

For immediate release

Hudson Report shows sustained high employment outlook in quarter two

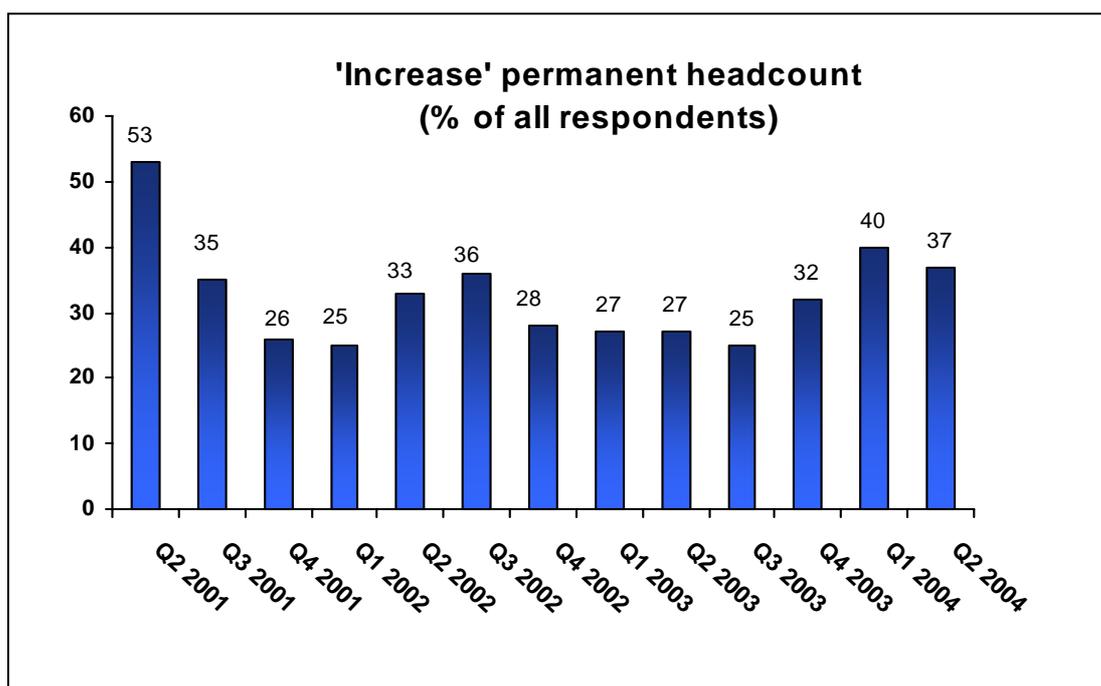
37% of more than 600 respondents in Singapore indicate adding headcount

SINGAPORE, 30 March 2004 – Hudson, one of the world’s leading professional staffing, outsourcing and human capital solution providers and a division of Hudson Highland Group, Inc. (NASDAQ: HHGP), today released findings of its Hudson Report for quarter two 2004. Hudson Global Resources recruitment professionals personally surveyed all respondents. In Asia, more than 1,600 respondents overall were surveyed in Singapore, Hong Kong, China and Japan in January 2004. Employment decision-makers in six industry sectors were surveyed: Consumer; Engineering / Operations / Technical; Finance; Health; IT and Telecoms and Legal.

Five significant findings were observed in the Hudson Report for Q2.

- The high level of hiring observed in Q1 continues into Q2.
- More companies expect either a ‘Good’ or ‘Excellent’ performance for their organisations within the first six months this year.
- One-half of all surveyed also said the job market would be ‘Good’ for the first half of 2004. Another 4% said ‘Excellent’.
- 62% are ‘Confident’ that the Singapore economy is on the rebound.
- 42% of all respondents expect to face talent retention issues this year.

The number of companies that intend to increase permanent headcount is maintained at the high level recorded for Q1. Of the more than 600 respondents surveyed, 37% said they intend to add headcount in Q2. (see table below)



To underscore the positive hiring sentiment, the proportion of respondents that indicated they would shed staff next quarter is lower by 1% (from 4% to 3%). More companies also said they would maintain the same level of staffing in Q2 (from 56% to 60%).

“The high level of optimism we see for quarter two, with 37% of all surveyed employers indicating a headcount increase, is very encouraging,” said Stefanie Cross-Wilson, General Manager, Hudson Global Resources.

The Consumer sector recorded the best hiring intent with 42% of all respondents in this sector indicating that they anticipate adding headcount. The IT and Telecommunications sector follows with 39% of employers in this sector looking to add more staff in Q2.

“Hiring in the IT and Telecommunications sector is gradually improving. More companies in this sector in Singapore are hiring in critical positions to maximise the opportunities that are open to them. Another good sign is that fewer technology companies indicate they intend to shed staff in Q2 compared to Q1,” said Caleb Baker, Divisional Manager, IT and Telecommunications Division.

