MONSTER WORLDWIDE, INC.
Form 10-K
February 11, 2016
Table of Contents

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

ý ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2015
OR
¨ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
FOR THE TRANSITION PERIOD FROM TO
COMMISSION FILE NUMBER 001-34209

MONSTER WORLDWIDE, INC.
(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

| | |
|---|---|
| DELAWARE | 13-3906555 |
| (STATE OR OTHER JURISDICTION OF INCORPORATION OR ORGANIZATION) | (I.R.S. EMPLOYER IDENTIFICATION NUMBER) |

133 Boston Post Road, Building 15, Weston, Massachusetts 02493
(ADDRESS OF PRINCIPAL EXECUTIVE OFFICES)
(978) 461-8000
(REGISTRANT’S TELEPHONE NUMBER, INCLUDING AREA CODE)

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:

| Title of Each Class | Name of Each Exchange on Which Registered |
|---|---|
| Common Stock, par value $.001 per share | New York Stock Exchange |

SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT:
None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined under Rule 405 of the Securities Act. Yes ¨ No ý
Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ¨ No ý
Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes ý No ¨
Indicate by check whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ý No ¨

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.  ý

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Table of Contents

| | | | |
|---|---|---|---|
| Large accelerated filer | ý | Accelerated filer | ¨ |
| Non-accelerated filer | ¨ (Do not check if a smaller reporting company) | Smaller reporting company | ¨ |

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ¨ No ý

The aggregate market value of common stock held by non-affiliates of the registrant was approximately $591,129,070 as of June 30, 2015, the last business day of the registrant’s second fiscal quarter of 2015.

As of January 31, 2016, there were 89,909,167 shares of the registrant’s common stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant’s definitive Proxy Statement to be used in connection with its 2016 Annual Meeting of Stockholders are incorporated by reference into Part III of this Form 10-K.

Table of Contents

TABLE OF CONTENTS

Table of Contents

## Special Note About Forward-Looking Statements

Monster Worldwide, Inc. (together with its consolidated subsidiaries, the “Company,” “Monster,” “Monster Worldwide,” “we,” “our” or “us”) makes forward-looking statements in this report and in other reports and proxy statements that we file with the Securities and Exchange Commission (the “SEC”). Except for historical information contained herein, the statements made in this report constitute forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Such forward-looking statements involve certain risks and uncertainties, including statements regarding our strategic direction, prospects and future results. Certain factors, including factors outside of our control, may cause actual results to differ materially from those contained in the forward-looking statements. These factors include, among other things, the global economic and financial market environment; competition; risks relating to our foreign operations; our ability to maintain and enhance the value of our brands, particularly Monster; risks related to our new strategy; fluctuations in our quarterly operating results; our ability to adapt to rapid developments in technology; our ability to continue to develop and enhance our information technology systems; concerns related to our compliance with applicable data protection laws and regulations; intrusions on our systems; interruptions, delays or failures in the provision of our services; our vulnerability to intellectual property infringement claims brought against us by others; our ability to protect our proprietary rights and maintain our rights to use key technologies of third parties; risks associated with cuts in government spending; the risk that acquisitions or partnerships may not achieve the expected benefits to us; our ability to attract and retain talented employees, including senior management; potential write-downs if our goodwill or amortizable intangible assets become impaired; adverse determinations by domestic and/or international taxation authorities related to our estimated tax liabilities; effects of anti-takeover provisions in our organizational documents that could inhibit the acquisition of Monster Worldwide by others; volatility in our stock price; risks associated with government regulation; the outcome of litigation we may become involved in from time to time; risks associated with our convertible senior notes due 2019; and other risks and uncertainties set forth from time to time in our reports and other filings made with the SEC, including under Part I, “Item 1A. Risk Factors” of this report.

We undertake no obligation to publicly update or revise any forward-looking statements to reflect events or circumstances that may arise after the date of this report.

# PART I

## ITEM 1. BUSINESS

### Introduction

Monster Worldwide, Inc. (together with its consolidated subsidiaries, the "Company," "Monster," "Monster Worldwide," "we," "our" or "us") is a global leader in connecting people to jobs, wherever they are. Monster's mission is to help people improve their lives with access to the right job opportunities, and to enable customers to be more successful in finding the best talent anywhere. Today, the Company offers services in more than 40 countries, providing some of the broadest, most sophisticated job seeking, career management, recruitment and talent management capabilities. Monster continues its pioneering work of transforming the recruitment industry with advanced technology using intelligent digital, social and mobile solutions, including our flagship website monster.com® and a vast array of products and services.

Our principal executive offices are located at 133 Boston Post Road, Building 15, Weston, Massachusetts 02493. Our telephone number is (978) 461-8000 and our website for corporate information is http://www.monster.com/about. Our predecessor business was founded in 1967, and our current company was incorporated in Delaware and became a public company in 1996. We make all of our public filings with the SEC available on our investor relations website located at http://ir.monster.com, free of charge, under the caption "Investor Relations—SEC Filings." Included in these filings are proxy statements and notices to stockholders, annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports, which are available as soon as reasonably practicable after we electronically file or furnish such materials with the SEC pursuant to Section 13(a) or 15(d) of the Exchange Act. Additionally, we webcast our earnings calls and certain events we participate in or host with members of the investment community on our investor relations website.

### Our Strategy

In May 2014, Monster revealed a new strategy to drive the business forward and enhance its competitive position. This "All the Jobs, All the People" approach encapsulates and contemporizes Monster's historic purpose of bringing humanity and opportunity to the job market, to enhance lives, business and communities around the world. Monster continues to focus on its mission to create and deliver the best recruiting media, technologies and platforms for connecting people and jobs. "All the Jobs, All the People" is a way to approach this mission at scale.

Today, Monster aims to fulfill the needs of individuals by providing them with the best tools to find and connect with new job opportunities. Seekers can search job advertisements and post their resumes for free on all of our career websites and mobile applications. We support our employer customers' recruitment and talent management needs by providing a comprehensive suite of solutions to attract, engage and convert talent to fulfill against their individual business goals. Employer customers pay for the ability to advertise available jobs and recruitment related services; search and connect with users in our resume database or in social profile databases; and access other career-related services.

The three pillars of our "All the Jobs, All the People" strategy are Monster Reach, Monster Connections, and Monster Solutions. Together they support the goals we are working to achieve and align with the needs of individuals and employers.

Monster Reach is focused on providing access to the broadest set of candidates, with the largest set of job content across desktop, social and mobile. Monster Connections is focused on providing the tools to discover and connect with talent whether on Monster or anywhere on the social web. Monster Solutions is focused on delivering the power of Monster's technology to a wide range of commercial, staffing and government customers. Each strategic pillar is described in more detail below.

### Monster Reach

Monster Reach comprises a portfolio of recruitment advertising products that provide turnkey solutions for employer customers to reach and convert candidates in active, passive and social environments. Core Monster Job Ads provide powerful access to one of the largest networks of active job seekers within the Monster network of sites and the expanded network of publishers such as local and regional newspaper sites. We also provide employer customers with the ability to further enhance, and increase traffic to, their job advertisements utilizing various media solutions and search engine marketing. Career Ad Network® enables employer customers to reach beyond the active job seeker and convert active and passive talent at scale across the web, utilizing proprietary behavioral targeting technology to put the right job ad in front of the right candidate at the right time.

Table of Contents

We have expanded our advertising solutions with the addition of Monster Social Job Ads and Monster Twitter Cards. These products provide employer customers with a programmatic advertising approach, using the same automation of recruitment advertising, now extended into the enormous social environment of Twitter and Facebook. Monster Social Job Ads gives recruiters the turnkey ability to expand their reach and target jobs to Facebook and Twitter users at scale. The Monster Social Job Ads targeting uses data from both Monster resumes and TalentBin profiles (further discussed below), intersecting data and targeting capabilities from traditional online media with the immediacy of social media. Monster Social Job Ads provides recruiters with a simple way to more effectively message job openings, and drive additional reach, engagement and interaction with individuals on these social media platforms.

The Company is in the process of rolling out our new job advertising Pay-per-Click model ("PPC"), enabling customers to manage and run performance-based recruitment campaigns. PPC ultimately is a critical component as we evolve our business towards a more comprehensive and cohesive job advertising model. In the third quarter of 2015 we moved out of beta and into select U.S. Sales channels, and in the fourth quarter of 2015, we grew both the number of companies and ads running throughout our Job Ad network. PPC is a critical component of our job advertising strategy, adding a new way to sell our ad inventory across all channels. Yet, it is equally critical we deploy PPC in a focused and careful manner and have purposefully managed our PPC roll-out slowly. In 2016 we will first be opening up sales of PPC to our agency channel, a critical set of customer partners that we work with to resell the Monster portfolio, and then bring it to all customer segments throughout the year.

Monster Connections

Monster Connections is a suite of search and communications products enabling employer customers to discover and connect with talent on the Monster network of sites and anywhere on the social web. The depth of the Monster database and expanded breadth of social profiles gives employers access to a more complete talent pool than ever before. Our flagship search product, Monster Power Resume Search®, offers the unique 6Sense® semantic search technology to enable employer customers to quickly find a precise match. 6Sense technology transforms traditional keyword-based processes by assisting our customers in matching candidates to their required job specifications. Addressing the expanding needs of our customers, two new solutions were launched in 2014 and accelerated in 2015. One to one relationship development is key in today’s high-demand sourcing environment. Monster Talent CRM is a self-service campaign and messaging platform that utilizes the same capabilities as Power Resume Search technology to identify, source and create campaigns for recruiters and uses integrated CRM toolsets to create one-to-one or one-to-many recruiting campaigns.

Extending a customer’s reach beyond Monster, we offer TalentBin® by Monster which allows recruiters to discover and communicate with potential candidates using talent profiles collected from the entire social web. TalentBin has continued to evolve as a platform with enhanced campaign automation and drip marketing capabilities. Originally focused on the technology vertical, TalentBin has also extended into three new verticals with the expansion into the Creative Professional, Healthcare and Finance verticals. The Creative Professional vertical focuses on graphic design, illustration and digital design. The Healthcare vertical focuses on key areas such as nursing, nursing assistants and physicians with a goal to expand to all licensed healthcare professionals. The Finance vertical focuses on finance and accounting professionals. The expansion into these verticals further extends the value to the recruiter and expands the market opportunity.

