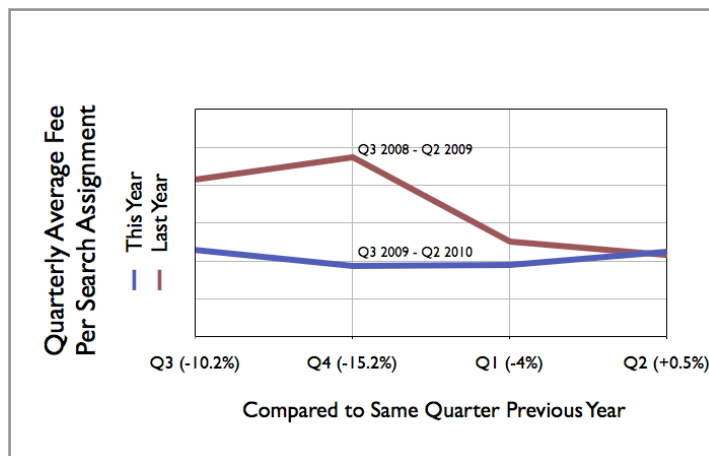


Average Fee Per Search Assignment

Annual trend: Q2 2009 to Q2 2010 +0.5% (pictured below)

Quarterly trend: Q1 2010 to Q2 2010 +2.2%

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

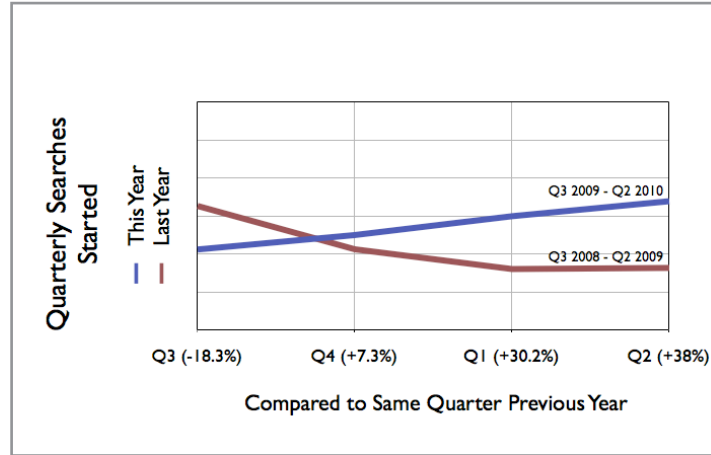


Trend in Number of Searches Started

Annual trend: Q2 2009 to Q2 2010 +38% (pictured below)

Quarterly trend: Q1 2010 to Q2 2010 +7%

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



Trend in Number of Searches Started by Industry

Annual trends: Q2 2009 to Q2 2010

All industries experienced a year-on-year increase in Q2 2010:

- Financial +50%, Technology +43.5%, Industrial +39%, Consumer +37%, Life Sciences/Healthcare +18% (and from a smaller survey sample: Professional Services +92%, Non-Profit +17%)

Quarterly trends: Q1 2010 to Q2 2010 (pictured below)

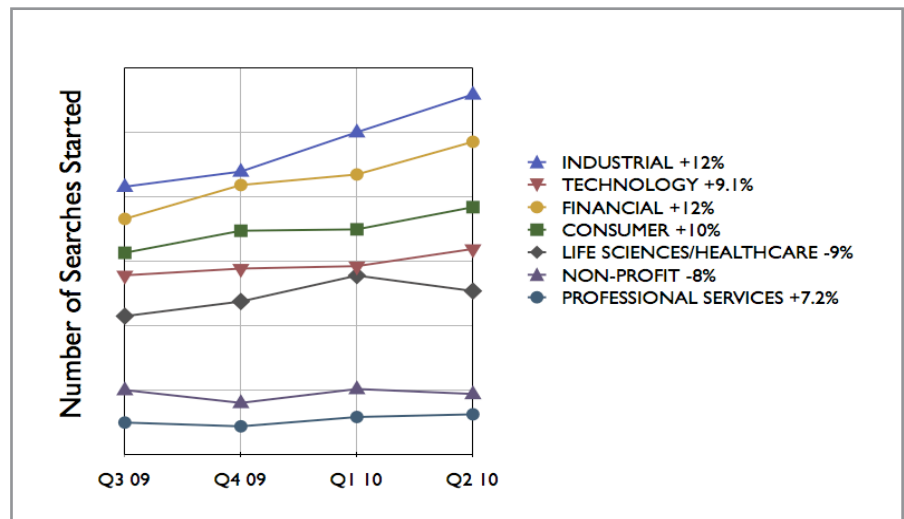
Rising quarterly:

