

HUDSON GLOBAL, INC.

Q3 2013 EARNINGS CALL

October 31, 2013

Hudson

Forward Looking Statements

Please be advised that except for historical information, the comments made during this presentation and in these slides constitute forward-looking statements under applicable securities laws. 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 the impact of the recent economic downturn and other conditions in the markets in which we operate, risks associated with volatility in our revenue, competition, seasonality and the other risks discussed in our filings made with the Securities and Exchange Commission. These forward-looking statements speak only as of the date of this presentation. 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.

Q3 2013: Consolidated Financial Results

\$US in Millions, except EPS

	B+ / W- (2)	Q3 2013	Q3 2012
Revenue	- 13% - 10% CC (1)	\$163.6	\$187.9
Gross Margin	- 18% - 15% CC	\$55.8	\$67.7
SG&A	+ 11% + 9% CC	\$58.7	\$66.1
Adjusted EBITDA	- NM - NM CC	(\$2.9)	\$1.5
EBITDA	- NM - NM CC	(\$3.3)	\$0.7
EBITDA, as a % of Revenue		-2.0%	0.4%
Net Income (loss)	- NM - NM CC	(\$5.0)	(\$2.2)
Diluted EPS		(\$0.15)	(\$0.07)

(1) CC represents constant currency variance.

(2) B/W indicates whether the result was better (+) or worse (-) than the comparison period.

(3) NM: Not meaningful

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Q3 2013: Hudson Americas

\$US in Millions

	B+ / W- ⁽¹⁾	Q3 2013	Q3 2012
Revenue	- 11%	\$34.8	\$39.1
Gross Margin	- 5%	\$9.1	\$9.6
SG&A	+ 12%	\$7.8	\$8.8
Adjusted EBITDA	+ 71%	\$1.3	\$0.8
Adjusted EBITDA, as a % of Revenue		3.7%	1.9%

(1) B/W indicates whether the result was better (+) or worse (-) than the comparison period.

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Q3 2013: Hudson Asia Pacific

\$US in Millions

	B+ / W- (2)	Q3 2013	Q3 2012
Revenue	- 21%	\$58.3	\$73.4
	- 13% CC (1)		
Gross Margin	- 28%	\$21.3	\$29.9
	- 23% CC		
SG&A	+ 13%	\$21.8	\$25.1
	+ 6% CC		
Adjusted EBITDA	- 110%	(\$0.5)	\$4.7
	- 110% CC		
Adjusted EBITDA, as a % of Revenue		-0.8%	6.4%

(1) CC represents constant currency variance.

(2) B/W indicates whether the result was better (+) or worse (-) than the comparison period.

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Q3 2013: Hudson Europe

\$US in Millions

	B+ / W- (2)	Q3 2013	Q3 2012
Revenue	- 6%	\$70.5	\$75.3
	- 7% CC (1)		
Gross Margin	- 10%	\$25.4	\$28.2
	- 12% CC		
SG&A	+ 9%	\$25.0	\$27.6
	+ 11% CC		
Adjusted EBITDA	- 32%	\$0.4	\$0.6
	- 21% CC		
Adjusted EBITDA, as a % of Revenue		0.6%	0.9%

(1) CC represents constant currency variance.

(2) B/W indicates whether the result was better (+) or worse (-) than the comparison period.

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2013 YTD: Consolidated Financial Results

\$US in Millions, except EPS

	B+ / W- (2)	2013	2012
Revenue	- 16% - 14% CC (1)	\$500.6	\$593.3
Gross Margin	- 21% - 20% CC	\$173.0	\$217.9
SG&A	+ 14% + 13% CC	\$183.3	\$213.6
Adjusted EBITDA	- NM - NM CC	(\$10.3)	\$4.3
EBITDA	- NM - NM CC	(\$13.8)	(\$3.5)
EBITDA, as a % of Revenue		-2.8%	-0.6%
Net Income (loss)	- NM - NM CC	(\$19.1)	(\$5.0)
Diluted EPS		(\$0.59)	(\$0.16)

(1) CC represents constant currency variance.

