

For immediate release

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Expectations to hire remain steady

Companies recognise importance of work-life balance but implementation still lacking

SINGAPORE – 19 JULY 2007 – Less than half the companies surveyed in Singapore say they have a work-life balance policy in place and the number of companies with such a policy has declined over the last two years, according to the *Hudson Report*. Flexible hours are the most commonly offered benefit where companies have implemented work-life balance policies, and are more widely available now than two years ago. This is significant as respondents perceive improved retention rates and enhanced morale as the main results of work-life balance policies. Employment expectations remain steady at 54% in Quarter 3 (Q3) 2007 but the market continues to see a lack of candidates. Skill shortages are cited as the most crucial challenge faced by recruiters. To attract the talent needed, companies are using higher salaries, training programmes and performance bonuses.

Hudson, a leading provider of permanent recruitment, contract professionals and talent management services, today released findings of its comprehensive quarterly *Hudson Report* for Asia. With a reputation as a key socio-economic indicator in the current marketplace since its Asia launch in 1998, the survey on employers' expectations of an increase or decrease in staffing levels represent a significant indication of their optimism in the growth of their organisation and their industry as a whole. *The Hudson Report* surveys the expectations of nearly 2,500 key employment decision makers from multinational organisations of all sizes in all major industry sectors, with 627 of these executives based in Singapore.

Significant findings in the **Q3 2007 Hudson Report** are:

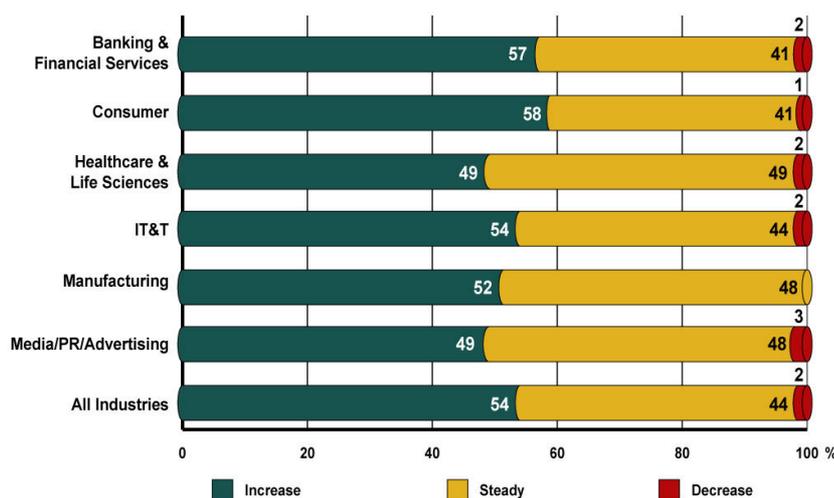
- Employment expectations have been very steady over the last year: this quarter 54% of the respondent forecast headcount growth compares with 56% in Q3 2006;
- The market is still candidate-short, with 38% of the respondents saying that skill shortages are the most pressing challenge facing employers;
- Companies are using higher salaries, training programmes and performance bonuses to attract the talent they need;
- Less than half of the respondents surveyed say their company has a work-life balance policy and the number of companies with such a policy has declined over the last two years;
- Where companies have implemented work-life balance policies, flexible hours are by far the most commonly offered benefit;

Expectations to hire remains steady

Employment expectations remain steady, with 54% of the respondents across all sectors forecasting headcount growth in Q3. This compares with 56% in the previous quarter. The Banking & Financial Services, IT&T and Healthcare & Life Sciences sectors anticipate a slight dip in employment expectations. The Consumer sector especially sees a sharp rise in employment expectations, which is higher than in any other sector. The expectations to hire, which have increased from 51% in Q2 to 58%, are largely driven by the large-scale projects in retail and hospitality, including the development of new malls, hotels and integrated resorts.

Mark Sparrow, Country Manager, Hudson, Singapore, says, *“Employment expectations show little change overall and remain at a high level. A scarcity of candidates with the right skills is creating challenges for recruiters, and companies continue to see salary increases as the most effective means of attracting the talent they need.”*

Permanent employment expectations in Singapore



Source: The Hudson Report – Singapore, Q3 2007

Expectations to hire in the Banking & Financial Services sector are high with 57% of the respondents anticipating an increase in hiring in Q3, compared with 59% in Q2. This level is still high although much of the recruitment to replace staff who left after receiving bonus payments earlier in the year has now been completed.

