

Aerospace and Defense ■ Automotive ■ Chemicals
 Diversified Manufacturing ■ Engineering Procurement
 Construction ■ Heavy Equipment ■ Oil and Gas

Q1 2017



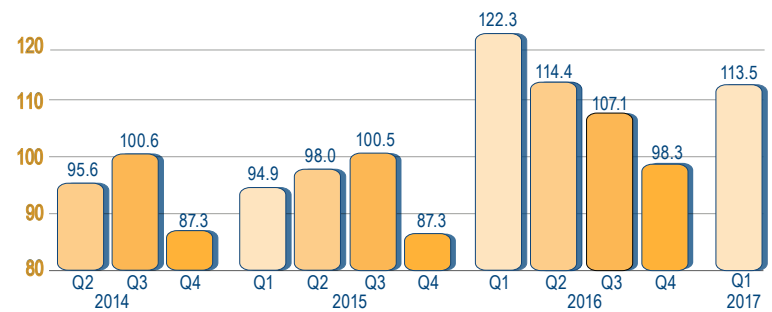
The Q1 2017 release of the **ZRG Partners Global Industrial Hiring Index** posted a strong 21% increase in global hiring demand quarter-over-quarter. However, the index showed a 9% year-over-year decrease when compared to Q1 2016. One continued trend we see in the index over 13 quarters of collecting data, is that the most volatility (quarter-to-quarter) appears to be Q4 versus Q1, with the former being seasonally much weaker than the later. This is the third quarter-over-quarter comparison we have observed in our data (Q1 versus Q4) and in each comparison Q1 shows a significant increase (of 11%, 31% and 21% respectively) versus the previous calendar quarter. The Q1 2017 results seem to indicate that the employment market is solid across all subsectors within the Industrial space, with the exception of Oil and Gas, a subsector in which hiring has leveled out, but at a very low level. From a subsector perspective, Aerospace, EPC and Oil and Gas showed hiring gains from both a year-over-year and quarter-over-quarter perspective. Despite showing gains year-over-year and quarter-over-quarter, Oil and Gas continues to lag as overall postings were improved quarter-over-quarter but still tepid on a relative basis and in light of the enormous revenue of this subsector. It is interesting to note that the Heavy Equipment subsector had a 34% quarterly gain in job postings, although it was still down year-over-year.

What's Growing? Every industrial subsector we cover posted an increase in job postings during Q1 2017 versus the prior quarter. EPC, Oil and Gas, Heavy Equipment and Automotive were up the most on a percentage basis quarter-over-quarter. Aerospace, EPC and Oil and Gas were up compared to last year's Q1 and Q4 2016.

What's Slowing? Oil and Gas continues to have a small number of job postings relative to the overall size of the industry. Diversified Manufacturing has also been weaker on a relative basis versus the other subsectors (year-over-year and versus last quarter).

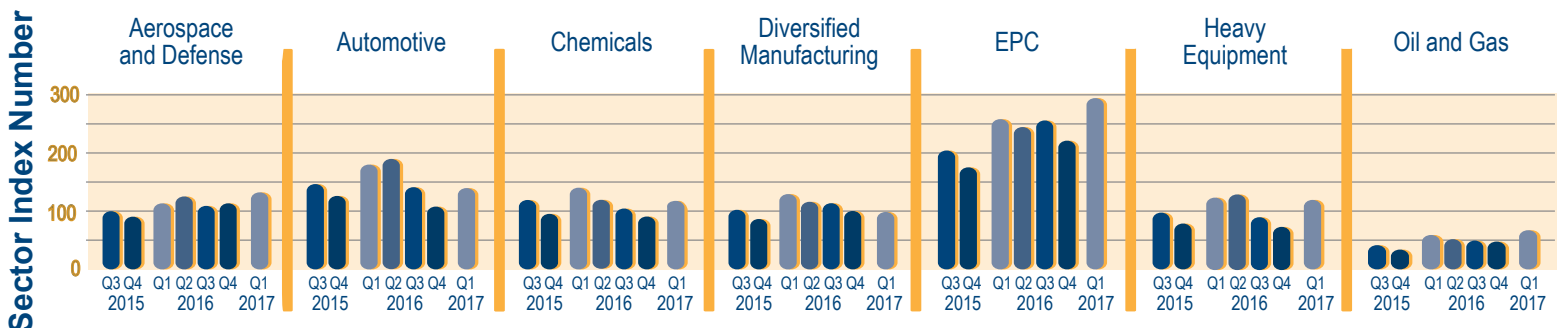
Where are the investment dollars flowing? From a Private Equity investment perspective in Q1 2017, investment in the Industrial sector was up 8% to \$23 billion on a quarterly basis and up 27% from a year ago. Strong PE investments flowed into the Chemicals and Oil and Gas subsectors in particular.

