

**Immediate Release**

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**Hiring expectations show greatest quarterly jump in history of *The Hudson Report*  
*Employers are focusing on employee engagement measures in an increasingly competitive market***

**SINGAPORE – 21 JANUARY 2010** – The growth in Singapore hiring expectations has accelerated this quarter, according to *The Hudson Report*. In this survey of over 400 executives across key business sectors, all interviewed during November, 51 percent forecast increased hiring in the first quarter of 2010, up from 34 percent in Q4 2009. Only 4 percent of respondents say they will decrease headcount 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 over 1,500 key employment decision makers from multinational organisations of all sizes in all major industry sectors.

Significant findings in ***The Hudson Report – Singapore Q1 2010*** are:

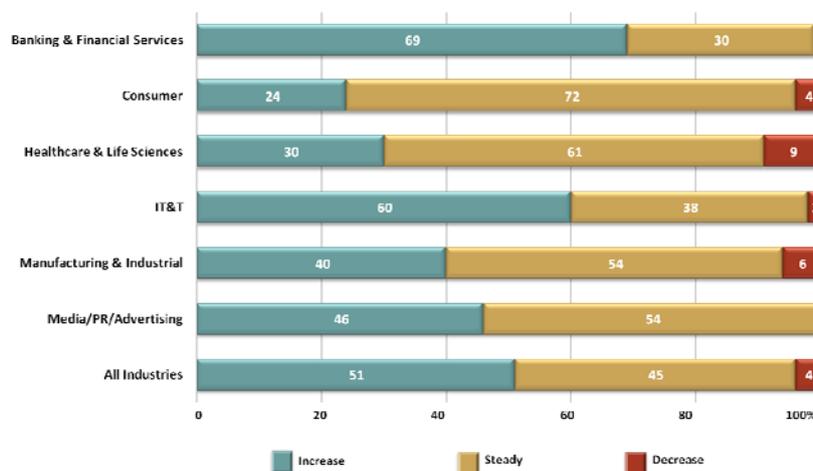
- Fifty-one percent forecast headcount growth in the first quarter of 2010, up from 34 percent in Q4 2009;
- This quarter sees the largest rise in hiring expectations since *The Hudson Report* began;
- Across all sectors, 74 percent of respondents plan to pay discretionary year-end bonuses for 2009;
- The level of bonus payments is much higher than a year ago, with 50 percent of employers expecting to pay year-end bonuses of more than 10 percent. This figure was only 28 percent the previous year;
- Mentoring and training programmes are regarded as the most effective employee engagement initiatives;
- Companies are increasingly optimistic about the future, with 78 percent of respondents forecasting that their organisation's performance will be excellent or good in 2010;
- The growing buoyancy in the job market means that respondents in most sectors expect to have to pay higher starting salaries to attract managerial talent.

## Hiring expectations up by half

Hiring expectations are still rising sharply, further confirming the rapid recovery in Singapore's employment market. Across all sectors, 51 percent of respondents forecast increased hiring in Q1 2010, up from 34 percent the previous quarter. This is the greatest monthly rise in expectations since *The Hudson Report* began. Expectations are rising in every segment except Healthcare & Life Sciences.

Mike Game, CEO, Asia, Hudson, comments, "Employment expectations show a further substantial rise this quarter and the recovery looks well-established. Companies are focusing on employee engagement measures in an increasingly competitive market."

