

For immediate release

Hiring expectations highest in four years

64% of respondents work more than 50 hours a week

SINGAPORE, 29 APRIL 2005 –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), has released findings of its Hudson Report for Quarter 2 (Q2) 2005. With a reputation as a key socio-economic indicator in the current marketplace since its Asia launch in December 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 optimism in the growth of their organisation and their industry as a whole.

In Asia, more than 2,500 key employment decision makers from multinational organisations of all sizes in all major industry sectors¹ were surveyed in China, Hong Kong, Japan and Singapore. A total of 650 these companies are based in Singapore.

Significant findings in the Q2 2005 Hudson Report are:

- Hiring expectations in Singapore at 49% is the highest in the last four years of the Hudson Report; this is also significantly higher than 41% in Q1 2005;
- By industry segments, the Media/Advertising/PR and Manufacturing sectors see the highest employment prospects – 59% and 55% respectively expect increased hiring in Q2;
- Sales professionals remain the most sought after, accounting for 26% of all new hiring, and the demand for IT, Engineering/Operations/Technical and Marketing/PR staff is also relatively high;
- 64% of respondents work more than 50 hours per week; 37% said they are working longer hours than two years ago;
- Media/PR/Advertising sector reports the longest working hours; followed by the Banking & Professional Services, Consumer and IT sectors
- Almost 40% of companies report increased employee burnout; and
- Flexible working hours and extended maternity/paternity leave are the two most popular work-life benefits offered by employers

¹ The six industry sectors surveyed are Banking & Professional Services, Consumer, IT & Telecommunications, Legal, Manufacturing and Media/PR/Advertising.

Singapore's latest employment trends

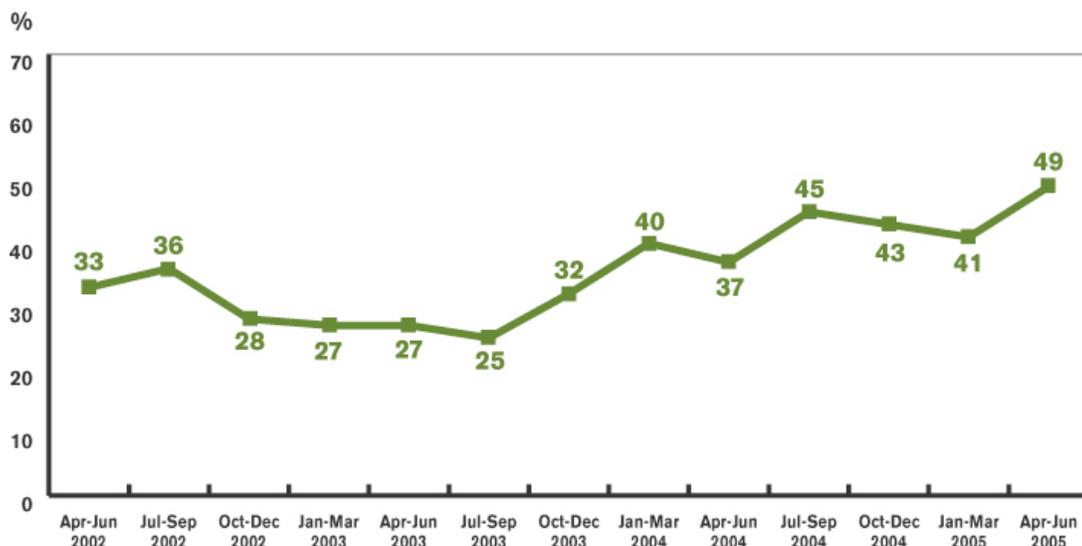
Singapore's permanent employment expectations continue a positive upward trend from the last quarter with 49% of companies planning to increase headcount, pointing to continued growth in the employment market in 2005. A further 49% of professionals surveyed anticipate that employment will remain steady and only a nominal 2% forecast a decline in headcount.