Monster Solutions

Monster Solutions is a portfolio of cloud based solutions and services that bring the power of Monster’s technology and capabilities to a wide range of commercial, staffing and government customers. Customers are increasingly requiring a tighter connection between their recruitment media and the technology to manage the candidate workflow and data. Monster’s suite of cloud based search, messaging and analytics applications allows customers to utilize patented semantic search technology on their own talent databases to unlock the value within existing internal data. Monster powered career sites and applications further enable customers to streamline the entire candidate experience and optimize the end to end sourcing cycle.

Monster also operates a government solutions business, Monster Government Solutions (“MGS”), which sells software solutions to federal, state and local governments and educational institutions within the U.S. and the United Kingdom.

MGS provides recruitment solutions that engage seekers and employers online, enable MGS customers to attract qualified candidates, expedite time to hire and create online communities using innovative technologies and services. These services primarily include customized career sites hosted by MGS utilizing a “Software as a Service” (“SaaS”) model. Additionally, Monster offers customers applicant tracking services, diversity offerings and other ancillary services either directly or through alliances to meet the changing needs of customers.

Table of Contents

Outside of the three pillars above, Monster operates a network of websites that connect companies to highly targeted audiences at critical stages in their lives. The Company's goal is to offer compelling online services for the users of such websites through personalization, community features and enhanced content. This web traffic is monetized through display advertising and lead generation. The Company believes that these properties appeal to advertisers and other third parties as they deliver certain discrete demographics entirely online.

Monster operates in an industry and in markets that are continually evolving with the entrance of new competitors and the changing needs of seekers and employers. The Company adjusts its product offerings and makes new investments in its technology platform in order to meet the challenges presented by the market evolution. The Company believes its "All the Jobs, All the People" strategy addresses this market evolution and positions Monster to achieve long-term growth while controlling the growth of operating expenses.

Our Services

The Company conducts business in two reportable segments: Careers-North America and Careers-International. Prior to January 1, 2015, the Company reported a third reportable segment, Internet Advertising & Fees. Effective January 1, 2015, as a result of changes in Monster's internal management and reporting structure, operations of Internet Advertising & Fees are now included within the Careers-North America reportable segment. The prior period segment information contained throughout this Form 10-K has been restated to reflect the Company's new operating structure. See Note 19-Segment and Geographic Data of the Company's financial statements included in Item 8 of this Annual Report on Form 10-K for further discussion of our segment results.

Monster offers services in more than 40 countries around the world. We earned 29%, 31%, and 32% of our total revenue from continuing operations outside of North America in the years ended December 31, 2015, 2014 and 2013, respectively. With a local presence in key markets in North America, Europe, and Asia, Monster works by connecting employers with quality job seekers at all levels and by providing searchable jobs and career management resources online. For the employer, our goal is to provide the most effective solutions and easiest to use technology to simplify the hiring process and deliver access to our community of job seekers. For job seekers, our purpose is to improve their careers by providing work-related content, services and advice.

The Company's services and solutions include: searchable job advertisements; resume database access; recruitment media solutions through our advertising network and partnerships; social job distribution through Twitter and Facebook; display advertising; lead generation; social profile aggregation; and other career-related content. Job seekers can search job advertisements and post their resumes for free on each of our career websites and mobile applications. Employers pay to: advertise available jobs and recruitment related services; search the Monster resume and social databases; and access other career-related services. In addition, we have alliances with media and publishing companies, including approximately 1,000 newspapers in the United States, which extends our presence with local and regional job seekers.

Sales and Marketing

The Company's sales resources consist of field sales, telesales, a self-service e-Commerce channel, and resellers such as newspapers and recruitment advertising agencies. Our sales activities are geared towards enterprise, small and medium sized businesses ("SMBs"), staffing companies, government agencies, and advertising agencies. The field and telesales resources for our Careers business in the United States are regionalized to better serve our customers with a more high touch, consultative approach, while providing greater efficiencies for developing new business opportunities. We have specialty units within the sales organization, dedicated to serving our vertical markets, such as: government; healthcare; and staffing. Our telesales staff is primarily responsible for telemarketing for SMBs and is located in our offices around the world. Our field sales staff focuses on both local and national customers and is also dispersed throughout our offices globally. Our e-Commerce channel is available to all customer groups and is currently most heavily used by smaller employers.

The majority of our marketing budget is allocated to online advertising including: search engine marketing; display and social advertising; email marketing; alliances; and distributed job content to drive unique visitors to search for and apply to jobs. Our marketing approach also includes a regionally varied selection of traditional offline advertising such as: television; radio; and business, consumer and trade publications to market and promote the Monster brand and our innovative products and services.

## Customers

Our customers are comprised of enterprise organizations, small and medium-sized organizations, federal, state and local government agencies, educational institutions and individuals. No one customer accounts for more than 5% of our total annual revenue.

## Competition

The markets for our services and products are highly competitive and are characterized by pressure to win new customers, expand the market for our services and incorporate new capabilities and technologies. We face competition from a number of sources. These sources include other employment-related websites, including websites that aggregate job advertisements from multiple company websites and job sites; professional networking and social networking websites; general classified advertising websites; traditional media companies (primarily newspaper publishers); Internet portals; search engines; and general-interest websites such as blogs. The barriers to entry into Internet businesses like ours are relatively low. As a result, new competitors continuously arise.

In addition to traditional competitors that provide products and services that are very similar to Monster’s core products and services, we face increasing competition from a broad range of competitor types. Professional networking websites have had significant success over the past several years in gaining large numbers of members and attracting employer customers with products that compete directly with our products. Many niche career websites have been launched targeted at specific industry verticals, and many industry blogs and websites now provide employment advertising opportunities for employers within specific industries. Jobs aggregator websites have become a source of competition as they permit job seekers to search multiple company websites and job boards. Low-cost and free classified advertising websites have also gained increased acceptance with employers. In addition, there are companies specializing in mobile technologies which are garnering the attention of employers.

Some of our competitors or potential competitors may have greater financial, management, technological, development, sales, marketing and other resources than we do. In addition, our ability to maintain our existing customers and generate new customers depends to a significant degree on the quality of our services, pricing and reputation among our customers and potential customers.

In May 2014, Monster revealed its "All the Jobs, All the People" strategy which enhances our competitive position and positions the Company to achieve long-term growth while controlling the growth of operating expenses.

## Intellectual Property

Our success and ability to compete are dependent in part on the protection of our domain names, trademarks, trade names, service marks, patents and other proprietary rights. We rely on copyright laws to protect the original website content that we develop. In addition, we rely on federal, state and foreign trademark laws to provide additional protection for the identifying marks appearing on and the design and appearance of our Internet sites. A degree of uncertainty exists concerning the application and enforcement of copyright and trademark laws with respect to the Internet, and there can be no assurance that existing laws will provide adequate protection for our original content or the appearance of our Internet sites. In addition, because copyright laws do not prohibit independent development of similar content, there can be no assurance that copyright laws will provide any competitive advantage to us. We also assert common law protection on certain names and marks that we have used in connection with our business activities.

We rely on trade secret, copyright and patent laws to protect the proprietary technologies that we have developed to manage and improve our Internet sites and advertising services, but there can be no assurance that such laws will provide sufficient protection to us, that others will not develop technologies that are similar or superior to ours, or that third parties will not copy or otherwise obtain and use our technologies without authorization. We have obtained patents and applied for several other patents with respect to certain of our software systems, methods and related technologies, but there can be no assurance that any pending applications will be granted or that any patents will not be challenged, invalidated or circumvented in the future, or that the rights granted thereunder will provide us with a competitive advantage. In addition, we rely on certain technology licensed from third parties, and may be required to license additional technology in the future, for use in managing our Internet sites and providing related services to users and advertising customers. Our ability to generate fees from Internet commerce may also depend on data encryption and authentication technologies that we may be required to license from third parties. There can be no assurance that these third-party technology licenses will be available or will continue to be available to us on acceptable commercial terms or at all. The inability to enter into and maintain any of these technology licenses could significantly harm our business, financial condition and operating results.

4

Table of Contents

Policing unauthorized use of our proprietary technology and other intellectual property rights could entail significant expense and could be difficult or impossible, particularly given the global nature of the Internet and the fact that the laws of other countries may afford us little or no effective protection of our intellectual property.

We have been named as defendants in lawsuits from time to time alleging that we infringed on patents of third parties. There can be no assurance that other third parties will not assert against us claims of patent, copyright or trademark infringement. We anticipate an increase in patent infringement claims involving Internet-related technologies as the number of products and competitors in this market grows and as related patents are issued. Further, there can be no assurance that third parties will not claim that we have misappropriated their trade secrets, creative ideas or formats or otherwise infringed their proprietary rights in connection with our Internet content or technology. Any claims of infringement or misappropriation, with or without merit, could be time consuming to defend, result in costly litigation, divert management attention, and require us to enter into costly royalty or licensing arrangements. If a party claiming infringement is successful, we could be required to pay substantial licensing fees or compensatory or punitive damages, and we could be enjoined from using important technologies or methods. If we are enjoined, it may not be possible or commercially practical for us to develop or obtain and implement substitute technologies or methods that are not covered by a third party's intellectual property. Any of these outcomes could significantly harm our business, financial condition and operating results.

Employees

As of January 31, 2016, we employed approximately 3,700 people worldwide.