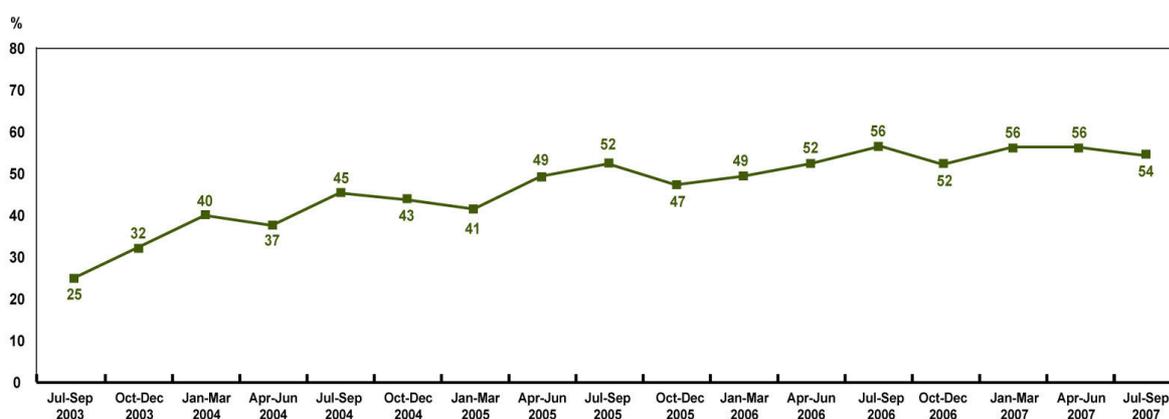
In the IT&T sector, 54% of the respondents say they will hire more staff in Q3. This compares with the exceptionally high level of 62% in Q2, which saw a surge in recruiting, as companies establishing global IT hubs in Singapore sought staff for their new operations. Employment expectations for the Healthcare & Life Sciences sector has also decreased slightly: 49% of respondents say they will increase headcount this quarter, a fall from 54% in Q2.

Permanent employment expectations over time

The number of respondents who forecast an increase in hiring in Q3 2007 is at 54%. This compares to 56% a year ago. Employment expectations are extremely steady over the longer term and have remained within the 52-56% range for the last six quarters.

Consumer companies report by far the largest rise in expectations, with the respondents anticipating headcount growth rising from 45% in Q3 2006 to 58% this quarter. The government is encouraging growth in the Entertainment, Leisure and Tourism sector and this is boosting hiring. The Banking sector sees a gradual decline in hiring expectations from 66% to 57%, from Q3 2006 to Q3 2007. Hiring expectations remain at a healthy level but banks are coping with the talent shortage and this is done via internal recruitment and training.

Permanent increased hiring expectations over time in Singapore



Source: The Hudson Report – Singapore, Q3 2007

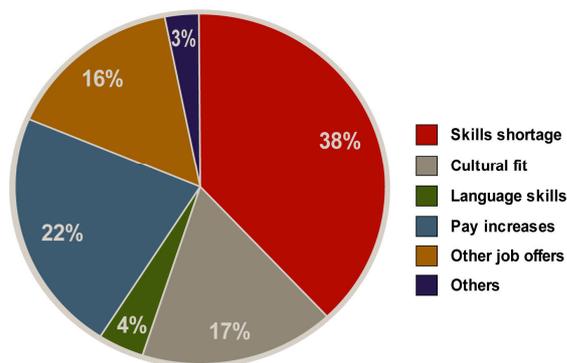
Skills shortage is key recruitment challenge

The most significant challenge for recruiters is the severe shortage of the required skills, mentioned by 38% of the respondents. According to 22% of the respondents, high pay increases is seen as the second most significant challenge. This is the highest proportion of all the markets surveyed in Asia.

The Manufacturing sector is facing severe skill shortages, with 44% of respondents saying their company is experiencing this problem in industries such as construction, oil and gas. Respondents in the Banking sector report skills shortages in a number of key areas, including back office treasury and securities operations, credit risk, compliance and relationship management.