Stefanie Cross-Wilson, Country Manager, Hudson Singapore, comments, "It is encouraging to see that optimism in the employment market is continuing. With almost half of the employers surveyed planning to increase headcount, we will see increased competition to recruit and retain top-performing staff in a talent-short market."

Anticipated hiring is strongest in the Media/PR/Advertising sector, where 59% of respondents forecast increased headcount in Q2 2005, a sharp increase from 50% in the last quarter. This suggests that companies are confident about the future and there is growing demand for Marketing and PR specialists.

The Manufacturing and Banking & Professional Services sectors have seen the largest percentage increases in employment expectations of 55% and 48%, up from 41% and 34% in Q1 2005 respectively.

Permanent increased hiring expectations over time in Singapore



(Source: The Hudson Report – Singapore: Apr-June 2005)

“Companies’ expectations for permanent employment continue to move in a positive direction and demonstrate a high level of confidence in the local economy. The 49% of executives who plan to increase headcount in Q2 is a significant increase from just 41% at the same time last year. In fact, this is the highest indication of increased hiring expectations in the last four years of the Hudson Report in Singapore,” Cross-Wilson pointed out.

The hottest jobs in Singapore

Demand is highest for Sales jobs, which accounts for 26% of all anticipated new jobs. This affirms a continued trend that has become evident over the last few quarters. IT Professionals are also in demand, with 16% of new jobs expected to be in IT. There is also a high demand for Engineering/Operations/Technical staff as 14% of newly created roles are expected to be in this area. There is a need for specialist staff in these two areas as companies believe that they need to increase infrastructure investment in order to meet customer demand.

Key HR Priorities

Amidst a candidate-short market, staff development and retention is identified as the top priority by almost every sector, which suggests continued optimism in the employment market and a need for companies to use measures to retain their existing talent.

Employers need to focus on staff retention measures, as traditionally, employees are likely to change jobs after receiving their annual bonuses, particularly in the IT&T and Banking sectors. Attracting suitable staff is also seen as important by 22% of companies, though organisations appear to be focusing more on developing and keeping their existing staff.

Economic recovery suggests longer working hours

With a recovering economy comes longer working hours, with 64% of respondents stating that they work more than 50 hours a week. Of these, 19% are working more than 60 hours a week.

Longer working hours than before

Thirty-seven percent of executives report that they are working longer hours as compared to two years ago and 14% indicate that they are working significantly more hours.

The IT&T sector has experienced the highest increase, with 43% of respondents stating that they work more hours than two years ago. This is followed by the Banking & Professional Services sector with 38% of respondents stating that they currently work more hours.

Employee burnout on the rise

Overall, 38% of companies are seeing increased levels of employee burnout. The highest increase is in Legal, with 46% of respondents stating that they are seeing higher levels of employee burnout. Burnout has also grown significantly in the IT&T sector, with 43% of respondents respectively seeing an increase. The Banking & Professional Services and Media/PR/Advertising sectors also report a 38% increase in employee burnout.

The various sectors are relatively consistent in their approach to employee burnout and the measures used to reduce it. Nineteen percent of employers surveyed are building better employee support networks; 19% are hiring more staff; 18% are reviewing job descriptions and delivery expectations, and only 10% are encouraging staff to work fewer hours.

Almost 50% of companies surveyed have work-life policies

The Report shows that 48% of companies have instituted a work-life balance policy. The Legal and Banking & Professional Services sectors are the most likely to have work-life balance policies as they tend to rely heavily on high-value specialist staff who work long hours and tend to suffer burnout. On the other hand, at 39%, the Media/PR/Advertising sector is the least likely to have a work-life policy. This sector is also more inclined to have the longest average working hours. Overall, the two most popular work-life benefits are flexible working hours and extended maternity and paternity leave, scoring 25% and 21% of the total response respectively.

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Hudson is a division of Hudson Highland Group, Inc. one of the world's leading professional staffing, retained executive search and human capital solution providers. The company employs more than 3,800 professionals serving clients and candidates in more than 20 countries through its Hudson and Highland Partners businesses. More information is available at www.hudson.com.

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