Global Industrial Hiring Index



Nate Frank, Managing Director and Head of the Global Industrial Group for ZRG Partners stated:

"The Q1 results very much align to our expectations and are a good indication that industrial sector hiring remains fairly robust. Going forward we will continue to keep a close eye on Heavy Equipment and Oil & Gas. Any movement back in the direction of typical levels for these subsectors will be great news for the Industrial sector as a whole."

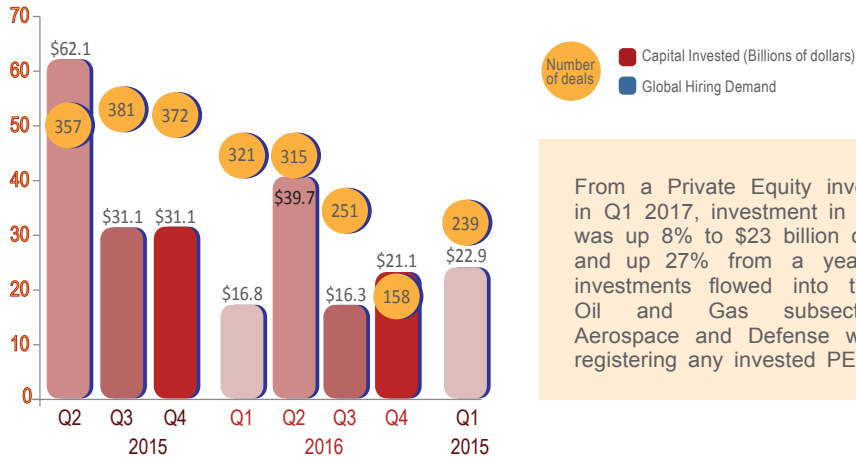


About the ZRG Global Industrial Hiring Index

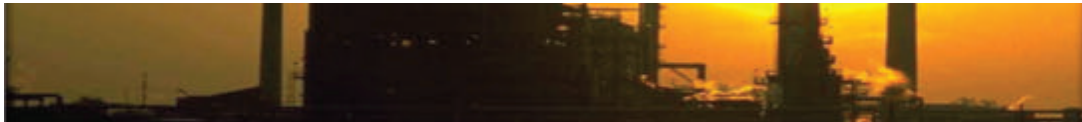
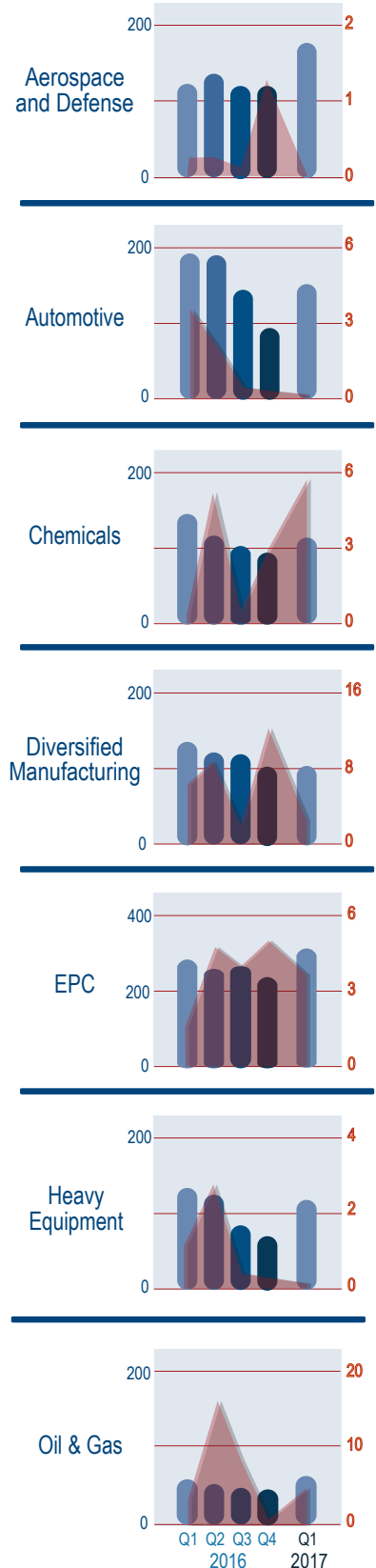
ZRG tracks hiring demand and PE investment over seven industrial sectors globally. We do this by tracking hiring trends of top 10 leaders in each sector and track private equity investment in the same areas. The index is a proprietary formula that will reflect global hiring demand from these data sources. ZRG collaborates with data from the CEB TalentNeuron tool and Pitchbook to assemble the sector data.

Private Equity investment in all tracked sectors

Capital Invested & Deal Count



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About ZRG Partners

ZRG Partners, LLC is a leading authority on global talent management issues within the Industrial markets. ZRG provides its clients with specialized market expertise in executive recruitment, consulting and advisory work, with a focus on data and analytics to drive great business decisions.