Demand for substantial pay increases are seen as a challenge in the Media/PR/Advertising and IT&T sectors, where they are mentioned at 27% and 24% respectively. In the Media/PR/Advertising business, a severe shortage of candidates with experience in investor relations, crisis communications and internal communications is driving up pay demands.

Challenges in recruiting top talent - all industries



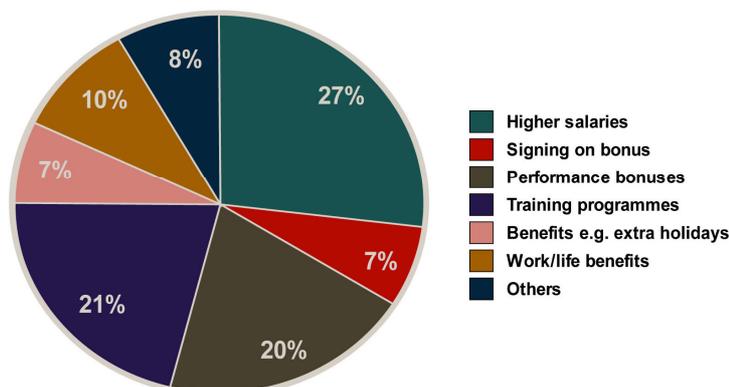
Source: The Hudson Report – Singapore, Q3 2007

Higher pay used to attract top talent

Higher salaries are regarded as the most important measure for attracting top talent in a candidate-short market, especially in the Banking & Manufacturing sectors. Overall, 27% of respondents put this measure first. 21% and 20% of the respondents cite training programmes and performance bonuses as valuable measures respectively.

The Media/PR/Advertising and Consumer sectors both report that training programmes are the most effective measures to attract talent, at 36% and 26% respectively.

Measures to attract top talent - all industries



Work-life balance remains elusive

Less than half of the respondents surveyed – 46% – say that their company has implemented a work-life balance policy. The number of companies offering such a policy has fallen since this question was last asked, in Q2 2005, when the proportion answering positively was 48%. In companies with work-life balance policies, flexible working hours are the most popular as mentioned by 70% of the respondents. The next most popular measure, sabbatical leave, is offered by only 25%. Singapore has the highest proportion of companies offering flexible working hours among all the markets surveyed,

much more widely available than when this question was last asked, in Q2 2005 when the proportion was 25%.

Benefits offered

Industry	Flexible hours	Sabbatical leave	Educational allowances	Work part-time	Gym membership	Extra maternity leave	Others
Banking & Financial Services	71%	28%	29%	15%	18%	13%	7%
Consumer	41%	31%	21%	17%	7%	14%	38%
Healthcare & Life Sciences	79%	18%	18%	36%	11%	18%	18%
IT & T	77%	20%	20%	27%	27%	18%	15%
Manufacturing	65%	32%	23%	26%	26%	23%	19%
Media/PR/Advertising	80%	15%	20%	35%	0%	10%	20%
All Industries	70%	25%	23%	23%	18%	15%	15%

Source: The Hudson Report – Singapore, Q3 2007

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Hudson (NASDAQ: HHGP) is a leading provider of permanent recruitment, contract professionals and talent management services worldwide. From single placements to total outsourced solutions, Hudson helps clients achieve greater organizational performance by assessing, recruiting, developing and engaging the best and brightest people for their businesses. The company employs more than 3,600 professionals serving clients and candidates in more than 20 countries. More information is available at www.hudson.com.

Special Note: Safe Harbour Statement Under the Private Securities Litigation Reform Act of 1995: Except for historical information contained herein, the statements made in this release constitute forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Such forward-looking statements involve certain risks and uncertainties, including statements regarding each company's strategic direction, prospects and future results. Certain factors, including factors outside either company's control, may cause actual results to differ materially from those contained in the forward- looking statements, including economic and other conditions in the markets in which the companies operate, risks associated with acquisitions, competition, seasonality and the other risks discussed in our filings made with the Securities and Exchange Commission, which discussions are incorporated in this release by reference.