Executive Officers

As of January 31, 2016, our executive officers were as follows:

| Name | Age | Position |
|---|---|---|
| Timothy T. Yates | 68 | Chief Executive Officer |
| Mark Stoever | 48 | President and Chief Operating Officer |
| Michael B. McGuinness | 39 | Executive Vice President and Chief Financial Officer |
| Michael C. Miller | 43 | Executive Vice President, General Counsel and Secretary |

Timothy T. Yates has been a Director of Monster since June 2007 and has been Chief Executive Officer since November 2014. Mr. Yates served as Executive Vice President of Monster from June 2007 through June 2013 and concurrently as Chief Financial Officer from June 2007 through January 2011. Prior to joining Monster, Mr. Yates was a Senior Vice President of Motorola, Inc.'s Enterprise Mobility business responsible for Motorola's integration of Symbol Technologies, Inc. ("Symbol") from January 2007 to June 2007. Before that, from February 2006 to January 2007, he was Senior Vice President, Chief Financial Officer and a Director of Symbol. From August 2005 to February 2006, Mr. Yates served as an independent consultant to Symbol. Prior to this, from October 2002 to November 2005, Mr. Yates served as a partner and Chief Financial Officer of Saguenay Capital, a boutique investment firm. Prior to that, he served as a founding partner of Cove Harbor Partners, a private investment and consulting firm, which he helped establish in 1996. From 1971 through 1995, Mr. Yates held a number of senior leadership roles at Bankers Trust New York Corporation, including serving as Chief Financial and Administrative Officer from 1990 through 1995.

Mark Stoever has been Chief Operating Officer of Monster since November 2014, and President since October 2015. Previously, he held several leadership positions including Executive Vice President, Corporate Development and Internet Advertising from October 2011 to November 2014 and Executive Vice President, Corporate Development and Strategic Alliances from September 2008 to October 2011. He has overseen our internet advertising and fees business since joining the Company in July 2005. Prior to joining Monster, Mr. Stoever served as Executive Vice President of Decision Matrix Group and also various management roles at Lycos, Inc. including President and Chief Executive Officer. Mr. Stoever has also held management positions with ON Technology Corporation, a software company, and at Microcom, Inc., a modem technology company.

Table of Contents

Michael B. McGuinness has been Executive Vice President and Chief Financial Officer since October 2015. Previously, he was the Senior Vice President, Chief Accounting Officer and Global Controller from January 2012 to October 2015, and Vice President and Assistant Global Controller from July 2008 to January 2012. Prior to joining Monster, Mr. McGuinness served as the Director of Corporate Accounting at Verint Systems Inc., a publicly-traded provider of enterprise and security intelligence solutions, where he was responsible for global revenue accounting, external reporting and technical accounting from March 2007 to July 2008. Prior to that, he was the Senior Manager of External Reporting and Technical Accounting at Symbol, from January 2004 to March 2007, and Manager of Internal Audit from 2002 to 2004. Before joining Symbol, Mr. McGuinness held a variety of audit positions at Arthur Andersen LLP in the Audit and Business Advisory Practice. Mr. McGuinness is a Certified Public Accountant in New York State.

Michael C. Miller has been Executive Vice President, General Counsel and Secretary since December 2008. Previously, he served as Vice President and Deputy General Counsel from July 2008 to December 2008, and Vice President and Associate General Counsel from October 2007 to July 2008. Prior to joining Monster, Mr. Miller was Senior Counsel for Motorola, inc. from February 2007 to September 2007. From June 2002 to January 2007, he served in various capacities as Senior Corporate Counsel for Symbol Technologies, Inc. Prior to joining Symbol, Mr. Miller was associated with both Sullivan & Cromwell, LLP and Winthrop, Stimson, Putnam & Roberts in New York.

## ITEM 1A. RISK FACTORS

The global economic and financial market environment has had, and may continue to have, a negative effect on our business and operations.

Because demand for our services is sensitive to changes in the level of economic activity, our business has suffered during economic downturns. Many companies hire fewer employees when economic activity is slow. As a result, demand for our services is reduced, which leads to lower sales. If the economy worsens or unemployment increases, demand for our services and our sales may be further reduced. In addition, lower demand for our services may lead to lower prices for our services.

Volatility in global financial markets may also limit our ability to access the capital markets at a time when we would like, or need, to raise capital, which could have an impact on our ability to react to changing economic and business conditions. Accordingly, if the economy worsens, our business, results of operations and financial condition could be materially and adversely affected.

Our markets are highly competitive.

The markets for our services are highly competitive. They are characterized by pressures to:

- reduce prices;
- incorporate new capabilities and technologies; and
- accelerate hiring timelines.

Furthermore, we face competition from a number of sources. These sources include:

- other employment-related websites, including large national and international competitors, niche career websites targeted at specific industry verticals, and jobs aggregator websites that aggregate job postings from multiple company websites and job boards;
- professional networking and social networking websites;
- general classified advertising websites, some of which offer a low-cost or free alternative to our offerings;
- traditional media companies, including newspapers;
- companies specializing in mobile technologies; and
- Internet portals, search engines and general-interest websites such as blogs.

In addition to traditional competitors that provide products and services that are very similar to Monster's core products and services, we face increasing competition from a broad range of competitor types. Professional networking websites have had significant success over the past several years in gaining large numbers of members and attracting employer customers with products that compete directly with our products. Many niche career websites have been launched targeted at specific industry verticals and many industry blogs and websites now provide employment advertising opportunities for employers within specific industries. Jobs aggregator websites have become a source of competition as they permit job seekers to search multiple

6

Table of Contents

company websites and job boards. Low-cost and free classified advertising websites have also gained increased acceptance with employers. In addition, there are companies specializing in mobile technologies which are garnering the attention of employers.

Some of our competitors or potential competitors may have greater financial resources, management, technological development, sales, marketing and other resources than we do. Some of our competitors have more diversified businesses or may be owned by entities engaged in other lines of business, allowing them to operate their directly competitive operations at lower margins than our operations. In addition, our ability to maintain our existing customers and attract new customers depends to a large degree on the quality of our services and our reputation among our customers and potential customers.

Due to competition, we may experience reduced margins on our products and services, loss of market share or diminished use of our services by job seekers and our customers. If we are not able to compete effectively with current or future competitors as a result of these and other factors, our business, financial condition and results of operations could be significantly harmed.

We have no significant proprietary technology that would preclude or inhibit competitors from entering the online advertising market. Existing or future competitors may develop or offer services and products that provide significant performance, price, creative or other advantages over our services. If we do not keep pace with product and technology advances, there could be a material adverse impact on our competitive position, revenue and prospects for growth. This could significantly harm our business, financial condition and operating results.

We face risks relating to our foreign operations.

We earned 31%, 33% and 34% of our total revenue from continuing operations outside of the United States in the years ended December 31, 2015, 2014 and 2013, respectively. Such amounts are generally collected in local currencies. In addition, we generally pay operating expenses in local currencies. Therefore, we are at risk for exchange rate fluctuations between such local currencies and the United States dollar. Global foreign exchange markets have experienced periods of heightened volatility in recent years and we cannot predict the direction or magnitude of future currency fluctuations. A weakening of the currencies in which we generate sales relative to the currencies in which our costs are denominated may lower our results of operations.

We are also subject to taxation in foreign jurisdictions. In addition, transactions between our foreign subsidiaries and us may be subject to United States and foreign withholding taxes. Applicable tax rates in foreign jurisdictions differ from those of the United States, and change periodically. The extent, if any, to which we will receive credit in the United States for taxes we pay in foreign jurisdictions will depend upon the application of limitations set forth in the Internal Revenue Code of 1986, as well as the provisions of any tax treaties that may exist between the United States and such foreign jurisdictions.

Our international operations might not succeed or might fail to meet our expectations for a number of reasons, including:

- general political uncertainty;
- difficulties in staffing and managing foreign operations;
- competition from local recruiting services;
- operational issues such as longer customer payment cycles and greater difficulties in collecting accounts receivable;
- seasonal reductions in business activity;
- language and cultural differences;
- taxation issues;
- complex legal and regulatory requirements that may be uncertain and may change; and
- issues relating to uncertainties of laws and enforcement relating to the regulation and protection of intellectual property.

Also, we could be exposed to fines and penalties under United States laws such as the Foreign Corrupt Practices Act and local laws prohibiting corrupt payments to governmental officials. Although we have implemented policies and procedures designed to ensure compliance with these laws, we cannot be sure that our employees, contractors or agents will not violate our policies. Any such violations could materially damage our reputation, our brand, our international expansion efforts, our business and our operating results.

7

Table of Contents

We rely on the value of our brands, particularly Monster, and the costs of maintaining and enhancing our brand awareness are increasing.

Our success depends on our brands and their value. Our business would be harmed if we were unable to adequately protect our brand names, particularly Monster. We believe that maintaining and expanding the Monster brand is an important aspect of our efforts to attract and expand our job seeker and employer customer base. We also believe that the importance of brand recognition will increase due to the growing number of Internet sites and the relatively low barriers to entry. We have spent considerable money and resources to date on the establishment and maintenance of the Monster brand. We are devoting substantial resources to advertising, marketing and other brand-building efforts to preserve and enhance consumer awareness of the Monster brand. Despite this, we may not be able to successfully maintain or enhance consumer awareness of the Monster brand and, even if we are successful in our branding efforts, such efforts may not be cost-effective. If we are unable to maintain or enhance consumer awareness of the Monster brand in a cost-effective manner, our business, operating results and financial condition may be harmed significantly.

We also are susceptible to others imitating our products and brands, particularly our Monster brand, and infringing on our intellectual property rights. We may not be able to successfully protect our intellectual property rights, upon which we are dependent. While we believe we have strong trademark protection in the Monster brand worldwide in the careers and recruitment business, that protection does not extend fully to our other businesses. Other companies and organizations use the “Monster” name, and more may do so in the future. This use could adversely affect our brand recognition and reputation if employers or job seekers confuse us with these other organizations. In addition, the laws of foreign countries do not necessarily protect intellectual property rights to the same extent as the laws of the United States. Imitation of our products or brands, particularly our Monster brand, or infringement of our intellectual property rights could diminish the value of our brands or otherwise reduce our revenues.

If we cannot successfully execute on our “All the Jobs, All the People” strategy and continue to develop and market products, services and solutions that meet customer requirements for innovation and quality, our financial results may suffer.

The implementation of our strategy globally is a complex process and relies on leveraging our portfolio of core products to help accelerate the adoption of our new products and services. Success of our future operating results will be dependent upon rapid customer adoption of our new products and services. If our customers are not receptive to our new products and services or our new products and services do not provide the quantity or quality of job candidates that our customers seek, there could be a negative impact on the implementation of our strategy. To successfully execute on this strategy, we need to continue to further evolve the focus of our organization towards the delivery of cost effective and unique solutions for our customers. Any failure to successfully execute this strategy could adversely affect our operating results.