- Financial +12%, Industrial +12%, Consumer +10%, Technology +9.1% (and from a smaller survey sample: Professional Services +7.2%)

Falling quarterly:

- Life Sciences/Healthcare -9% (and from a smaller survey sample: Non-Profit -8%)

Trend in Number of Searches Started Quarterly, by Industry

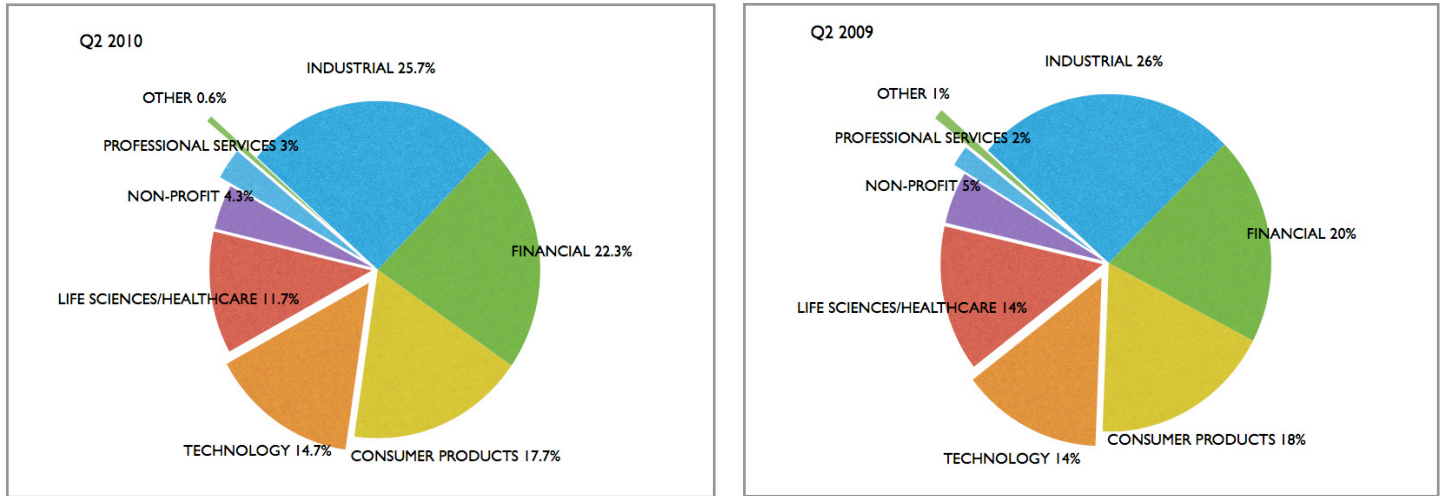


Market Breakdown by Industry

Annual trends: Q2 2009 to Q2 2010 (pictured below)

- Year-on-year increase: Financial +2.3%, Professional Services +1%, Technology +0.7%
- Year-on-year decrease: Life Sciences/Healthcare -2.3%, Non-Profit -0.7%, Industrial -0.3%, Consumer Products -0.3%

Searches Started Quarterly by Industry, as Percentage of Total



REGIONAL TRENDS GLOBAL - Q2 2010

Trend in Number of Searches Started by Region

Annual trends: Q2 2009 to Q2 2010

All regions experienced a year-on-year increase in the number of searches started in Q2 2010:

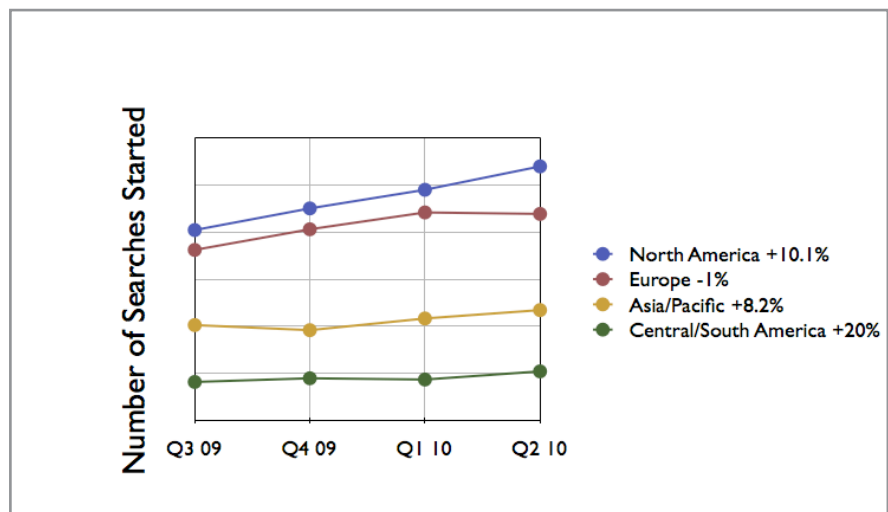
- Asia/Pacific +52.4%, North America +37%, Central/South America +35%, Europe +34%

Quarterly trends: Q1 2010 to Q2 2010 (pictured below)

All regions except Europe witnessed a quarterly increase in new search mandates in Q2 2010:

- Central/South America +20%, North America +10.1%, Asia/Pacific +8.2%
- Europe -1%

Trend in Number of Searches Started Quarterly, by Region

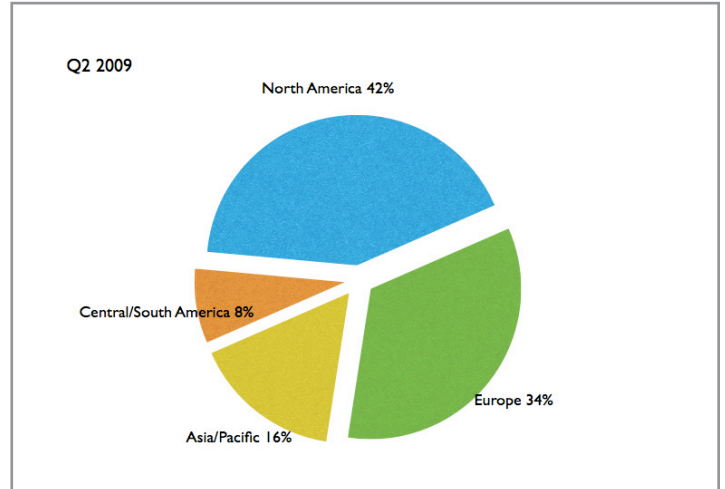
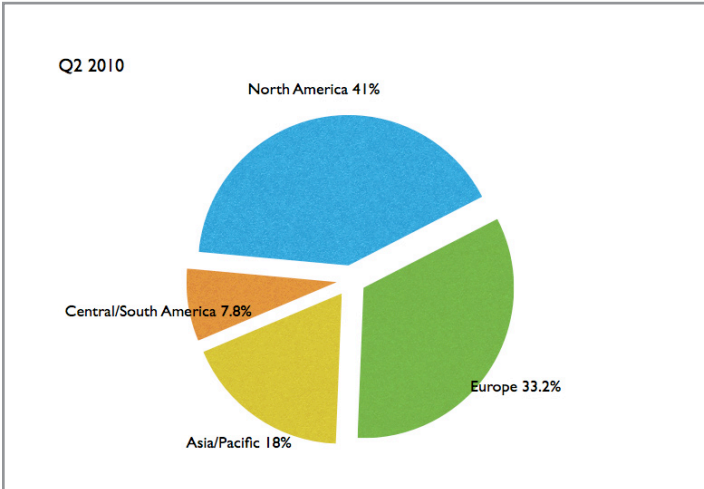


