

INTERIM MANAGEMENT STATEMENT QUARTER ENDED 31 MARCH 2012

12 April 2012

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Financial summary

Growth in net fees for the quarter ended 31 March 2012 (Q3)
(versus the same period last year)

	Growth	
	Actual	LFL*
By region		
Asia Pacific	17%	9%
Continental Europe & Rest of World	27%	26%
United Kingdom & Ireland	(5)%	(5)%
Total	12%	10%
By segment		
Temporary	16%	14%
Permanent	8%	5%
Total	12%	10%

* LFL (like-for-like) growth represents organic growth at constant currency.

Highlights

- Good Group net fee growth of 10%* versus prior year
- International business delivered strong growth of 18%* and represented 70% of net fees in the quarter
- Strong growth of 26%* in Continental Europe & Rest of World, driven by continued excellent performance in Germany which grew by 36%*
- Good growth of 9%* in Asia Pacific, with 9%* growth in Australia & New Zealand, and 5%* growth in the rest of Asia
- Net fees decreased 5% in the UK & Ireland, with private sector declining 6%. Public sector net fees declined 2%
- Based on the Group's year-to-date performance and our current view on outlook, we expect full year operating profit to be towards the top of the current range of market estimates

Commenting on the Group's performance in the third quarter, Alistair Cox, Chief Executive, said:

"We have made an encouraging start to the second half with good performances in many parts of the Group. In our International business, which now accounts for 70% of total net fees, growth accelerated to 18%*. 13 countries around the world grew by over 20%* and our market-leading German business was amongst 7 countries that delivered record performances. In the UK, markets remain difficult, especially in Banking and the public sector.

Looking ahead, many parts of the Group continue to grow, but ongoing uncertainty about the global economic outlook means that our markets around the world remain complex and far from uniform. Against this backdrop, we will continue to invest selectively in growth areas whilst at the same time reacting to changing conditions in each of our countries and specialisms to maximise fees and profitability. Our unrivalled global footprint, sectoral diversification and market leadership in so many countries positions us well to capitalise on today's complex markets as well as the long-term opportunities for growth which remain undiminished."

Group

In the quarter ended 31 March 2012, Hays, the leading global professional recruitment group, increased net fees by 12% (10% on a like-for-like basis*) against prior year. Net fees in the temporary placement business, which accounts for 56% of Group net fees, saw strong growth of 14%*. Net fee growth in the permanent placement business was solid at 5%* despite continued uncertainty about the global macro-economic environment impacting confidence amongst the Group's candidates and clients, notably in our Banking related specialisms around the world.

The exit rate for the quarter was circa 7%* up on the same period last year, as comparatives strengthened as the quarter progressed.

The Group's underlying temporary placement margin** remained broadly stable and in line with the previous quarter. The Group's consultant headcount, which is 7% up year on year, decreased by 3% during the quarter. This follows the actions taken in October and November 2011 when we became more selective about areas for investment, and reduced consultant numbers in certain countries.

Based on the Group's year-to-date performance and our current view on outlook, we expect full year operating profit to be towards the top of the current range of market estimates.

Asia Pacific

In Asia Pacific, our second largest region by net fees, we recorded good net fee growth of 9%*. In our market-leading Australia & New Zealand business, we recorded good overall net fee growth of 9%*, within which our temporary placement business performed strongly, increasing by 17%*, and our permanent placement business was broadly flat*. We continued to see excellent growth in Western Australia and Queensland driven by Resources & Mining and associated support specialisms, which was partially offset by tough market conditions in New South Wales and Victoria.

In Asia, which accounts for 12% of the division, net fees grew by 5%*. In Japan, we continued to see strong growth as net fees increased by 31%*. Elsewhere in the division, market conditions remained subdued through the quarter. This was particularly the case in Hong Kong and Singapore, which have a significant weighting towards Banking and Financial Services.

Consultant headcount in the Asia Pacific division was broadly stable in the quarter.