Our operating results fluctuate from quarter to quarter.

Our quarterly operating results have fluctuated in the past and may fluctuate in the future. These fluctuations are a result of a variety of factors, including, but not limited to:

- the timing and amount of existing customers’ subscription renewals;
- enhancements to existing services;
- the hiring cycles of employers;
- changes in general economic conditions, such as recessions, that could, among other things, affect recruiting efforts generally and online recruiting efforts in particular;
- the magnitude and timing of marketing initiatives;
- the maintenance and development of our strategic relationships;
- our ability to attract and retain customers;
- technical difficulties or system downtime affecting the Internet generally or the operation of our products and services specifically; and
- enhancements to technology to safeguard against security breaches.

Table of Contents

We face risks relating to developing technology.

The market for our products and services is characterized by rapid technological developments, frequent new product introductions and evolving industry standards. The emerging character of these products and services and their rapid evolution will require continuous improvement in the performance, features and reliability of our Internet and mobile content, particularly in response to competitive offerings. We may not be successful in responding quickly, cost effectively and sufficiently to these developments. In addition, the widespread adoption of new technologies or standards (including several different mobile and smart phone operating systems) could require us to make substantial expenditures to modify or adapt our websites, applications and services. Each manufacturer or distributor of a mobile device or smart phone may establish unique technical standards for its devices, and our products and services may not work or be viewable on these devices as a result. As new devices and new platforms are continually being released, it is difficult to predict the problems we may encounter in developing versions of our products and services for use on these alternative devices and we may need to devote significant resources to the creation, support, and maintenance of such devices. If we are slow to develop products and technologies that are compatible with such devices, we might fail to capture a significant share of an increasingly important portion of the market for our products and services. This could harm our business, financial condition and operating results.

New Internet services or enhancements that we have offered or may offer in the future may contain design flaws or other defects that could require expensive modifications or result in a loss of customer confidence. Any disruption in Internet access or in the Internet generally could significantly harm our business, financial condition and operating results. Slower response times or system failures may also result from straining the capacity of our software, hardware or network infrastructure. To the extent that we do not effectively address any capacity constraints or system failures, our business, results of operations and financial condition could be significantly harmed.

Trends that could have a critical impact on our success include:

- rapidly changing technology in online recruiting;
- evolving industry standards relating to online recruiting;
- developments and changes relating to the Internet and mobile devices;
- evolving government regulations;
- competing products and services that offer increased functionality;
- changes in employer and job seeker requirements; and
- customer privacy protection concerning transactions conducted over the Internet.

We rely heavily on our information systems and if our access to this technology is impaired, or we fail to further develop our technology, our business could be significantly harmed.

Our success depends in large part upon our ability to store, retrieve, process and manage substantial amounts of information, including our employer customer and job seeker databases. To achieve our strategic objectives and to remain competitive, we must continue to develop and enhance our information systems. Our future success will depend on our ability to adapt to rapidly changing technologies, to adapt our information systems to evolving industry standards and to improve the performance and reliability of our information systems. This may require the acquisition of equipment and software and the development, either internally or through independent consultants, of new proprietary software. Our inability to design, develop, implement and utilize, in a cost-effective manner, information systems that provide the capabilities necessary for us to compete effectively could significantly harm our business, results of operations or financial condition.

Concerns relating to our compliance with applicable data protection laws and regulations could damage our reputation and deter current and potential customers, job seekers and other Internet users from using our products and services and subject us to fines.

Concerns about our practices with regard to the collection, use, disclosure or security of personal information or other privacy-related matters, even if unfounded, could damage our reputation, which in turn could significantly harm our business, financial condition and operating results.

While we strive to comply with all applicable data protection laws and regulations, as well as our own posted privacy policies, any failure or perceived failure to comply may result in proceedings or actions against us by government entities or others, which could potentially have an adverse impact on our business. Moreover, failure or perceived failure to comply with applicable laws, regulations, requirements or our policies related to the collection, use, sharing or security of personal

Table of Contents

information or other privacy-related matters could result in a loss of confidence in us by customers, job seekers and other Internet users and could expose us to fines and penalties and could require us to expend significant sums in connection with any failure or perceived failure, each of which could adversely affect our business, financial condition and results of operations. Laws related to data protection continue to evolve. It is possible that certain jurisdictions may enact laws or regulations that impact our ability to offer our products and services and/or result in reduced traffic or contract terminations in those jurisdictions, which could harm our business, financial condition and results of operations.

On October 6, 2015, the European Court of Justice issued a ruling that immediately invalidated the United States-European Union Safe Harbor Framework, a privacy protection mechanism that facilitated personal data transfers to the United States in compliance with the European Commission’s Directive on Data Protection. On February 2, 2016, EU and U.S. officials announced an agreement on a new framework, called the EU-U.S. Privacy Shield, to replace the Safe Harbor Framework. The exact details of the new EU-U.S. Privacy Shield have not been released, and it has not been formally adopted yet by the European Commission or the U.S. Department of Commerce. As a global company with headquarters in the United States, the operation of our business involves the transfer of EU citizens’ personal information to the United States. While we believe we remain in compliance with EU law regarding the transfer of personal data to the United States, and we believe we will be able to operate our business in accordance with the EU-U.S. Privacy Shield if it is adopted, there is significant regulatory uncertainty surrounding the future of data transfers from the European Union to the United States.

Intrusions on our systems could damage our business.

Despite our implementation of network security measures, our servers are vulnerable to cyber-attacks, computer viruses, worms and other malicious software programs, physical and electronic break-ins, sabotage and similar disruptions from unauthorized tampering with our computer systems. Unauthorized access could jeopardize the security of information stored in our systems relating to our customers, job seekers and other website users, and can lead to “phishing” schemes whereby unauthorized persons pose as employers or Monster representatives and seek to obtain personal information from our customers and job seekers. In addition, malware or viruses could jeopardize the security of information stored or used in a user’s computer.

We have experienced these intrusions in the past. We may also experience these intrusions in the future and may be required to expend significant sums and resources to safeguard against or remediate them. Moreover, negative publicity arising from any intrusion is damaging to our reputation and may adversely impact traffic to our sites. Accordingly, any intrusion could significantly harm our business, financial condition and results of operations.

Interruptions, delays or failures in the provision of our services could damage our brand and harm our operating results.

Our systems are susceptible to outages and interruptions due to fire, floods, power loss, telecommunications failures, terrorist attacks and similar events. Our systems’ continuing and uninterrupted performance is critical to our success. Customers, job seekers and other website users may become dissatisfied by any system failure that interrupts our ability to provide our services to them, including failures affecting our ability to serve web page requests without significant delay to the viewer. Sustained or repeated system failures would reduce the attractiveness of our solutions to customers, job seekers and other Internet users and result in reduced traffic, contract terminations, fee rebates and make goods, thereby reducing revenue. Moreover, negative publicity arising from these types of disruptions is damaging to our reputation and may adversely impact traffic to our sites.

We do not have multiple site redundancy for all of our services and some of our systems are not fully redundant in the event of any such occurrence. In an effort to reduce the likelihood of a geographical or other disaster impacting our business, we have distributed, and intend to continue assessing the need to distribute, our servers among additional data centers. Failure to execute these changes properly or in a timely manner could result in delays or interruptions to our service, which could result in a loss of users and damage to our brand, and harm our operating results. We may not carry sufficient business interruption insurance to compensate us for losses that may occur as a result of any events that cause interruptions in our service.

We are vulnerable to intellectual property infringement claims brought against us by others.

Successful intellectual property infringement claims against us could result in monetary liability or a material disruption in the conduct of our business. We cannot be certain that our products, content and brand names do not or will not infringe valid patents, trademarks, copyrights or other intellectual property rights held by third parties. We expect that infringement claims in our markets will increase in number. We may be subject to legal proceedings and claims from time to time relating to the intellectual property of others in the ordinary course of our business. If we were found to have infringed the intellectual property rights of a third party, we could be liable to that party for license fees, royalty payments, lost profits or other damages, and the owner of the intellectual property might be able to obtain injunctive relief to prevent us from using the technology or

Table of Contents

software in the future. If the amounts of these payments were significant or we were prevented from incorporating certain technology or software into our products, our business could be significantly harmed.

We may incur substantial expenses in defending against these third party infringement claims, regardless of their merit. As a result, due to the diversion of management time, the expense required to defend against any claim and the potential liability associated with any lawsuit, any significant litigation could significantly harm our business, financial condition and results of operations.

If we are unable to protect our proprietary rights or maintain our rights to use key technologies of third parties, our business may be harmed.

A degree of uncertainty exists concerning the application and enforcement of trademark, trade dress and copyright laws to the Internet, and existing laws may not provide us adequate protection for our original content or the appearance of our Internet sites. In addition, because copyright laws do not prohibit independent development of similar content, copyright laws may not provide us with any competitive advantage. We have obtained patents and applied for other patents with respect to certain of our software systems, methods and related technologies, but our pending applications may not be granted and any patents issued to us may in the future be challenged, invalidated or circumvented, and the rights granted under patents may not provide us with a competitive advantage. We also face risks associated with our trademarks, particularly trademarks covering the Monster brand. Policing unauthorized use of our proprietary technology and other intellectual property rights could involve significant expense and could be difficult or impossible, particularly given the global nature of the Internet and the fact that the laws of certain other countries may afford us little or no effective protection of our intellectual property. Moreover, certain amendments to the United States patent law made by the America Invents Act of 2011, may affect our ability to protect our innovations and defend against claims of patent infringement.

In addition, we rely on certain technology licensed from third parties, and may be required to license additional technology in the future for use in managing our Internet sites and providing related services to users and advertising customers. Our ability to generate fees from Internet commerce may also depend on data encryption, authentication and other technologies that we may be required to license from third parties. These third-party technology licenses may not continue to be available to us on acceptable commercial terms or at all. The inability to enter into and maintain any of these technology licenses could significantly harm our business, financial condition and operating results.

Risks associated with cuts in government spending could materially and adversely affect our business, operations and financial condition.

