

**For immediate release**

Contact: Manisha Ramchandani  
Hudson  
(852) 2919 6161  
manisha.ramchandani@hudson.com

## Hiring expectations in Singapore rise this quarter for the first time since Q1 2007

*Motivation and retention are the most critical issues that companies must address*

**SINGAPORE – 9 JULY 2009** – Hiring expectations are rising again after a lengthy period of uncertainty, according to *The Hudson Report*. In this survey of nearly 700 executives across key business sectors, all interviewed during May of this year, 26 percent forecast increased hiring in Quarter Three (Q3) 2009, up from 20 percent in Q2 2009. A majority of respondents (60 percent) say they will keep headcount steady this quarter.

Hudson (NASDAQ: HHGP), a leading provider of permanent recruitment, contract professionals and talent management services worldwide, today released findings of its comprehensive quarterly *The Hudson Report* for Asia. A key socio-economic indicator in the current marketplace since its Asia launch in 1998, the survey has been built on the premise that employers' expectations of an increase or decrease in staffing levels represent a significant indication of their level of optimism in the growth of their organisation and their industry as a whole. *The Hudson Report* surveys the expectations of nearly 2,000 key employment decision makers from multinational organisations of all sizes in all major industry sectors.

Significant findings in ***The Hudson Report – Singapore Q3 2009*** are:

- Expectations to hire are up in almost all the sectors surveyed since the previous quarter;
- 77 percent respondents expect Asia's economy to start recovering by the end of 2010;
- Employee motivation & retention and career development are seen as the most critical people-related issues to be addressed in the next twelve months;
- Overall, 38 percent say that the current economic climate means employers can negotiate lower salaries for new managerial hires, a higher proportion than in the other markets surveyed;
- Reductions in starting salaries are still limited, and just 16 percent of respondents are achieving savings of more than 10 percent.

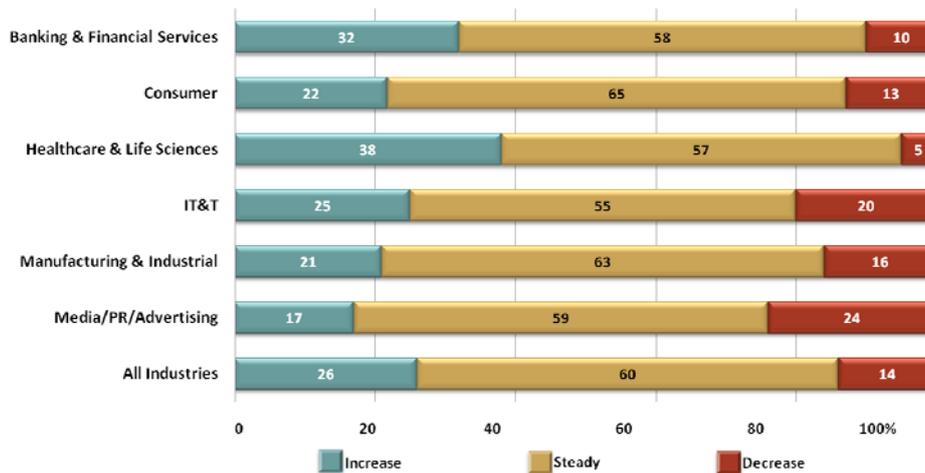
### **Decline in hiring expectations less steep**

Across all sectors, 26 percent of respondents expect to hire more staff in Q3 2009, compared with 20 percent the previous quarter. The proportion of respondents planning to reduce headcount has fallen from 19 percent to 14 percent during the same period. Expectations to hire are rising in every segment except Media/PR/Advertising, which reports a very slight decline. Gina McLellan, country manager, Singapore, Hudson says, "*Hiring expectations in Singapore are significantly higher this quarter, improving for the first time since Q1 2007. Employers in all sectors are increasingly optimistic*

about business prospects.”

The Healthcare & Life Sciences sector reports the highest hiring expectations, with 38 percent saying they will grow headcount this quarter.