Continental Europe & Rest of World ('RoW')

In Continental Europe & RoW, our largest division, which represents circa 40% of Group net fees, we recorded strong net fee growth of 26%*. Growth continued to be excellent in Germany which had another record performance and grew by 36%*. Growth in Germany was broadly based across all sectors and each of our permanent, contracting and temporary placement businesses.

Growth in the rest of the division, which is primarily a permanent placement business, was 15%*. France continued to perform well, and grew by 13%*. Elsewhere, 9 countries across the division increased net fees by 20%* or more, including Belgium, Brazil, Canada, India and Russia. Conditions in our Southern European businesses were more challenging as activity continued to be significantly impacted by the Eurozone crisis and associated macro-economic uncertainty.

Consultant headcount in the Continental Europe & RoW division decreased by 2% during the quarter and we opened Chile, our fourth Latin American country of operation, in March.

United Kingdom & Ireland

In the United Kingdom & Ireland, net fees decreased by 5%. In our private sector business, net fees were down 6% in large part due to slowing activity in our Banking and City-related specialisms. Elsewhere in

our private sector business, our IT, Legal and Energy businesses continued to deliver good growth. In our public sector business, net fees were down 2% year on year, but have now been stable on a sequential basis since April 2011.

We continued to make good progress on our cost reduction plans through the quarter to protect the profitability of the business.

Consultant headcount in the United Kingdom & Ireland division decreased 5% in the quarter.

Cash flow and balance sheet

As a result of good working capital management, net debt decreased to around £160 million (31 December 2011: £178 million).

* LFL (like-for-like) growth represents organic growth at constant currency.

** the underlying temporary placement gross margin is calculated as temporary placement net fees divided by temporary placement gross revenue and relates solely to temporary placements in which Hays generates net fees and specifically excludes transactions in which Hays acts as agent on behalf of workers supplied by third party agencies.

Enquiries

Hays plc		
Paul Venables	Group Finance Director	+ 44 (0) 20 7383 2266
David Walker	Head of Investor Relations	+ 44 (0) 20 7383 2266
Maitland		
Brian Hudspith		+ 44 (0) 20 7379 5151

Conference call

Paul Venables and David Walker of Hays plc will conduct a conference call for analysts and investors at 9:00am United Kingdom time on 12 April 2012. The dial-in details are as follows:

Dial-in number	+44 (0) 20 3140 0668
Password	458857#

The call will be recorded and available for playback for seven days as follows:

Replay dial-in number	+44 (0) 20 3140 0698
Access code	383723#

Reporting calendar

Trading update for the quarter ending 30 June 2012	11 July 2012
Preliminary Results for the year ending 30 June 2012	30 August 2012
Interim Management Statement for the quarter ending 30 September 2012	8 October 2012

Note to editors

Hays plc (the "Group") is a leading global professional recruiting group. The Group is the expert at recruiting qualified, professional and skilled people worldwide, being the market leader in the UK and Asia Pacific and one of the market leaders in Continental Europe and Latin America. The Group operates across the private and public sectors, dealing in permanent positions, contract roles and temporary assignments. As at 30 June 2011, the Group employed 7,620 staff operating from 255 offices in 31 countries across 20 specialisms. For the year ended 30 June 2011:

- the Group reported net fees of £672 million and operating profit of £114 million;
- the Group placed around 60,000 candidates into permanent jobs and around 190,000 people into temporary assignments;
- 31% of Group net fees were generated in Asia Pacific, 33% in Continental Europe & RoW (CERoW) and 36% in the United Kingdom & Ireland;
- the temporary placement business represented 54% of net fees and the permanent placement business represented 46% of net fees;
- Hays operates in the following countries: Australia, Austria, Belgium, Brazil, Canada, Colombia, Chile, China, the Czech Republic, Denmark, France, Germany, Hong Kong, Hungary, India, Ireland, Italy, Japan, Luxembourg, Mexico, the Netherlands, New Zealand, Poland, Portugal, Russia, Singapore, Spain, Sweden, Switzerland, UAE, the United Kingdom and the USA.

Cautionary statement

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