Reductions in government expenditures that have been or may be proposed or mandated could have a material adverse effect on our business, operations and financial condition. Government agencies may be limited in their ability to contract for Monster’s services due to any proposed or mandated spending cuts. In addition, there could be an overall negative impact on economic growth as a result of decreased government spending, which could adversely affect our business, operations and financial condition.

We have made strategic acquisitions and entered into alliances and joint ventures in the past and may do so in the future. If we are unable to achieve expected benefits from such transactions, there could be a material adverse impact on our business, growth rates and results of operations.

As part of our business strategy we have entered into agreements relating to acquisitions, strategic alliances and joint ventures. Such transactions are inherently risky and can be accompanied by a number of risks, including:

- the difficulty of integrating the operations and personnel of the acquired companies into our operations;
- the potential disruption of our ongoing business and distraction of management;
- the difficulty of integrating acquired technology and rights into our services and unanticipated expenses related to such integration;
- the impairment of relationships with customers and partners of the acquired companies or our customers and partners as a result of the integration of acquired operations;
- the impairment of relationships with employees of the acquired companies or our employees as a result of integration of new management personnel;

- the difficulty of integrating the acquired companies' accounting, management information, human resources and other administrative systems;
- in the case of foreign acquisitions, uncertainty regarding foreign laws and regulations and the difficulty integrating operations and systems as a result of cultural, systems and operational differences; and
- the impact of known potential liabilities or unknown liabilities associated with the acquired companies.

Our failure to be successful in addressing these risks or other problems encountered in connection with acquisitions could cause us to fail to realize the anticipated benefits of any such acquisitions, incur unanticipated liabilities and significantly harm our business, financial condition and results of operations generally.

Our business depends largely on our ability to attract and retain talented employees, including senior management.

We are substantially dependent on the continued services of our executive officers and senior management. The loss of any of these individuals could harm our business, financial condition and results of operations. Our business is also dependent on our ability to retain, hire, motivate and develop talented, highly skilled personnel. Experienced management and technical, marketing and support personnel in our industry are in high demand, and competition for their talents is intense. If we are less successful in our recruiting efforts, or if we are unable to retain key employees, our ability to develop and deliver successful products and services may be adversely affected.

We have recorded significant goodwill impairment charges and may be required to record additional charges to future earnings if our goodwill or intangible assets become impaired.

We are required under generally accepted accounting principles to review our intangible assets for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. Goodwill is required to be tested for impairment at least annually. Factors that may be considered a change in circumstances indicating that the carrying value of our intangible assets may not be recoverable include a decline in stock price and market capitalization, slower growth rates in our industry or our own operations, and/or other materially adverse events that have implications on the profitability of our business. In the fourth quarter of 2014, primarily due to declines in our market capitalization, we recorded a pre-tax goodwill impairment charge of $325.8 million in our Careers-North America segment. On a net of tax basis, the charge was $263.0 million after recognizing a tax benefit of $62.8 million. See Note 6—Goodwill and Intangible Assets of the Company's financial statements included in Item 8 of this Annual Report on Form 10-K for details. We may be required to record additional charges to earnings during the period in which any impairment of our goodwill or other intangible assets is determined which could adversely impact our results of operations. As of December 31, 2015, our goodwill balance was $496.5 million, which represented 43% of total consolidated assets.

We estimate tax liabilities, the final determination of which is subject to review by domestic and international taxation authorities.

We are subject to income taxes and other taxes in both the United States and the foreign jurisdictions in which we currently operate or have historically operated. We are also subject to review and audit by both domestic and foreign taxation authorities. The determination of our worldwide provision for income taxes and current and deferred tax assets and liabilities requires judgment and estimation. In the ordinary course of our business, there are many transactions and calculations where the ultimate tax determination is uncertain. In addition, our future income taxes could be adversely affected by earnings being lower than anticipated in jurisdictions that have lower statutory tax rates and higher than anticipated in jurisdictions that have higher statutory tax rates, by changes in the valuation of our deferred tax assets and liabilities, or by changes in tax laws, regulations, or accounting principles. The application of indirect taxes (such as sales and use tax, value-added tax (VAT), goods and services tax, business tax and gross receipt tax) to e-Commerce businesses such as Monster and to our users is a complex and evolving issue. Many of the fundamental statutes and regulations that impose these taxes were established before the adoption and growth of the Internet and e-Commerce. In many cases, it is not clear how existing statutes apply to our business models. Although we believe that our estimates are reasonable, the ultimate tax outcome may differ from the amounts recorded in our financial statements and may materially affect our financial results in the period or periods for which such determination is made.

Effects of anti-takeover provisions could inhibit the acquisition of Monster Worldwide by others.

Some of the provisions of our certificate of incorporation, bylaws and Delaware law could, together or separately:

- discourage potential acquisition proposals;

Table of Contents

- delay or prevent a change in control; and/or
- limit the price that investors might be willing to pay in the future for shares of our Common Stock.

In particular, our Board of Directors may authorize the issuance of up to 800,000 shares of Preferred Stock with rights and privileges that might be senior to our Common Stock, without the consent of the holders of the Common Stock. In addition, our certificate of incorporation and bylaws provide, among other things, for advance notice of stockholder proposals and director nominations.

There is volatility in our stock price.

The market for our Common Stock has, from time to time, experienced extreme price and volume fluctuations. Factors such as announcements of variations in our quarterly financial results and fluctuations in revenue could cause the market price of our Common Stock to fluctuate significantly. In addition, the stock market in general, and the market prices for Internet-related companies in particular, have experienced volatility that often has been unrelated to the operating performance of such companies. These broad market and industry fluctuations may adversely affect the price of our stock, regardless of our operating performance. Additionally, volatility or a lack of positive performance in our stock price may adversely affect our ability to retain key employees, many of whom have been granted equity compensation.

The market price of our Common Stock can be influenced by stockholders’ expectations about the ability of our business to grow and to achieve certain profitability targets. If our financial performance in a particular quarter does not meet the expectations of our stockholders, it may adversely affect their views concerning our growth potential and future financial performance and, therefore, result in a drop in the market price of our Common Stock. In addition, if the securities analysts who regularly follow our Common Stock lower their ratings of our Common Stock, the market price of our Common Stock is likely to drop significantly.

We face risks associated with government regulation.

The application of existing laws and regulations to our websites relating to issues such as user privacy, security of data, defamation, advertising, taxation, promotions, content regulation, and intellectual property ownership and infringement can be unclear. In addition, we will also be subject to new laws and regulations directly applicable to our activities. Any existing or new legislation applicable to us could expose us to substantial liability, including significant expenses necessary to comply with such laws and regulations, and dampen growth in Internet usage.

The federal CAN-SPAM Act and state anti-spam laws impose certain requirements on the use of e-mail. The implications of these laws have not been fully tested. Portions of our business rely on e-mail to communicate with consumers on our behalf and for our customers. We may face risk if our use of e-mail is found to violate the federal law or applicable state law.

We post our privacy policy and practices concerning the use and disclosure of user data on our websites. Any failure by us to comply with our posted privacy policy or other privacy-related laws and regulations could result in proceedings which could potentially harm our business, results of operations and financial condition. In this regard, there are a large number of legislative proposals before the United States Congress, various state legislative bodies as well as various European Union institutions, bodies and agencies regarding privacy issues related to our business. It is not possible to predict whether or when such legislation may be adopted, and certain proposals, if adopted, could significantly harm our business, financial condition and results of operations through a decrease in user registrations and revenues. This could be caused by, among other possible provisions, the required use of disclaimers or other requirements before users can utilize our services.

Due to the global nature of the Internet, it is possible that the governments of other states and foreign countries might attempt to regulate its transmissions or prosecute us for violations of their laws. We might unintentionally violate such laws or such laws may be modified and new laws may be enacted in the future. Any such developments (or developments stemming from enactment or modification of other laws) may significantly harm our business, operating results and financial condition.

Legal proceedings may significantly harm our business.

From time to time, we may become involved in litigation or other proceedings in the ordinary course of business. It is possible that such litigation or proceedings may significantly harm our future results of operations or financial condition due to expenses we may incur to defend ourselves or the ramifications of an adverse decision.

Table of Contents

Servicing our debt requires a significant amount of cash, and we may not have sufficient cash flow from our business to pay our substantial debt.

On October 22, 2014, the Company consummated an offering of $143.8 million aggregate principal amount of its 3.50% convertible senior notes due 2019 (the "Notes"). On October 31, 2014, the Company amended and restated its existing credit facility pursuant to a Third Amended and Restated Credit Agreement, which increased the quarterly amortization payments required with respect to the term loans under our credit facility. Our ability to make scheduled payments of the principal of, to pay interest on, or to refinance our indebtedness, including the Notes and the loans and letters of credit under our credit facility, depends on our future performance, which is subject to economic, financial, competitive and other factors beyond our control. Our business may not continue to generate cash flow from operations in the future sufficient to service our debt and make necessary capital expenditures. If we are unable to generate such cash flow, we may be required to adopt one or more alternatives, such as selling assets, restructuring debt or obtaining additional equity capital on terms that may be onerous or highly dilutive. Our ability to refinance our indebtedness will depend on the capital and credit markets and our financial condition at such time. We may not be able to engage in any of these activities or engage in these activities on desirable terms, which could result in a default on our debt obligations.

We may not have the ability to raise the funds necessary to settle conversions of the Notes or to repurchase the Notes upon a fundamental change, and our future debt may contain limitations on our ability to pay cash upon conversion or repurchase of the Notes.

Holders of the Notes have the right to require us to repurchase their Notes upon the occurrence of a fundamental change at a fundamental change repurchase price equal to 100% of the principal amount of the Notes to be repurchased, plus accrued and unpaid interest, if any. In addition, upon any conversion of the Notes, unless we elect to deliver solely shares of our common stock to settle such conversion (other than paying cash in lieu of delivering any fractional share), we will be required to make cash payments in respect of the Notes being converted. However, we may not have enough available cash or be able to obtain financing at the time we are required to make repurchases of Notes surrendered or Notes being converted. In addition, our ability to repurchase the Notes or to pay cash upon conversions of the Notes may be limited by law, by regulatory authority or by agreements governing our future indebtedness. Our failure to repurchase Notes at a time when the repurchase is required by the indenture or to pay any cash payable on future conversions of the Notes as required by the indenture would constitute a default under the indenture. A default under the indenture or the fundamental change itself could also lead to a default under agreements governing our future indebtedness. If the repayment of the related indebtedness were to be accelerated after any applicable notice or grace periods, we may not have sufficient funds to repay the indebtedness and repurchase the notes or make cash payments upon conversions thereof.