ZRG brings patented solutions that are changing how companies approach talent in the Industrial sector. Our value proposition is centered around providing data and analytics that perfectly compliment the market expertise we bring in this sector.

ZRG Partners Industrial Team Managing Directors



James Aslaksen, Seattle
 jaslaksen@zrgpartners.com
 +1-630-701-6456

Allen Brady, Seattle
 abrady@zrgpartners.com
 +1-206-489-5539

Robert Chandis, Asia Pacific
 rchandis@zrgpartners.com
 +1-201-560-9900 x230

Samantha Foster, Connecticut
 sfoster@zrgpartners.com
 +1-860-561-8499

Nate Frank, Chicago
 nfrank@zrgpartners.com
 +1-630-462-1840 x622

Peter Gremillion, Germany
 pgremillion@zrgpartners.com
 +49 0 170 225 0440

Mary Kier, Chicago
 mkier@zrgpartners.com
 +1-312-445-6527

Jason Kroon, Houston
 jkroon@zrgpartners.com
 +1-832-928-6877

Denys Monteiro, Brazil
 dmonteiro@zrgpartners.com
 +55-11-3456-2451

Richard Morford, New Jersey
 rmorford@zrgpartners.com
 +1-732-245-4870

Leslie Sharp, Houston
 lsharp@zrgpartners.com
 +1-832-858-7577

David Sheahan, Dallas
 dsheahan@zrgpartners.com
 +1-214-906-7336

Jill Schofield, Calgary
 jschofield@zrgpartners.com
 +1-403-444-6943

Philipp Sturm, Germany
 psturm@zrgpartners.com
 +49 69 710 456 100

Andy Talkington, Houston
 atalkington@zrgpartners.com
 +1-713-343-9111

Geraldo Teixeira, Brazil
 gteixeira@zrgpartners.com
 +55-11-3456-2451

Steve Tosches, New Jersey
 stosches@zrgpartners.com
 +1-609-269-5340

Rebecca Wareing, Connecticut
 rwareing@zrgpartners.com
 +1-860-561-8499

Robert Wolgemuth, Chicago
 rwolgemuth@zrgpartners.com
 +1-630-462-1840 x613