Market Share by Region

Annual trends: Q2 2009 to Q2 2010 (pictured below)

- Increase in market share: Asia/Pacific +2%
- Decrease in market share: North America -1%, Europe -0.8%, Central/South America -0.2%

Searches Started Quarterly by Region, as Percentage of Total



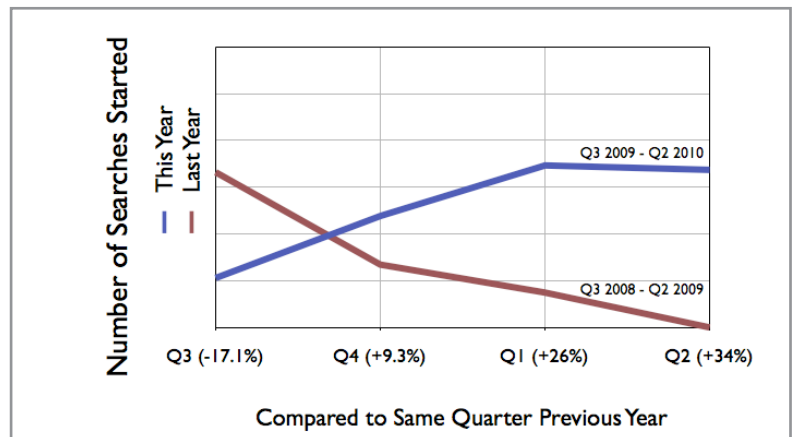
REGIONAL TRENDS EUROPE - Q2 2010

Trend in Number of Searches Started in Europe

Annual trend: Q2 2009 to Q2 2010 +34% (pictured below)

Quarterly trend: Q1 2010 to Q2 2010 -0.7%

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

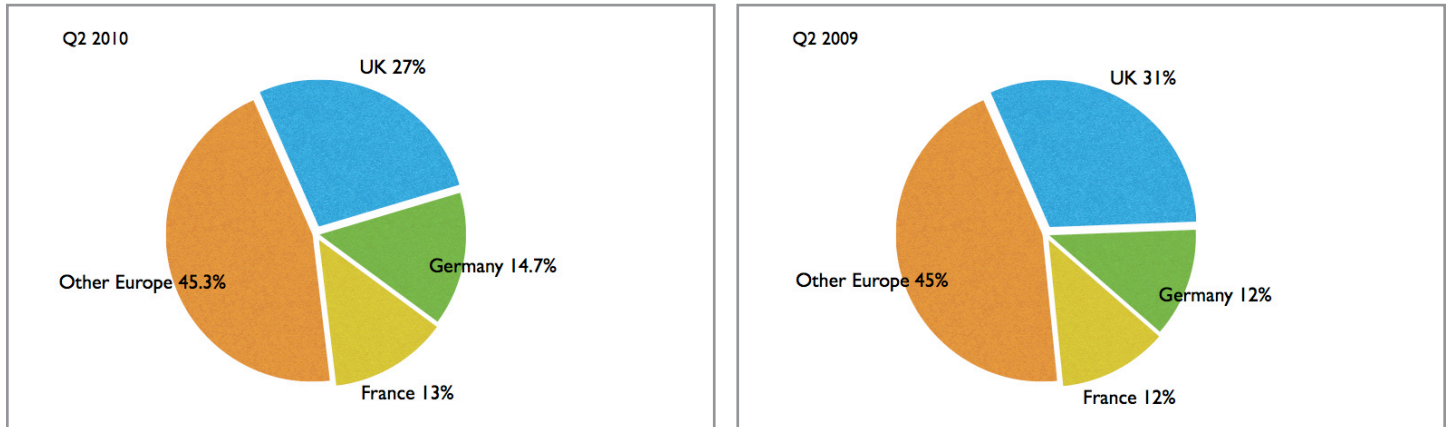


Market Share by European Sub-Region *

Annual trends: Q2 2009 to Q2 2010 (pictured below)

- Increase in market share: Germany +2.7%, France +1%, Other Europe +0.3%
- Decrease in market share: UK -4%

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