The conditional conversion feature of the Notes, if triggered, may adversely affect our financial condition and operating results.

In the event the conditional conversion feature of the Notes is triggered, holders of Notes will be entitled to convert the Notes at any time during specified periods at their option. If one or more holders elect to convert their Notes, unless we elect to satisfy our conversion obligation by delivering solely shares of our common stock (other than paying cash in lieu of delivering any fractional share), we would be required to settle a portion or all of our conversion obligation through the payment of cash, which could adversely affect our liquidity. In addition, even if holders do not elect to convert their Notes, we could be required under applicable accounting rules to reclassify all or a portion of the outstanding principal of the Notes as a current rather than long-term liability, which would result in a material reduction of our net working capital.

The accounting method for convertible debt securities that may be settled in cash, such as the Notes, is the subject of recent changes that could have a material effect on our reported financial results.

Under ASC 470-20, Debt with Conversion and Other Options, an entity must separately account for the liability and equity components of the convertible debt instruments (such as the Notes) that may be settled entirely or partially in cash upon conversion in a manner that reflects the issuer's economic interest cost. The effect of ASC 470-20 on the accounting for the Notes is that the equity component is required to be included in the additional paid-in capital section of stockholders' equity on our consolidated balance sheet, and the value of the equity component would be treated as original issue discount for purposes of accounting for the debt component of the Notes. As a result, we will be required to record a greater amount of non-cash interest expense in current periods presented as a result of the amortization of the discounted carrying value of the Notes to their face amount over the term of the Notes. We will report lower net income in our financial results because ASC 470-20 will require interest to include both the current period's amortization of the debt discount and the instrument's coupon interest, which could adversely affect our reported or future financial results, the trading price of our common stock and the trading price of the Notes. In addition, under certain circumstances, convertible debt instruments (such as the Notes) that may be settled entirely or partly in cash are currently accounted for utilizing the treasury stock method, the effect of which is that the shares issuable upon conversion of the Notes are not included in the calculation of diluted earnings per share except to the extent that the conversion value of the Notes exceeds their principal amount. Under the treasury stock method, for diluted earnings per share purposes, the transaction is accounted for as if the number of shares of common stock that would be necessary to settle such excess, if we elected to settle such excess in shares, are issued. We cannot be sure that the accounting standards in the future will continue to permit the use of the treasury stock method. If we are unable to use the treasury stock method in accounting for the shares issuable upon conversion of the Notes, then our diluted earnings per share would be adversely affected.

Future conversion of the Notes may limit our ability to utilize our tax attribute carryovers.

Utilization of net operating loss and tax credit carry-forwards may be subject to annual limitations due to the ownership change limitations provided by the United States Internal Revenue Code. If an annual limitation is triggered by an ownership change, it could result in the expiration of carryover attributes before their utilization. The events that may cause ownership changes include, but are not limited to, a cumulative stock ownership change of greater than 50% over a three year period. If one or more holders elect to convert their Notes, and (following our receipt of stockholder approval) we elect to satisfy our conversion obligation by delivering solely shares of our common stock (other than paying cash in lieu of delivering any fractional share), that conversion of the Notes to shares may contribute to such a cumulative ownership change.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

Our principal executive offices are located in Weston, Massachusetts, where we occupy approximately 174,000 square feet of leased space, which is our largest office space. We also lease additional facilities in the United States in: New York, New York; Bedford, Massachusetts; Boston, Massachusetts; Chicago, Illinois; Florence, South Carolina; Indianapolis, Indiana; Los Angeles, California; McLean, Virginia; Milwaukee, Wisconsin; Mountain View, California; San Francisco, California; Tempe, Arizona; and Washington, D.C. Our domestic properties are used generally by our Careers-North America segment.

We also maintain leased facilities internationally in: Austria; Belgium; Canada; Czech Republic; France; Germany; Hong Kong; India; Ireland; Italy; Luxembourg; Malaysia; the Netherlands; Singapore; Spain; Sweden; Switzerland; United Arab Emirates and the United Kingdom. Our international properties are used generally by our Careers-International segment.

We also operate data centers in the United States, Europe and Asia pursuant to various lease and co-location arrangements.

We consider our leased space to be adequate for the operation of our business, and we do not foresee any difficulties in meeting any future space requirements.

ITEM 3. LEGAL PROCEEDINGS

The Company is involved in various legal proceedings that are incidental to the conduct of its business. Aside from the matters discussed below, the Company is not involved in any pending or threatened legal proceedings that it believes could reasonably be expected to have a material adverse effect on its financial condition or results of operations.

On or about October 12, 2015, TalentBin, Inc., a subsidiary of the Company, was served with notice of a purported consumer class action for allegedly assembling, scoring and sharing candidate profiles in violation of the Fair Credit Reporting Act and the California Investigative Consumer Reporting Agencies Act. The lawsuit, entitled Eric Halvorson, et. al., individually and on behalf of all others similarly situated vs. TalentBin, Inc. (Case No. CGC 15 548270), was brought in the Superior Court of the State of California, County of San Francisco. On or about November 2015, the action was removed to the United States District Court, Northern District of California. The Plaintiff seeks injunctive relief, monetary damages, pre- and post-judgment interest, statutory penalties of between $100 and $1,000 per violation, punitive damages and other costs and attorney's fees. The Company intends to vigorously defend this matter and is currently unable to estimate any potential losses.

## ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

Table of Contents

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Market Information

Our Common Stock is listed on the New York Stock Exchange under the symbol "MWW."

As of January 31, 2016, the last reported sale price of our Common Stock as reported by the New York Stock Exchange was $4.99. The following table sets forth for the indicated periods the high and low sales prices per share for our Common Stock on the New York Stock Exchange.

| 2015 | High | Low |
|---|---|---|
| First Quarter | $6.84 | $4.06 |
| Second Quarter | $6.64 | $5.50 |
| Third Quarter | $8.23 | $5.68 |
| Fourth Quarter | $7.74 | $5.54 |

| 2014 | High | Low |
|---|---|---|
| First Quarter | $8.50 | $5.62 |
| Second Quarter | $7.73 | $5.33 |
| Third Quarter | $7.03 | $5.33 |
| Fourth Quarter | $5.55 | $3.41 |

Holders

As of January 31, 2016, there were approximately 900 stockholders of record of our Common Stock, although we believe that there are a significantly larger number of beneficial owners.

Dividends

We have never declared or paid any cash dividends on our stock, and we do not anticipate paying cash dividends in the foreseeable future. The payment of any future dividends, if any, will be at the discretion of our Board of Directors and will depend upon, among other things, future earnings, operations, capital requirements, our general financial condition, contractual restrictions and general business conditions. Our credit agreement restricts, in certain circumstances, the payment of dividends on our stock.

Securities Authorized for Issuance Under Equity Compensation Plans

Please see our disclosure in Part III, Item 12 in this report on Form 10-K.

Stock Performance Graph

The following performance graph and related information shall not be deemed "filed" for the purposes of Section 18 of the Exchange Act or otherwise subject to liabilities under that Section and shall not be deemed to be incorporated by reference into any filing of the Company under the Securities Act or the Exchange Act.

The following graph compares the cumulative total return of the Company's Common Stock during the period commencing December 31, 2010 to December 31, 2015, with the S&P 500 Index and the RDG Internet Composite Index. The graph depicts the results of investing $100 in the Company's Common Stock, the S&P 500 Index and the RDG Internet Composite Index at closing prices on December 31, 2010 and assumes, with respect to the S&P 500 Index and the RDG Internet Composite Index, that all dividends were reinvested. The Company has never declared or paid any cash dividends on its stock. Such returns are based on historical results and are not intended to suggest future performance.

Table of Contents

Comparison of Five Year Cumulative Total Return
Among Monster Worldwide, Inc., The S&P 500 Index
and The RDG Internet Composite Index

Issuance of Unregistered Securities

None.

Issuer Purchases of Equity Securities

A summary of the Company's repurchase activity for the three months ended December 31, 2015 is as follows:

| Period | Total Number of Shares Purchased | Average Price Paid per Share | Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs | Approximate Dollar Value of Shares That May Yet Be Purchased Under the Plans or Programs* |
|---|---|---|---|---|
| October 1 - October 31 | 90,000 | $ 6.23 | 90,000 | $ 74,439,102 |
| November 1 - November 30 | 400,000 | $ 6.27 | 400,000 | $ 71,952,108 |
| December 1 - December 31 | 835,000 | $ 5.99 | 835,000 | $ 67,010,127 |
| Total | 1,325,000 | $ 6.03 | 1,325,000 | |

* On October 27, 2015, the Board of Directors of the Company authorized a share repurchase program of up to $75 million. Under the share repurchase program, shares of common stock will be purchased on the open market or through privately negotiated transactions from time-to-time through October 27, 2017.