(2) B/W indicates whether the result was better (+) or worse (-) than the comparison period.

(3) NM: Not meaningful

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2013 YTD: Hudson Americas

\$US in Millions

	B+ / W- ⁽¹⁾	2013	2012
Revenue	- 16%	\$109.4	\$129.8
Gross Margin	- 22%	\$26.5	\$33.8
SG&A	+ 21%	\$24.0	\$30.3
Adjusted EBITDA	- 29%	\$2.5	\$3.5
Adjusted EBITDA, as a % of Revenue		2.3%	2.7%

(1) B/W indicates whether the result was better (+) or worse (-) than the comparison period.

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2013 YTD: Hudson Asia Pacific

\$US in Millions

	B+ / W- (2)	2013	2012
Revenue	- 21%	\$177.3	\$224.6
	- 18% CC (1)		
Gross Margin	- 26%	\$67.1	\$91.1
	- 24% CC		
SG&A	+ 16%	\$67.2	\$80.5
	+ 14% CC		
Adjusted EBITDA	- 102%	(\$0.2)	\$10.6
	- 102% CC		
Adjusted EBITDA, as a % of Revenue		-0.1%	4.7%

(1) CC represents constant currency variance.

(2) B/W indicates whether the result was better (+) or worse (-) than the comparison period.

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2013 YTD: Hudson Europe

\$US in Millions

	B+ / W- (2)	2013	2012
Revenue	- 10%	\$213.9	\$238.9
	- 10% CC (1)		
Gross Margin	- 15%	\$79.4	\$93.1
	- 15% CC		
SG&A	+ 11%	\$79.1	\$88.6
	+ 11% CC		
Adjusted EBITDA	- 91%	\$0.4	\$4.5
	- 90% CC		
Adjusted EBITDA, as a % of Revenue		0.2%	1.9%

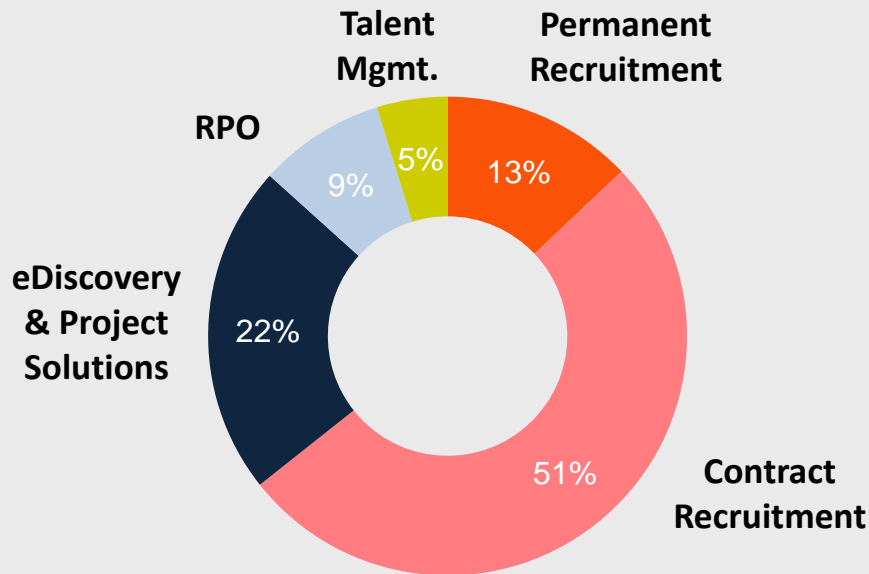
(1) CC represents constant currency variance.

(2) B/W indicates whether the result was better (+) or worse (-) than the comparison period.

