

***For Immediate Release***

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## ***Hudson Employment Index<sup>SM</sup> Declines in September***

### ***Monthly Measure of Employee Confidence Drops Two Points to 106.9***

**New York, October 6, 2004** – After undergoing a steady rise since June, the *Hudson Employment Index<sup>SM</sup>* declined to 106.9 in September, marking a two point decrease from its previous reading of 108.9. Its fall reflects a significant drop in employee confidence in the labor market in the last month. Key contributing factors include the decline in the percentage of workers reporting that their next job will be better, which dropped to 47 percent this month from 50 percent last month, and the percentage of workers reporting improvement in their personal finances, which fell to 43 percent from 45 percent last month.

For the first time in five months, the *Index* saw a decrease in the percentage of private sector workers reporting hiring plans by their employers. This figure, which had remained at 39 percent from April through August, slipped to 38 percent in September. Yet, private sector employees remain the most bullish segment of the U.S. workforce. *Index* polling also revealed that the percentage of all workers and managers who anticipate hiring in their firms fell a point to 32 percent and 33 percent respectively.

“Workers’ optimism about the job market has been impacted by influencers such as increased energy prices, lagging salaries and uncertainty around the presidential election,” said Jeff Anderson, senior vice president of Hudson Global Resources. “We expect this speculative environment to continue to have an effect on employee attitudes in the coming weeks.”

**Percentage of respondents who say their companies are hiring in coming months:**

	<b>Dec '03</b>	<b>Jan '04</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Jul</b>	<b>Aug</b>	<b>Sep</b>
<b>All Workers</b>	29	31	31	33	33	32	34	33	33	32
<b>Managers</b>	32	33	32	35	35	33	36	34	34	33
<b>Private-Sector Employees</b>	32	36	36	38	39	39	39	39	39	38

Hudson, one of the world's leading professional staffing, outsourcing and human capital solution providers, publishes the *Hudson Employment Index*, a monthly measure of the U.S. workforce's confidence in the employment market. Next month's *Hudson Employment Index* will be released on November 3, 2004.

## **The Hudson Employment Index**

The *Hudson Employment Index* (Hudson-Index.com) measures the U.S. workforce's confidence in the employment market. Based upon monthly telephone surveys with approximately 9,000 U.S. workers, the *Index* tracks aggregate employment trends around career opportunities, hiring intentions, job satisfaction and retention. The *Index* is compiled each month by Rasmussen Reports, LLC, an independent research firm (RasmussenReports.com).

Data reported in this release is based upon a national telephone survey of 10,103 working Americans during the month of September. The margin of sampling error for a survey based upon this many interviews is approximately 1 percent with a 95 percent level of confidence. The data is not seasonally adjusted. It will be reviewed at year-end to determine if seasonal adjustments are appropriate. The *Hudson Employment Index* is a service mark owned by Hudson Highland Group, Inc.

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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 is available at Hudson.com.

**Special Note:** Safe Harbor 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.

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