Roles in demand

Sales positions accounted for 36% of all anticipated hires followed by engineering/operations/technical roles at 26% and marketing and communications/public relations at 13%.

This pattern of Sales professionals being in most demand is observed consistently every quarter and clearly points to the fact that qualified sales professionals are in demand regardless of industry.

Expected company performance in first half of 2004 given the current economy

The Hudson Report surveyed what respondents expect their company performance to be in the first half of 2004. 73% of all companies surveyed for this expect ‘Excellent’ or ‘Good’ performances as compared to 68% when the same question was asked in the previous report. While the same proportion of companies expect a ‘Good’ showing, the percentage of companies that see themselves as having ‘Excellent’ performances up to June this year increased from 5% to 9%.

What do employers think of the job market?

Half of those surveyed in Singapore said ‘Good’ to this question with another 4% stating ‘Excellent’. With the strong numbers seen in expected headcount increase, it follows that those answering in the positive to the above question would form the majority of 54% ‘Good’ and ‘Excellent’ responses. This bodes well especially to those looking for work or to advance their careers.

How confident are you that the local economy is on the rebound?

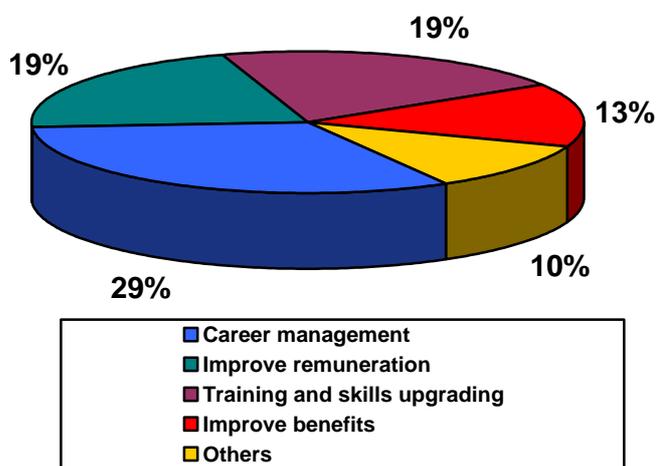
According to the results, 62% of all Singapore employers surveyed are confident that the local economy will improve after more than two years of slow or negative growth. A further 7% are more positive, giving ‘Very confident’ as a reply. Only 4% are ‘Not confident’ that the Singapore economy will improve this year with the remaining 27% expressing a wait-and-see outlook.

“Economic growth will lead to new jobs. Therefore, with the Singapore economy projected to improve in 2004, companies are not only confident that they will perform better but also anticipate increasing their headcount. These results are inter-linked and correspond to what is observed in the Hudson Report,” said Ms. Cross-Wilson.

Is talent retention an issue in your company in 2004?

42% answered that talent retention will be an issue for their companies this year. As a follow-on question, respondents were asked what talent retention initiatives they felt their company should undertake this year. Across all six industry sectors, 29% chose ‘Career management’ as the talent retention initiative they seek most from their companies. This was followed with 19% saying they wanted better remuneration and more opportunities for training and skills upgrading from their companies to stop talent outflow. (see chart below)

**Important talent retention initiatives
your company should undertake in
2004**



“When business improves and companies expand in 2004, good talent will be a short commodity. This is expected as employers would think that some of their staff would be looking for job opportunities as the job market gathers pace after an economic downturn. What the Hudson Report tells us is that the market places career management as a priority. Therefore, it is imperative that core strategies to retain valued talent is in place within organisations or they run the risk of losing good performers to competitors,” said Ms. Cross-Wilson.

About Hudson Global Resources

Hudson delivers specialised professional staffing, outsourcing and human capital solutions worldwide. From single placements to total solutions, the firm assesses, recruits and develops talent to meet the specific business needs of each client. Global practice areas include Accounting & Finance; Engineering, Operations & Scientific; Healthcare; Human Resources; IT & Telecommunications; Legal; and Sales & Marketing.

Hudson is a division of Hudson Highland Group, Inc. (NASDAQ: HHGP), one of the world’s leading professional staffing, retained executive search and human capital solution providers. More information about Hudson is available at www.hudson.com.

About Hudson Highland Group, Inc.

Hudson Highland Group, Inc. offers a full spectrum of professional staffing, retained executive search and human capital solutions worldwide. A publicly traded \$1 billion company, Hudson Highland Group (NASDAQ: HHGP) employs more than 4,000 employees serving clients in nearly 30 countries. More information about Hudson Highland Group is available at www.hhgroup.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 the company's 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, including economic and other conditions in the markets in which we operate, risks associated with acquisitions, competition, seasonality and the other risks discussed in our Form 10-K and our other filings made with the Securities and Exchange Commission, which discussions are incorporated in this release by reference.

For more details or any interview request, please contact:

Haider Sayuti
Hudson Global Resources
Tel: 6430 5540
Fax: 6339 6355
Email: haider.sayuti@hudson.com