

For immediate release

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

Hiring expectations show substantial rises in all Asian markets

Top HR priorities for 2010 are talent development and staff retention

HONG KONG – 22 OCTOBER 2009 – 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. With a reputation as a key socio-economic indicator since its Asia launch in 1998, the survey on employers' expectations of an increase or decrease in staffing levels represents a significant indication of their optimism in the growth of their organisation and their industry as a whole. Nearly 2,000 key employment decision makers were surveyed in August this year from multinational organisations of all sizes in all major industry sectors. The locations surveyed were China (Beijing and Shanghai), Hong Kong and Singapore.

Key findings in *The Hudson Report – Asia Q4 2009* are:

HIRING EXPECTATIONS

- Expectations in **China** are rising for the first time in over a year: 39 percent forecast headcount growth in Q4, up from 27 percent in Q3. China again has the highest expectations of the three markets surveyed;
- **Hong Kong** reports the largest rise in expectations, from 22 percent in Q3 to 35 percent this quarter. The proportion of employers expecting to retrench staff is lower than in the other markets;
- In **Singapore** 34 percent of respondents plan to increase headcount in Q4, compared with 26 percent in Q3. The proportion forecasting staff reductions has fallen sharply, from 14 percent to 5 percent.

OTHER KEY FINDINGS

- In all three markets, respondents' top HR priorities for 2010 are talent development and improving retention;
- There are some differences between the markets in terms of respondents' willingness to hire candidates who have been unemployed for a long period: employers in Singapore are the most willing to do so, those in China the least;
- Where employers are willing to hire long-term unemployed candidates, previous experience and specialist skills are their main reasons for doing so;
- In all three markets, respondents report that the higher the position, the harder it is to find local candidates with the required skills and experience.

DETAILED FINDINGS

Expectations rising sharply in all markets

Respondents in all markets report a steep rise in hiring expectations this quarter. Confirming the growing optimism about hiring, the proportion of respondents planning to reduce headcount has fallen to less than half the Q3 level in every market. China has the highest expectations, while Hong Kong reports both the largest rise in expectations and the lowest proportion of employers expecting to shed staff.

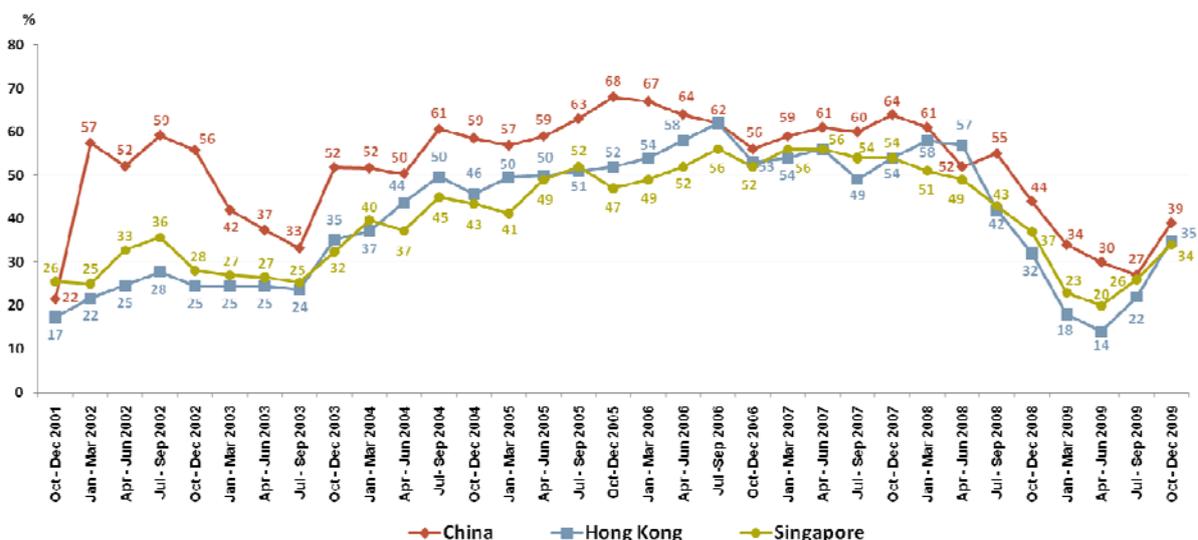
Expectations are rising in **China** for the first time in over a year. Overall, 39 percent of respondents forecast increased headcount, a sharp rise from 27 percent in Q3, and expectations are up in every sector. The Banking & Financial Services sector reports both the highest expectations and the greatest increase compared with Q3: 54 percent plan to hire more staff in Q4, up from just 28 percent the previous quarter.