Permanent hiring expectations in Singapore

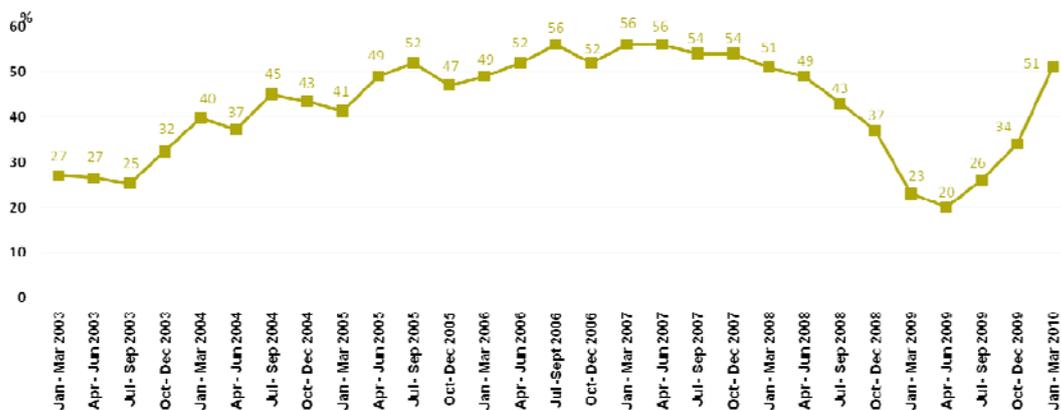


Source: The Hudson Report, Singapore - Q1 2010

## Big jump in expectations year-on-year

Overall, hiring expectations are much higher than they were a year ago. The 51 percent of respondents across all sectors who plan to grow headcount this quarter is more than double the corresponding figure of 23 percent for Q1 2009. As with the quarterly trends, only the Healthcare & Life Sciences sector reports falling expectations year-on-year.

Expectations to hire over time - Singapore



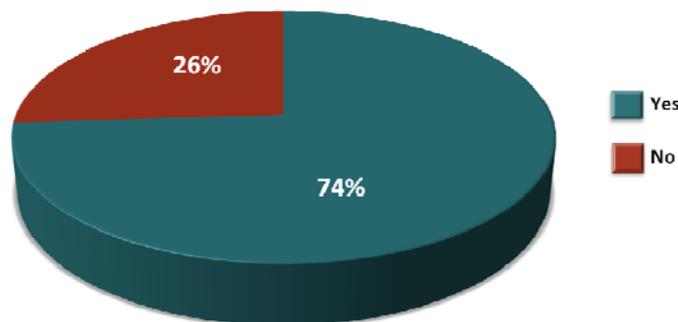
Source: The Hudson Report, Singapore - Q1 2010

## Most companies plan to pay bonuses

Across all the sectors surveyed, 74 percent of respondents say that their organisation will pay discretionary year-end bonuses for 2009. This is a lower figure than for year-end 2008, when 83 percent said that bonuses were being paid.

At 96 percent, the Healthcare & Life Sciences sector has highest proportion of respondents whose organisations will pay bonuses, by a significant margin. Although hiring expectations are falling, this sector tends to be fairly recession-proof and most companies remained profitable in 2009.

### Organisations paying discretionary year-end bonus in 2009



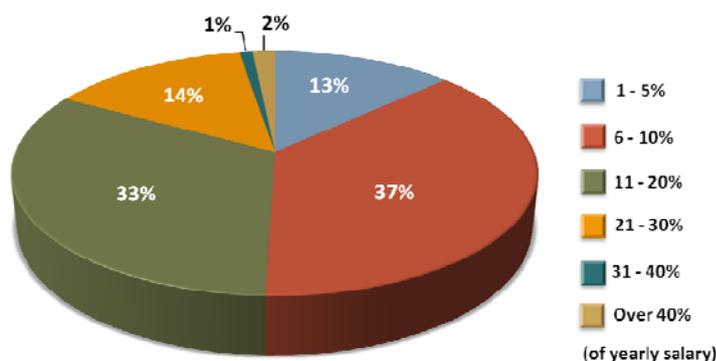
Source: The Hudson Report, Singapore - Q1 2010

## Higher bonuses this year

Respondents whose organisation is planning to pay discretionary year-end bonuses for 2009 were asked about the level of bonus payments. Bonuses are likely to be much higher than at year-end 2008. Overall, 50 percent expect to pay bonuses of more than 10 percent while 17 percent say they will pay over 20 percent. These figures compare with 28 percent and 6 percent for the previous year.

Employers in the Banking & Financial Services sector plan to pay the highest bonuses, offering substantially more than they did last year. Nearly two-thirds – 65 percent – say bonuses will be over 10 percent, while 35 percent say they will pay more than 20 percent.