### Permanent hiring expectations in Singapore

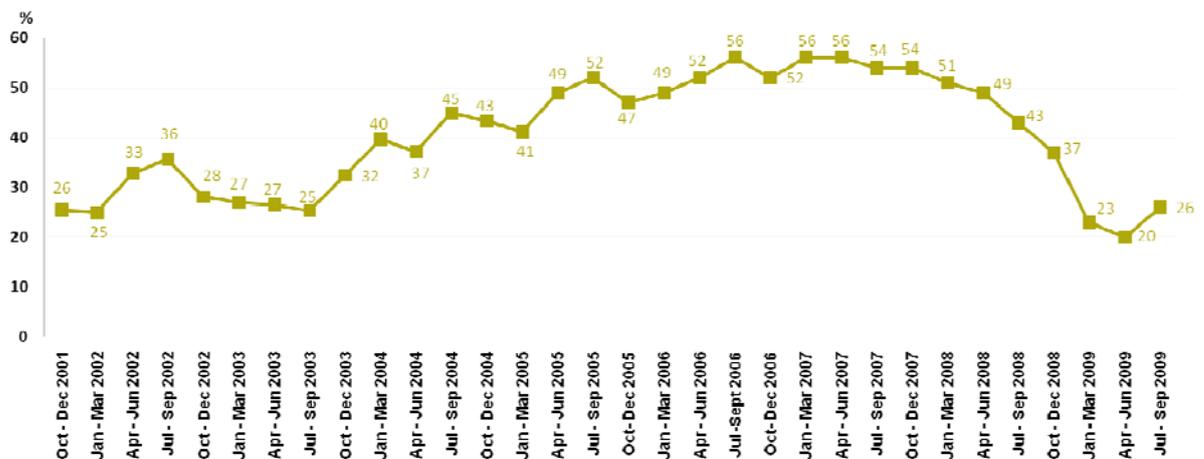


Source: The Hudson Report, Singapore - Q3 2009

### Steep decline in hiring expectations year-on-year

Although hiring expectations in Q3 2009 are more positive than in the previous quarter, they remain much lower than in the same quarter a year ago. However, this is unsurprising in the light of the changes in the global and Singapore economy. A look at the year-on-year movement in expectations puts the current figures in perspective. Overall, the 26 percent of respondents who expect to increase hiring this quarter compares with 43 percent in Q3 2008.

### Expectations to hire over time - Singapore

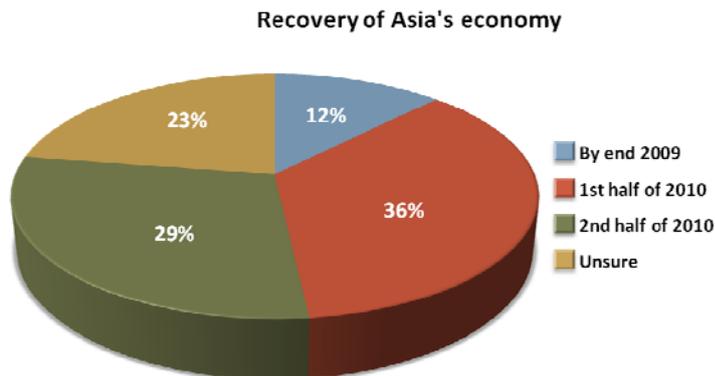


Source: The Hudson Report, Singapore - Q3 2009

## Recovery anticipated in 2010

Given the current market climate, respondents were asked when they expect Asia's economic recovery to begin. Across all sectors, 12% respondents forecast that signs of recovery will start this year. Almost two-thirds - 65 percent - expect recovery during 2010, while 23 percent say they are unsure.

In the IT&T sector, 42 percent anticipate recovery in the first half of next year, more than in any other sector. This industry consistently demonstrates an ability to reinvent itself and adapt to challenging market conditions.