Respondents in **Hong Kong** are increasingly optimistic. Across all sectors, 35 percent of respondents expect to recruit more staff in Q4, up from 22 percent the previous quarter. This is a steeper rise than in the other markets surveyed. Expectations are rising fastest in the Media/PR/Advertising sector, where a very high 69 percent plan to grow headcount. This compares with just 28 percent in Q3.

Across all sectors in **Singapore**, 34 percent of respondents forecast headcount growth compared with 26 percent in Q3. Expectations are up in all the sectors surveyed except Consumer, where there is a very slight decline. The proportion expecting to reduce headcount has fallen in every sector and overall is down from 14 percent to 5 percent. The Healthcare & Life Sciences sector again has the highest expectations, with 44 percent planning to recruit more staff, up from 38 percent the previous quarter.

Mike Game, CEO, Hudson Asia, comments, *“Asia is the first region to emerge from the global recession, causing employers to revise their hiring expectations sharply upwards. Next year’s top HR priorities are talent development and improving retention.”*

Regional permanent increased hiring expectations over time



Source: The Hudson Report, Asia - Q4 2009

Top HR priorities for 2010 are talent development and retention

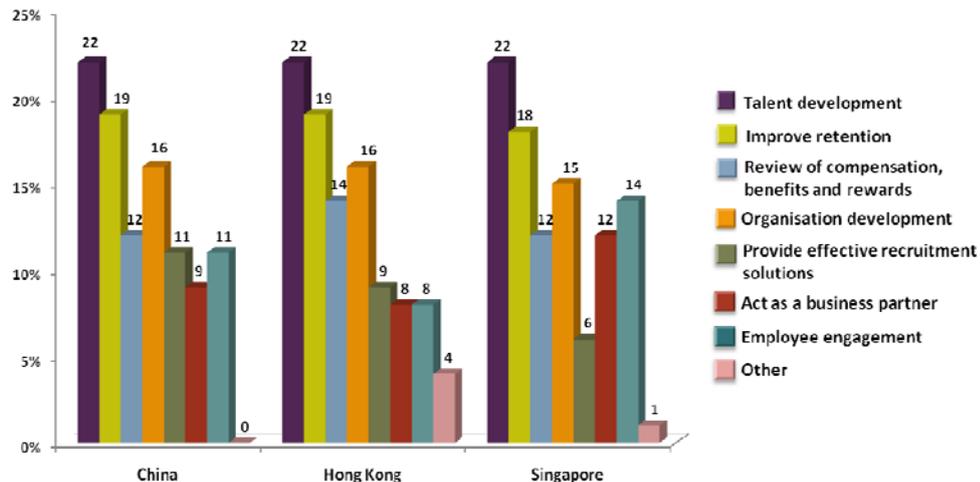
Respondents were asked about their most important HR priorities for the coming year. Across all three markets, talent development and improving staff retention are the top priorities. The responses on these issues are very consistent: 22 percent of respondents in all markets give talent development as their top priority, while the figures for improved retention are 19 percent, 19 percent and 18 percent for China, Hong Kong and Singapore respectively.

In **China**, the Media/PR/Advertising sector has by far the highest proportion of respondents who say talent development is their top HR priority – 34 percent. This suggests employers are moving away from a tradition of filling senior positions by external recruitment and recognising the value of nurturing in-house talent.

IT&T employers in **Hong Kong** are the most likely to focus on talent development and effective recruitment solutions, in both cases by a significant margin. These issues are mentioned by 34 percent and 21 percent respectively. These figures suggest that companies are seeking to attract and develop staff with the required skills as the continuing economic recovery encourages clients to invest in technology again.

In **Singapore**, the Healthcare & Life Sciences sector has the highest proportion who give talent development and reviewing compensation, benefits and rewards as their HR priority – 26 percent and 16 percent respectively. This industry has been relatively resilient during the downturn and demand for talented candidates remains high.