Table of Contents

ITEM 6. SELECTED FINANCIAL DATA

The following tables present selected financial data for the five years ended December 31, 2015, excluding discontinued operations. See "Management's Discussion and Analysis of Financial Condition and Results of Operations," found in Item 7 of this report, for information regarding business acquisitions, discontinued operations, critical accounting policies and items affecting comparability of the amounts below.
MONSTER WORLDWIDE, INC.
SELECTED STATEMENT OF OPERATIONS DATA
(In thousands, except per share amounts)

| | Year Ended December 31, | | | | |
|---|---|---|---|---|---|
| | 2015 | 2014 | 2013 | 2012 | 2011 |
| Revenue | $666,903 | $725,571 | $763,935 | $843,896 | $942,110 |
| Salaries and related, office, general, marketing and promotion | 625,035 | 735,826 | 726,235 | 788,186 | 869,881 |
| Restructuring and other special charges | 32,779 | — | 19,995 | 39,971 | 4,715 |
| Goodwill impairment | — | 325,800 | — | — | — |
| Total operating expenses | 657,814 | 1,061,626 | 746,230 | 828,157 | 874,596 |
| Operating income (loss) | 9,089 | (336,055) | 17,705 | 15,739 | 67,514 |
| Income (loss) from continuing operations | 13,160 | (293,471) | (8,519) | 44,941 | 45,600 |
| Income (loss) from discontinued operations, net of tax | 64,513 | 9,664 | 8,230 | (303,660) | 8,194 |
| Net income (loss) | 77,673 | (283,807) | (289) | (258,719) | 53,794 |
| Net income attributable to noncontrolling interest | 4,061 | 5,482 | 193 | — | — |
| Net income (loss) attributable to Monster Worldwide, Inc. | $73,612 | $(289,289) | $(482) | $(258,719) | $53,794 |
| *Basic earnings (loss) per share attributable to Monster Worldwide, Inc.: | | | | | |
| Income (loss) from continuing operations | $0.15 | $(3.33) | $(0.08) | $0.40 | $0.37 |
| Income (loss) from discontinued operations, net of tax | 0.67 | 0.05 | 0.08 | (2.69) | 0.07 |
| Basic earnings (loss) per share attributable to Monster Worldwide, Inc. | $0.82 | $(3.29) | $— | $(2.29) | $0.44 |
| *Diluted earnings (loss) per share attributable to Monster Worldwide, Inc.: | | | | | |
| Income (loss) from continuing operations | $0.14 | $(3.33) | $(0.08) | $0.39 | $0.37 |
| Income (loss) from discontinued operations, net of tax | 0.64 | 0.05 | 0.07 | (2.66) | 0.07 |
| Diluted earnings (loss) per share attributable to Monster Worldwide, Inc. | $0.78 | $(3.29) | $— | $(2.27) | $0.43 |

* Earnings (loss) per share may not add in certain periods due to rounding

Table of Contents

SELECTED BALANCE SHEET DATA (a)
(In thousands)

| | At December 31, | | | | |
|---|---|---|---|---|---|
| | 2015 | 2014 | 2013 | 2012 | 2011 |
| Total current assets | $481,032 | $460,146 | $504,065 | $579,653 | $675,932 |
| Total current liabilities | $427,676 | $469,314 | $518,837 | $584,980 | $782,963 |
| Total assets | $1,159,909 | $1,217,151 | $1,586,257 | $1,684,865 | $2,057,998 |
| Long-term debt, net, less current portion | $188,457 | $201,821 | $125,900 | $145,975 | $— |
| Current portion of long-term debt | $10,792 | $9,563 | $9,375 | $18,264 | $188,836 |
| Noncontrolling interest in subsidiary | $— | $54,247 | $54,474 | $— | $— |
| Total stockholders' equity | $481,406 | $474,745 | $844,145 | $880,039 | $1,164,127 |

(a) For December 31, 2014, 2013, 2012, and 2011, the assets and liabilities of discontinued operations, where applicable, are included in total current assets, total assets, and total current liabilities, respectively.

Table of Contents

## ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

We make forward-looking statements in this report and in other reports and proxy statements that we file with the Securities and Exchange Commission (the "SEC"). Except for historical information contained herein, the statements made in this report constitute forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Such forward-looking statements involve certain risks and uncertainties, including statements regarding our strategic direction, prospects and future results. Certain factors, including factors outside of our control, may cause actual results to differ materially from those contained in the forward-looking statements. These factors include, among other things, the global economic and financial market environment; competition; risks relating to our foreign operations; our ability to maintain and enhance the value of our brands, particularly Monster; risks related to our new strategy; fluctuations in our quarterly operating results; our ability to adapt to rapid developments in technology; our ability to continue to develop and enhance our information technology systems; concerns related to our compliance with applicable data protection laws and regulations; intrusions on our systems; interruptions, delays or failures in the provision of our services; our vulnerability to intellectual property infringement claims brought against us by others; our ability to protect our proprietary rights and maintain our rights to use key technologies of third parties; risks associated with cuts in government spending; the risk that acquisitions or partnerships may not achieve the expected benefits to us; our ability to attract and retain talented employees, including senior management; potential write-downs if our goodwill or amortizable intangible assets become impaired; adverse determinations by domestic and/or international taxation authorities related to our estimated tax liabilities; effects of anti-takeover provisions in our organizational documents that could inhibit the acquisition of Monster Worldwide by others; volatility in our stock price; risks associated with government regulation; the outcome of litigation we may become involved in from time to time; risks associated with our convertible senior notes due 2019; and other risks and uncertainties set forth from time to time in our reports and other filings made with the SEC, including under Part I, " Item 1A. Risk Factors" of this report.

## OVERVIEW

### Business

Monster Worldwide, Inc. (together with its consolidated subsidiaries, the "Company," "Monster," "Monster Worldwide," "we," "our" or "us") is a global leader in connecting people to jobs, wherever they are. Monster's mission is to help people improve their lives with access to the right job opportunities, and to enable customers to be more successful in finding the best talent anywhere. Today, the Company offers services in more than 40 countries, providing some of the broadest, most sophisticated job seeking, career management, recruitment and talent management capabilities. Monster continues its pioneering work of transforming the recruitment industry with advanced technology using intelligent digital, social and mobile solutions, including our flagship website monster.com® and a vast array of products and services.

In May 2014, we announced the Company's "All the Jobs, All the People" strategy to drive the business and enhance Monster's competitive position. Our strategy focuses on adding massive scale to our business to expand its total addressable market and the value the Company can provide to customers through a variety of new products, technologies and business models to successfully connect more people with more jobs.

We earned 29% and 31% of our total revenue outside of North America for the years ended December 31, 2015 and 2014, respectively. With a local presence in key markets in North America, Europe, and Asia, Monster works by connecting employers with quality job seekers at all levels and by providing searchable jobs and career management resources online. For the employer, our goal is to provide the most effective solutions and easiest to use technology to simplify the hiring process and deliver access to our community of job seekers. For job seekers, our purpose is to improve their careers by providing work-related content, services and advice.

Our services and solutions include: searchable job advertisements; resume database access; recruitment media solutions through our advertising network and partnerships; social job distribution on Twitter and Facebook; display advertising; lead generation; social profile aggregation; and other career-related content. Job seekers can search job advertisements and post their resumes for free on each of our career websites and mobile applications. Employers pay to: advertise available jobs and recruitment related services; search the Monster resume and social databases; and access other career-related services.

Monster operates in an industry and in markets that are continually evolving with the entrance of new competitors and the changing needs of seekers and employers. The Company adjusts its product offerings and makes new investments in its technology platform in order to meet the challenges presented by the market evolution. The Company believes its “All the Jobs, All the People” strategy addresses this market evolution and positions Monster to achieve long-term growth while controlling the growth of operating expenses.

Recent Developments

Sale of Remaining Ownership Stake in JobKorea

On October 13, 2015, the Company sold its 50.01% ownership position in JobKorea Ltd. (“JobKorea”) to H&Q Korea for KRW 101 billion, or approximately $85.0 million. The sale of Monster's remaining stake in JobKorea is consistent with Monster's continued strategy of unlocking value and sharpening its focus on the Company's core online recruitment platform. The Company recorded a net gain on the disposal of the business, including transaction fees and expenses, of $76.1 million ($57.4 million after-tax) in the fourth quarter of 2015. Operating results for JobKorea, which had previously been reported in the Careers-International segment, and included in the Company’s consolidated statement of operations, have now been reclassified as discontinued operations for all periods presented.

Joint Venture Agreement with kununu™

In February 2016, the Company formed a joint venture with kununu GmbH, a subsidiary of XING AG. kununu™ is the European leader in providing employer transparency through ratings, reviews and employer branding. Initially focused on the U.S. market, the joint venture will test the delivery of content-rich employer reviews and ratings sourced from current and former employees and candidates. This information is designed to help better inform consumers about the companies they might work for, and provides several new tools for employers to better manage their talent brands and engage prospective candidates, including sellable branding and brand management products.

Share Repurchase Program

On October 27, 2015, the Board of Directors of the Company authorized a share repurchase program of up to $75.0 million. Under the share repurchase program, shares of common stock will be purchased on the open market or through privately negotiated transactions from time-to-time through October 27, 2017. The timing and amount of purchases will be based on a percentage of future generated free cash flow, and can be adjusted periodically. The share repurchase program does not obligate the Company to acquire any specific number of shares in any period, and may be modified, suspended, extended or discontinued at any time without prior notice. During the year ended December 31, 2015, the Company repurchased 1,325,000 shares for a total of $8.0 million, excluding commissions, at an average price of $6.03 per share. The Company currently has $67.0 million remaining under this repurchase program.

CareerOne

On March 31, 2015, the Company sold the majority of its 50% equity interest in a company located in Australia, CareerOne Pty Limited ("CareerOne"), leaving the Company with a 10% interest. Total cash received from the transaction was $9.1 million, and the sale resulted in the recognition of a pre-tax gain of $8.8 million in the first quarter of 2015.

Reallocate to Accelerate

On February 10, 2015, the Company committed to take a series of cost savings initiatives to reduce costs globally while continuing to support the Company’s strategy. The initiatives included a global workforce reduction of approximately 300 associates, lease exit costs, impairment of certain assets, and office and general expense controls, resulting in annualized cost savings of $40 million. The Company recognized a pre-tax charge of $32.8 million in 2015 as a result of these initiatives which includes $4.9 million of non-cash charges, and does not expect to incur significant additional charges in future periods related to this program.

Constant Currency Presentation

Revenue from our international operations has historically represented, and we expect will continue to represent, a significant portion of our business. As a result, our revenue growth has been impacted, and we expect will continue to be impacted, by fluctuations in foreign currency exchange rates. In order to provide a framework for assessing how our consolidated and Careers-International operating results performed excluding the impact of foreign currency fluctuations, we additionally present the year-over-year percentage changes on a constant currency basis, which assumes no change in the exchange rate

Table of Contents

from the prior-year period. This constant currency is provided in addition to, and not as a substitute for, the year-over-year percentage changes on an as-reported basis.