### Range of discretionary year-end bonuses in 2009

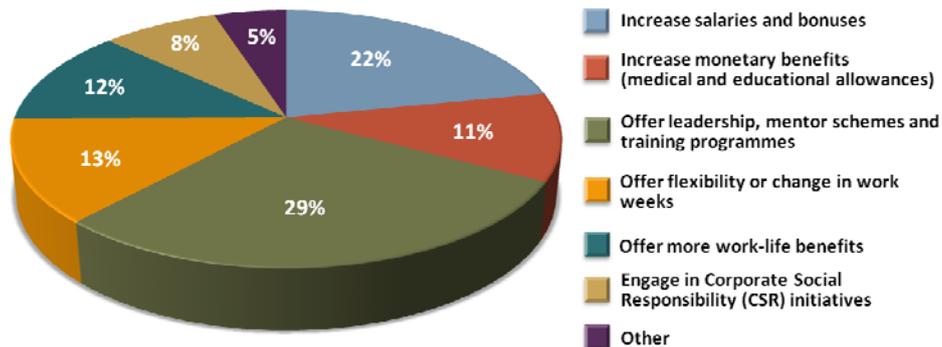


Source: The Hudson Report, Singapore - Q1 2010

## Mentoring and training are top priority

Hiring expectations are rising rapidly, increasing the opportunities available to talented candidates, and many companies are developing strategies for employee engagement and talent retention. Respondents were asked about the measures currently being taken by their organisation. Overall, leadership, mentoring schemes and training programmes are seen as the most valuable measures, being mentioned by 29 percent.

**Measures to drive employee engagement and retain top talent**

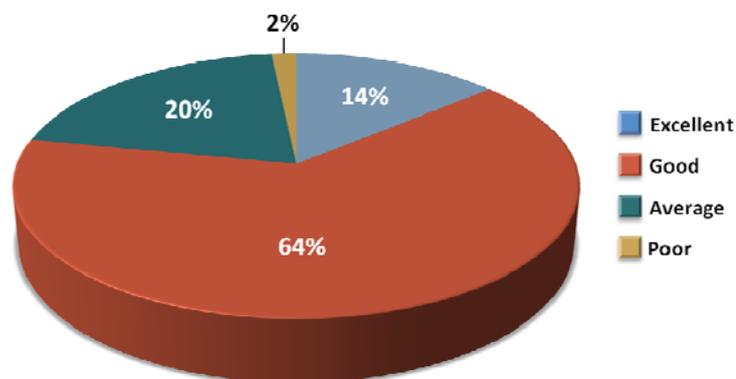


Source: The Hudson Report, Singapore - Q1 2010

## Companies are increasingly optimistic about their company performance in 2010

Most respondents are very positive about their company's performance in 2010. Across all sectors, 14 percent anticipate excellent performance, a higher proportion than in the other markets surveyed in Asia. A further 64 percent say performance will be good, while just 2 percent think it will be poor. These figures show that companies are much more optimistic than in 2009, when just 3 percent forecast excellent performance and a further 44 percent said it would be good.

**Anticipated company performance in 2010**

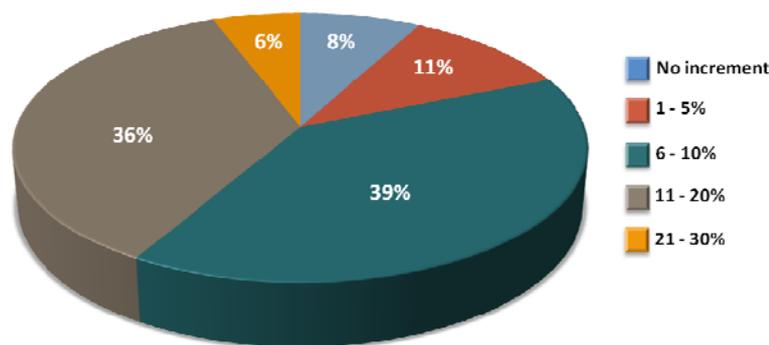


Source: The Hudson Report, Singapore - Q1 2010

## Higher salary expectations

The growing buoyancy in the job market means that most respondents expect to have to pay higher starting salaries to attract new managerial hires. Across all sectors, only 8 percent say they would pay no increment at all, while 42 percent expect to have to increase starting salaries by more than 10 percent to recruit the candidates they want. This compares with 34 percent who forecast increases of more than 10 percent when this question was asked in Q1 2009.

**Average pay increase to attract new managerial hires**



Source: The Hudson Report, Singapore - Q1 2010

## 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 2,500 professionals serving clients and candidates in more than 20 countries. More information is available at [hudson.com](http://hudson.com).

## **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.