Organisations' HR priorities in 2010



Source: The Hudson Report, Asia - Q4 2009

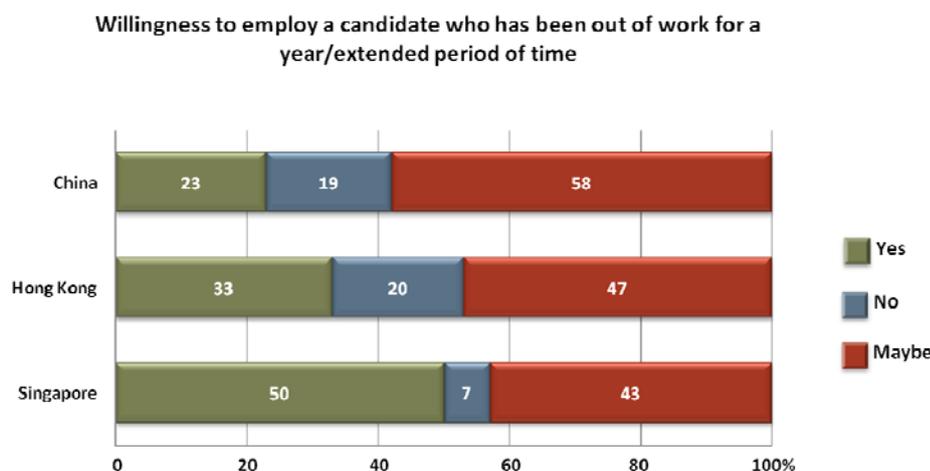
Hiring the long-term unemployed

The survey shows significant differences between the markets in terms of respondents' willingness to employ a candidate who has been out of work for over a year or an extended period of time. Overall, respondents in Singapore are the most willing to do so, while respondents in China are generally less prepared to take this approach.

In **China**, just 23 percent of employers across all sectors say they would employ a candidate who has been out of work for a long period, fewer than for the other markets surveyed. However, 58 percent give a 'maybe' response to this question.

One-third of respondents in **Hong Kong** (33 percent) would be willing to hire a candidate who has been out of work for an extended period, while 20 percent say they would not do so. Respondents in the Manufacturing & Industrial sector are the most open to hiring such candidates, with 49 percent giving a positive response.

Respondents in **Singapore** are much more likely to hire unemployed candidates than their counterparts in the other markets surveyed. Across all sectors, 50 percent say they would do so, while just 7 percent give a negative response. Achieving an effective work-life balance is a major focus in Singapore and these figures suggest that employers are prepared to take a flexible approach to candidates who have decided to spend time away from work.



Source: The Hudson Report, Asia - Q4 2009

Experience and specialist skills are key reasons to hire long-term unemployed

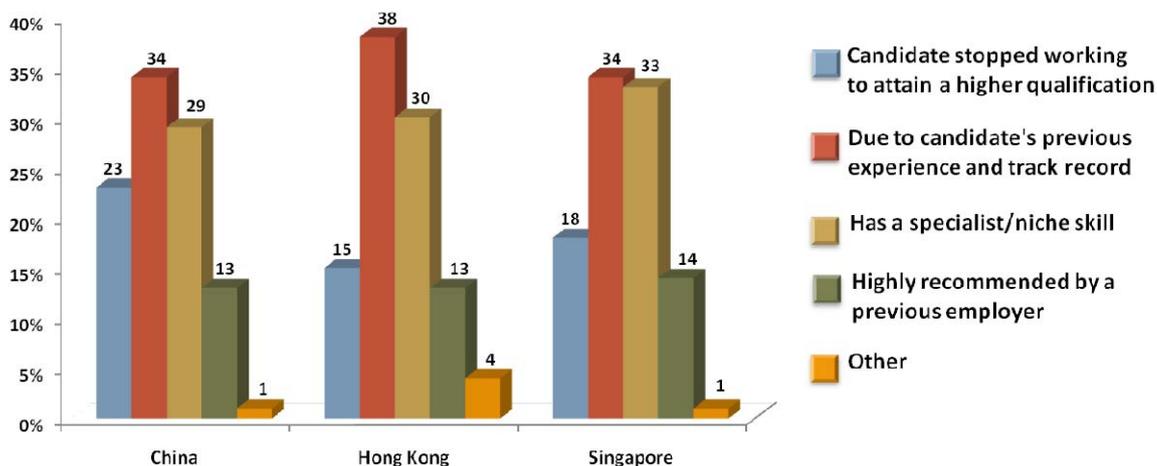
Respondents willing to hire candidates who have been out of work for an extended period were also asked their reasons for doing so. In all the markets surveyed, previous experience & track record and specialist/niche skills are given as the most important reasons.

Across all sectors in **China**, previous experience and specialist skills are mentioned by 34 percent and 29 percent respectively. Stopping work to obtain a higher qualification is also seen as a valid reason: 23 percent of respondents give this response, a much higher figure than for the other markets surveyed in Asia.

Previous experience & track record is regarded as the most important factor in **Hong Kong**, by a significant margin. Overall, 38 percent mention this reason, compared with 30 percent citing specialist skills. Experience is seen as especially significant by employers in the IT&T sector, with 53 percent giving this response.

Singapore has the highest proportion of respondents who identify specialist skills as a reason for hiring unemployed candidates – 33 percent, just below the 34 percent who mention previous experience. Both factors are regarded as particularly important by Healthcare & Life Sciences companies: specialist skills and experience are cited by 38 percent and 39 percent respectively.