RESULTS OF OPERATIONS

Consolidated operating results as a percent of revenue, excluding discontinued operations, for the years ended December 31, 2015, 2014 and 2013 are as follows:

| | The year ended December 31, | | |
|---|---|---|---|
| | 2015 | 2014 | 2013 |
| Revenue | 100.0 % | 100.0 % | 100.0 % |
| Salaries and related | 48.9 % | 54.4 % | 47.6 % |
| Office and general | 27.0 % | 27.8 % | 26.2 % |
| Marketing and promotion | 17.9 % | 19.2 % | 21.4 % |
| Restructuring and other special charges | 4.9 % | — % | 2.6 % |
| Goodwill impairment | — % | 44.9 % | — % |
| Total operating expenses | 98.6 % | 146.3 % | 97.7 % |
| Operating income (loss) | 1.4 % | (46.3 )% | 2.3 % |
| Gain on partial sale of equity method investment | 1.3 % | — % | — % |
| Gain on deconsolidation of subsidiaries, net | — % | 1.6 % | — % |
| Interest and other, net | (2.1 )% | (1.2 )% | (0.8 )% |
| Income (loss) before income taxes and income in equity interests | 0.6 % | (45.9 )% | 1.5 % |
| (Benefit from) provision for income taxes | (1.3 )% | (5.5 )% | 2.5 % |
| Income (loss) in equity interests, net | 0.1 % | — % | (0.1 )% |
| Income (loss) from continuing operations | 2.0 % | (40.4 )% | (1.1 )% |

The following presentation of our segment results is prepared based on the criteria we use when evaluating the performance of our business units.

The Year Ended December 31, 2015 Compared to the Year Ended December 31, 2014

Consolidated Revenue, Operating Expenses, Operating Income (Loss) and Adjusted EBITDA

Consolidated revenue, operating expenses, operating income (loss) and Adjusted EBITDA are as follows (excluding discontinued operations) (dollars in thousands):

| | The year ended December 31, | | | | | |
|---|---|---|---|---|---|---|
| | 2015 | % of Revenue | 2014 | % of Revenue | Increase (Decrease) | % Increase (Decrease) |
| Revenue | $666,903 | 100.0 % | $725,571 | 100.0 % | $(58,668 ) | (8.1 )% |
| Salaries and related | 325,875 | 48.9 % | 394,915 | 54.4 % | (69,040 ) | (17.5 )% |
| Office and general | 179,983 | 27.0 % | 201,442 | 27.8 % | (21,459 ) | (10.7 )% |
| Marketing and promotion | 119,177 | 17.9 % | 139,469 | 19.2 % | (20,292 ) | (14.5 )% |
| Restructuring and other special charges | 32,779 | 4.9 % | — | — % | 32,779 | na |
| Goodwill impairment | — | — % | 325,800 | 44.9 % | (325,800 ) | na |
| Total operating expenses | $657,814 | 98.6 % | $1,061,626 | 146.3 % | $(403,812 ) | (38.0 )% |
| Operating income (loss) | $9,089 | 1.4 % | $(336,055 ) | (46.3 )% | $345,144 | 102.7 % |
| Adjusted EBITDA | $106,634 | 16.0 % | $85,308 | 11.8 % | $21,326 | 25.0 % |

22

Table of Contents

Our consolidated revenue decreased by $58.7 million (8.1%, 3.7% on a constant currency basis) in 2015 compared to 2014. Our Careers-North America segment experienced a decrease of $27.1 million (5.4%) primarily due to declines in Canada and the small and medium sized business ("SMB") and government verticals, partially offset by growth in our staffing and healthcare verticals. Internet Advertising & Fees revenue and operating results are now being reported within the Careers-North America segment. Our Careers-International segment decreased $31.5 million (14.0%, 0.9% on a constant currency basis). We saw improvement in business trends in Careers-International in the second half of 2015.

Salaries and related expenses decreased $69.0 million (17.5%, 13.3% on a constant currency basis), in 2015 compared to 2014. This decrease in salaries and related expenses resulted primarily from decreased regular salary and other headcount related costs as a result of our "Reallocate to Accelerate" program announced on February 10, 2015 and decreased stock based compensation.

Office and general expenses decreased $21.5 million (10.7%, 7.3% on a constant currency basis) in 2015 compared to 2014. This decrease in office and general expenses resulted primarily from decreased occupancy costs primarily resulting from charges for exited facilities in North America recognized in the first quarter of 2014 which were not recognized in 2015 and across the board cost reductions, partially offset by $6.7 million of impairment related to capitalized software costs recognized in the fourth quarter of 2015.

Marketing and promotion expenses decreased $20.3 million (14.5%, 9.2% on a constant currency basis) in 2015 compared to 2014. During 2015, the Company was able to significantly reduce marketing spend while improving organic traffic and driving quality traffic, in addition to delivering a highly impactful campaign focused on Millennials.

We incurred $32.8 million of restructuring and other special charges in 2015, comprised mainly of severance costs, lease exit costs, and impairment of certain assets as a result of our "Reallocate to Accelerate" program announced on February 10, 2015.

In the fourth quarter of 2014, primarily due to the decline of our market capitalization and the implications such decline had on the carrying value of our goodwill, management concluded that the carrying amount of goodwill exceeded its estimated fair value for its Careers-North America reporting unit. As a result, the Company recorded a pre-tax goodwill impairment charge of $325.8 million during the fourth quarter of 2014. See Note 6 – Goodwill and Intangible Assets of the Company’s financial statements included in Item 8 of this Annual Report on Form 10-K for details.

Our consolidated operating income was $9.1 million in 2015, compared to an operating loss of $336.1 million in 2014, as a result of the factors discussed above.

Our consolidated Adjusted EBITDA was $106.6 million in 2015, compared to $85.3 million in 2014, as a result of the factors discussed above. See Reconciliation of Non-GAAP Financial Measures to GAAP Measures following the discussion of our results of operations for definitions and a reconciliation from our income (loss) from continuing operations to Adjusted EBITDA.

Careers-North America

The operating results of our Careers-North America segment are as follows (dollars in thousands):

| | The year ended December 31, | | | | | |
|---|---|---|---|---|---|---|
| | 2015 | % of Revenue | 2014 | % of Revenue | Increase (Decrease) | % Increase (Decrease) |
| Revenue | $473,806 | 100.0 % | $500,949 | 100.0 % | $(27,143) | (5.4)% |
| Salaries and related | 199,103 | 42.0 % | 223,637 | 44.6 % | (24,534) | (11.0)% |
| Office and general | 108,588 | 22.9 % | 114,862 | 22.9 % | (6,274) | (5.5)% |
| Marketing and promotion | 68,735 | 14.5 % | 83,568 | 16.7 % | (14,833) | (17.7)% |
| Restructuring and other special charges | 15,026 | 3.2 % | — | — % | 15,026 | na |
| Goodwill impairment | — | — % | 325,800 | 65.0 % | (325,800) | na |
| Total operating expenses | $391,452 | 82.6 % | $747,867 | 149.3 % | $(356,415) | (47.7)% |
| Operating income (loss) | $82,354 | 17.4 % | $(246,918) | (49.3)% | $329,272 | 133.4 % |

Our Careers—North America segment revenue decreased $27.1 million (5.4%) in 2015 compared to 2014. The decrease in the Careers-North America segment is primarily due to declines in Canada and the small and medium sized business ("SMB") and

23

Table of Contents

government verticals, partially offset by growth in our staffing and healthcare verticals. Internet Advertising & Fees revenue and operating results are now being reported within the Careers-North America segment.

Salaries and related expenses decreased $24.5 million (11.0%) in 2015 compared to 2014. This decrease in salaries and related expenses resulted primarily from $12.5 million of decreased regular salary and other headcount primarily related costs related to headcount reductions as a result of our "Reallocate to Accelerate" program announced on February 10, 2015 and $8.3 million of decreased stock based compensation.

Office and general expenses decreased $6.3 million (5.5%) in 2015 compared to 2014. This decrease in office and general expenses resulted primarily from $6.3 million of decreased occupancy costs and across-the-board cost reductions, partially offset by an impairment charge related to capitalized software costs recognized in the fourth quarter of 2015.

Marketing and promotion expenses decreased $14.8 million (17.7%) in 2015 compared to 2014. During 2015, the Company was able to significantly reduce marketing spend while improving organic traffic and driving quality traffic, in addition to delivering a highly impactful campaign focused on Millennials.

Our Careers-North America segment incurred $15.0 million of restructuring and other special charges in 2015, comprised mainly of severance costs, lease exit costs, and impairment of certain assets as a result of our "Reallocate to Accelerate" program announced on February 10, 2015.

In the fourth quarter of 2014, primarily due to the decline of our market capitalization and the implications such decline had on the carrying value of our goodwill, management concluded that the carrying amount of goodwill exceeded its estimated fair value for its Careers-North America reporting unit. As a result, the Company recorded a pre-tax goodwill impairment charge of $325.8 million in our Careers-North America segment during the fourth quarter of 2014. See Note 6—Goodwill and Intangible Assets of the Company’s financial statements included in Item 8 of this Annual Report on Form 10-K for details.

Our Careers-North America segment's operating income was $82.4 million in 2015, compared to an operating loss of $246.9 million in 2014, as a result of the factors described above.

Careers-International

The operating results of our Careers-International segment are as follows (excluding discontinued operations) (dollars in thousands):

| | The year ended December 31, | | | | | |
|---|---|---|---|---|---|---|
| | 2015 | % of Revenue | 2014 | % of Revenue | Increase (Decrease) | % Increase (Decrease) |
| Revenue | $193,097 | 100.0 % | $224,622 | 100.0 % | $(31,525) | (14.0)% |
| Salaries and related | 108,115 | 56.0 % | 137,090 | 61.0 % | (28,975) | (21.1)% |
| Office and general | 59,199 | 30.7 % | 70,627 | 31.4 % | (11,428) | (16.2)% |
| Marketing and promotion | 50,430 | 26.1 % | 55,793 | 24.8 % | (5,363) | (9.6)% |
| Restructuring and other special charges | 14,773 | 7.7 % | — | | | |