

For Immediate Release

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***Worker Confidence Slips Further as
Hudson Employment IndexSM Drops to 96.8
Hurricanes and Gas Prices Take Toll on Financial Outlook***

New York, October 5, 2005 – For the second consecutive month, U.S. worker confidence fell to an historic low, as the *Hudson Employment IndexSM* declined 1.4 points to 96.8. The aftermath of Hurricanes Katrina and Rita contributed to a steep decline in workers’ optimism about their personal finances, which were previously impacted by high energy prices. Additionally, hiring plans stalled slightly. This month’s *Index* is ten points lower than one year ago as well as the start of 2005.

While there was virtually no change in how workers rated their finances this month, 47 percent indicated their financial situation is getting worse. This is the highest figure on record and seven points higher than the 2005 yearly average of 40 percent. Just 36 percent of the workforce claimed that their finances were improving in September, compared to this year’s average of 41 percent.

Hiring expectations also suffered another slight setback as only 29 percent of employees reported their firms expected to hire in the coming months. After holding steady at about 31 percent for nine successive months, this was the second month in a row where hiring outlook dropped by one point. The percent of workers anticipating layoffs remained at 17 percent.

“As we might have expected, Hurricanes Katrina and Rita exacerbated an already dampened personal financial outlook,” said Jeff Anderson, senior vice president, Hudson, North America. “Even as we anticipate hiring to rebound in the coming months, financial concerns have a real potential to undermine workers’ overall confidence in the employment market.”

Confidence fell in nearly every state where data is available, most dramatically in Pennsylvania, California, and Texas. For example, Texas employees statewide reported weakened confidence in their personal finances, less anticipated hiring activity, more expected layoffs and lower levels of job satisfaction.

Despite the overall *Index* decline, some positive news can be pulled from the data. Workers nationwide were happier with their jobs in September, with three-quarters (75 percent) of the workforce reporting satisfaction, up from 72 percent in August. Confidence was also up among workers in the IT and accounting & finance sectors, as well as among African-American workers. In contrast, confidence fell significantly among workers in the manufacturing sector.

	All Workers September 2005	All Workers Average 2005	All Workers September 2004
Expect hiring	29 %	31 %	32 %
Personal finances improving	36 %	41 %	43 %
Personal finances worsening	47 %	40 %	39 %
Happy with job	75 %	74 %	71 %

*A more detailed data report is available at www.hudson-index.com.

Statistically significant data was not obtained this month in areas impacted by Hurricanes Katrina and Rita.

Hudson recently launched an updated website with easier access to metro market and occupational sector data.

The URL remains www.hudson-index.com.

Hudson, one of the world's leading professional staffing, outsourcing and human capital solution providers, publishes the *Hudson Employment Index*, a monthly measure of U.S. workforce confidence in the employment market. Next month's *Hudson Employment Index* will be released on November 2, 2005.

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 data is compiled each month by Rasmussen Reports, LLC, an independent research firm (RasmussenReports.com).

Survey results are segmented by eleven metropolitan cities and four industries. The metro markets are: Atlanta, Boston, Chicago, Dallas, Los Angeles, Minneapolis-St. Paul, New York, Philadelphia, San Francisco, Tampa, and Washington, D.C. Industry sectors surveyed are accounting and finance, healthcare, information technology, and manufacturing. The *Hudson Employment Index* also measures employee confidence by age, gender, race and compensation levels.

Data reported in this release is based upon a national telephone survey of 9,419 working Americans during the month of August. 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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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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