Reason(s) to employ a candidate who has been out of work for a year/extended period of time



Source: The Hudson Report, Asia - Q4 2009

Much harder to find local talent for senior roles

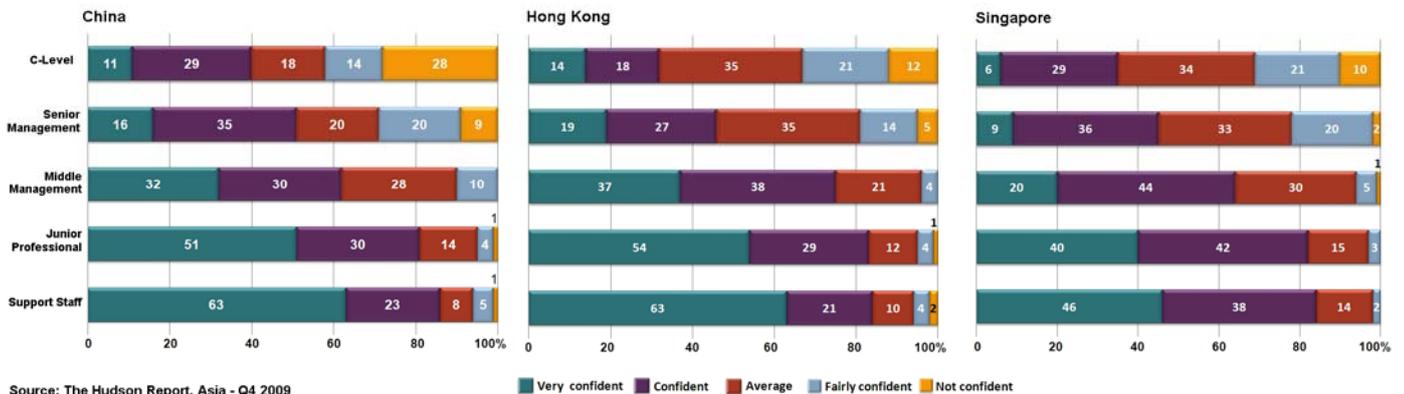
Respondents were asked how confident they are about finding local candidates to fill vacancies at five different levels: C-Level, Senior Management, Middle Management, Junior Professional and Support Staff. The responses from all three markets show that the higher the level, the harder it is for employers to find local candidates with the skills and experience they need.

Across all sectors in **China**, 40 percent of respondents say they are very confident or confident about finding local candidates for C-Level positions – fewer than the 42 percent who are fairly confident or not confident. The corresponding figures for the Senior Management level are 51 percent and 29 percent respectively and the gap becomes wider at every lower level.

Overall, a similar trend is apparent in **Hong Kong**: 32 percent of respondents are very confident or confident about filling C-Level positions with local candidates, while 33 percent are fairly confident or not confident. At the next level down, Senior Management, these figures are 46 percent and 19 percent respectively.

Overall, 35 percent of respondents in **Singapore** are very confident or confident about filling C-Level vacancies with local talent, while nearly the same proportion (31 percent) are fairly confident or not confident. At the other end of the scale, 84 percent are very confident or confident about finding local candidates for Support Staff positions. Only 2 percent say they are fairly confident or not confident.

Confidence in finding local talent at various levels



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Special Note:

This press release contains statements that the company believes to be "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical fact included in this press release, including those under the caption "Guidance" and other statements regarding the company's future financial condition, results of operations, business operations and business prospects, are forward-looking statements. Words such as "anticipate," "estimate," "expect," "project," "intend," "plan," "predict," "believe" and similar words, expressions and variations of these words and expressions are intended to identify forward-looking statements. All forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. These factors include, but are not limited to, the impact of global economic fluctuations including the current economic downturn; the ability of clients to terminate their relationship with the company at any time; risks in collecting our accounts receivable; implementation of the company's cost reduction initiatives effectively; the company's history of negative cash flows and operating losses may continue; the company's limited borrowing availability under our credit facility, which may negatively impact our liquidity; restrictions on the company's operating flexibility due to the terms of its credit facility; fluctuations in the company's operating results from quarter to quarter; risks relating to the company's international operations, including foreign currency fluctuations; risks related to our investment strategy; risks and financial impact associated with dispositions of underperforming or non-core assets; the company's heavy reliance on information systems and the impact of potentially losing or failing to develop technology; competition in the company's markets and the company's dependence on highly skilled professionals; the company's exposure to employment-related claims from both clients and employers and limits on related insurance coverage; the company's dependence on key management personnel; volatility of stock price; the impact of government regulations; restrictions imposed by blocking arrangements. Additional information concerning these and other factors is contained in the company's filings with the Securities and Exchange Commission. These forward-looking statements speak only as of the date of this letter. The company assumes no obligation, and expressly disclaims any obligation, to review or confirm analysts' expectations or estimates or to update any forward-looking statements, whether as a result of new information, future events or otherwise.