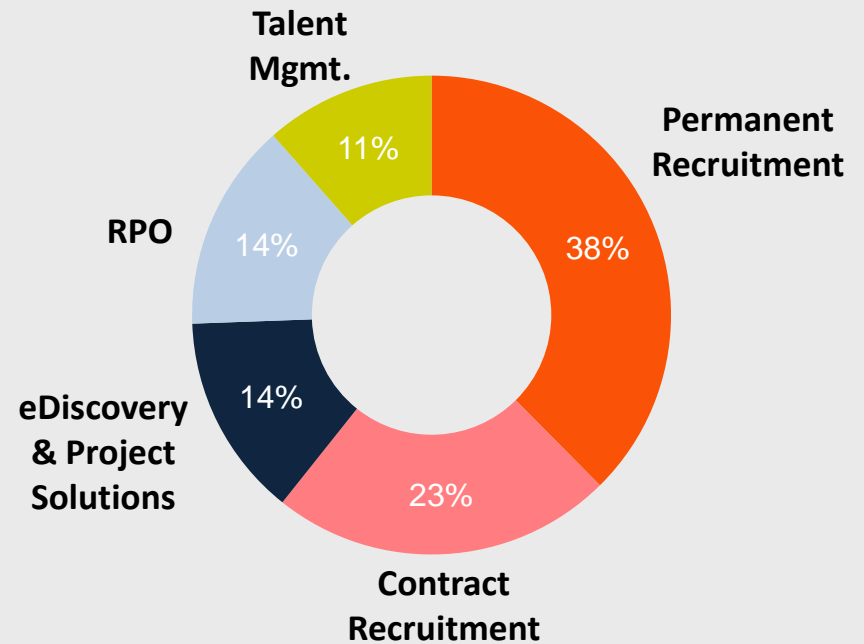
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Q3 2013: Global Services Split