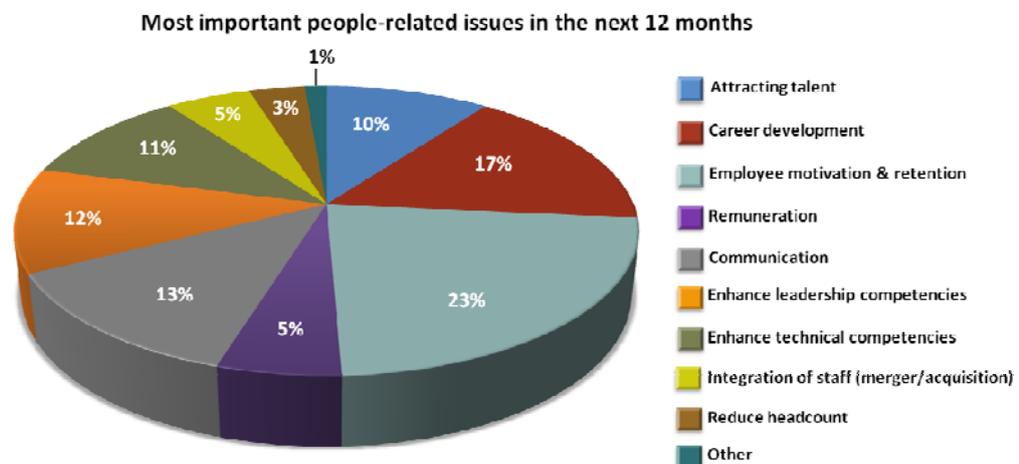


Source: The Hudson Report, Singapore - Q3 2009

## Motivation and retention are the most critical people-related issues

Employee motivation & retention are regarded as the most important people-related issues to be addressed in the next twelve months. Overall, 23 percent of respondents mention these factors, more than in the other markets surveyed in Asia. Employers recognise that they may struggle to retain key staff when the economy starts to recover.

At 14 percent, the Media/PR/Advertising sector has the highest proportion of respondents who see enhancing technical competencies as a critical issue. This is particularly important in the context of the massive shift currently underway to digital and interactive media.



Source: The Hudson Report, Singapore - Q3 2009

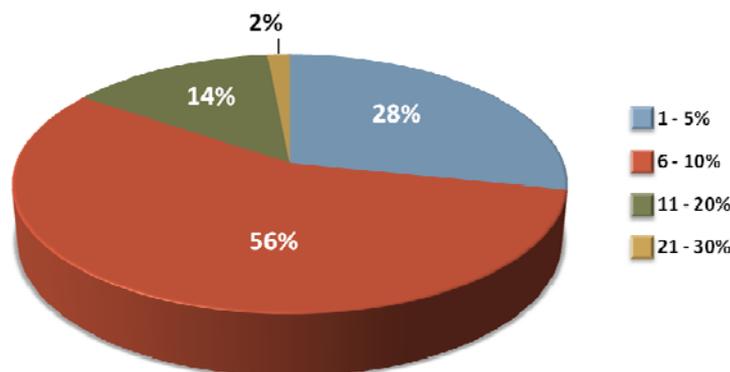
**Extent of salary reduction for new managerial hires still limited**

Respondents were asked if the current economic climate means that they are able to negotiate lower salaries for new managerial hires. Overall, 38 percent say they can do so, the highest figure for the markets surveyed in Asia. This represents a substantial rise from the last time this question was asked, in Q3 2008, when just 10 percent said they could reduce starting salaries for managers.

Although a high proportion of respondents are able to negotiate lower salaries for new managerial hires, the reductions are relatively limited. Overall, 28 percent say that they can only reduce starting salaries by 5 percent or less, while just 16 percent can achieve savings of more than 10 percent. The latter figure is lower than for the other markets surveyed in Asia.

Respondents in the Healthcare & Life Sciences sector are the least likely to be able to negotiate lower salaries. However, those who can do so appear able to achieve large reductions: 20 percent say they can cut new hire salaries by 11-20 percent and a further 10 percent can lower salaries by 21 percent or above.

**Gap between salary expectation and offer**



Source: The Hudson Report, Singapore - Q3 2009

**Hudson**

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 organisational performance by assessing, recruiting, developing and engaging the best and brightest people for their businesses. The company employs nearly 3,000 professionals serving clients and candidates in more than 20 countries. More information is available at 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.