Q3 2013 Revenue

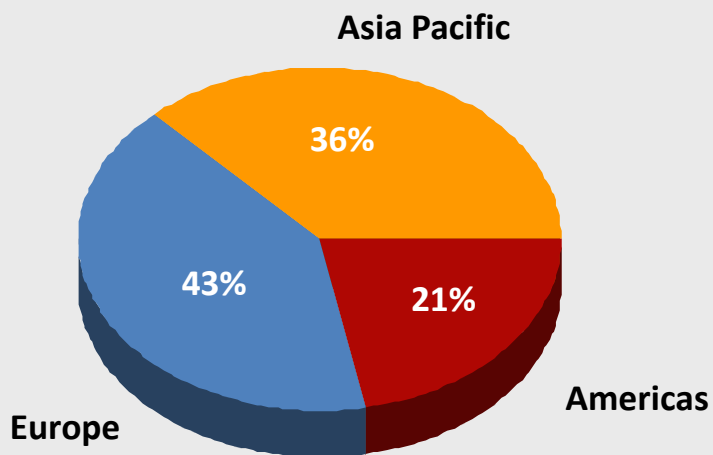


Q3 2013 Gross Margin

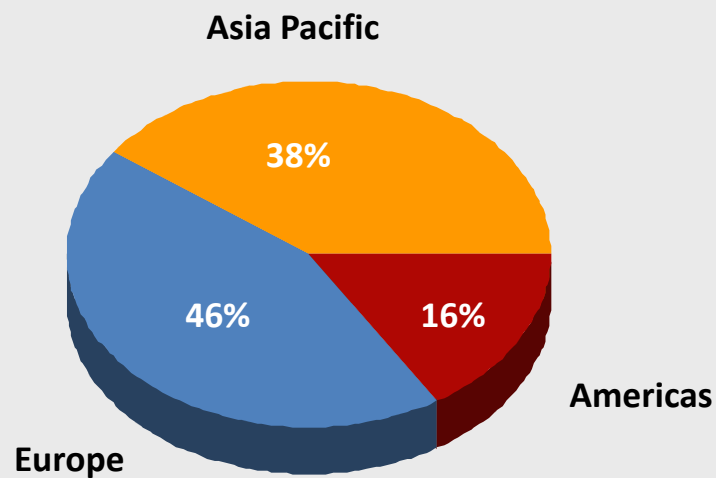


Q3 2013: Regional Split

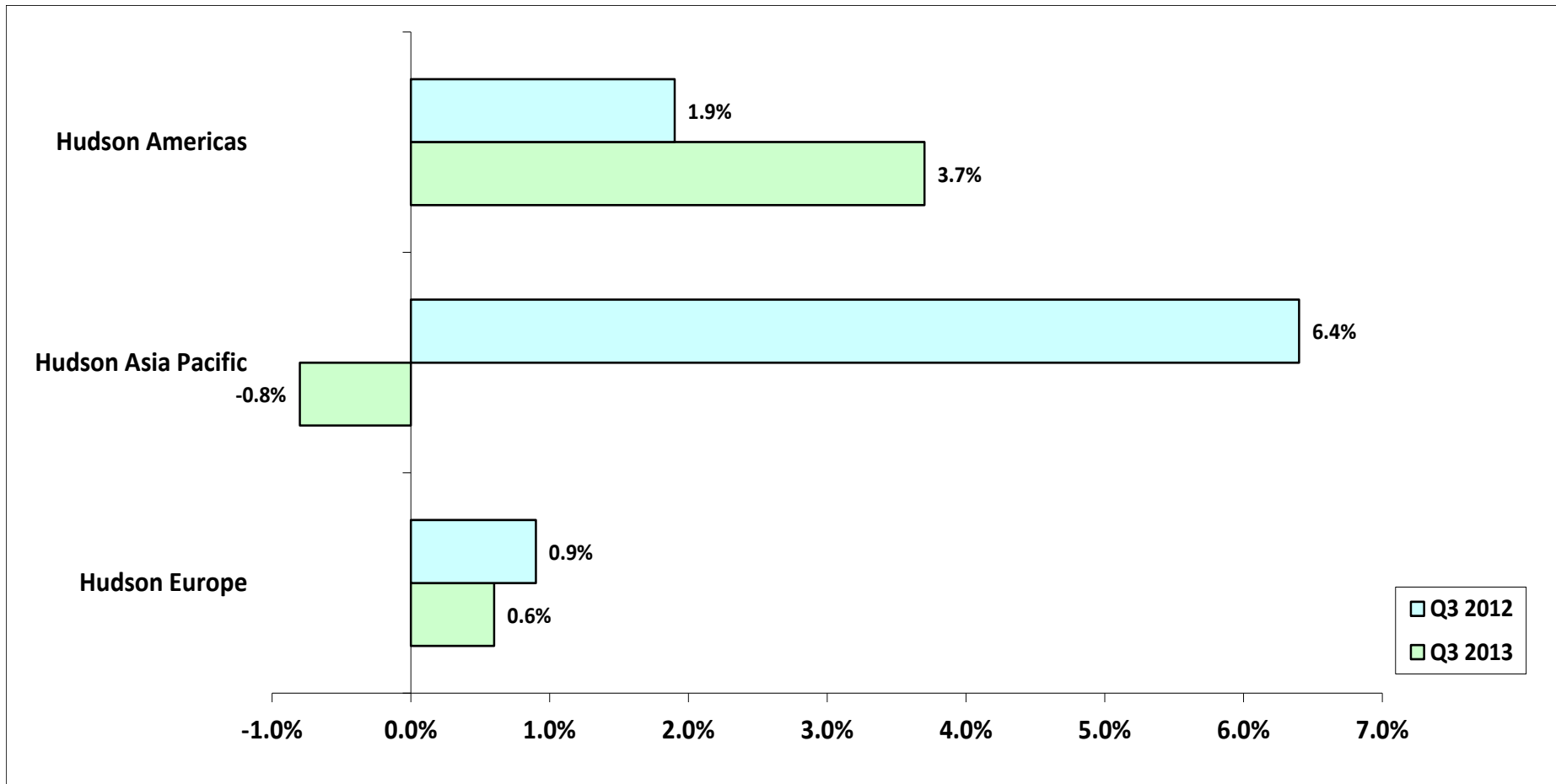
Q3 2013 Revenue



Q3 2013 Gross Margin



Q3 2013: Adjusted EBITDA Margin



Adjusted EBITDA is a non-GAAP term and is defined and reconciled in the appendix.



Balance Sheet: Select Items

\$US in Millions

Selected Assets		
	September 30, 2013	December 31, 2012
Cash	\$33.2	\$38.7
Accounts Receivable	\$98.3	\$107.2
Selected Liabilities		
	September 30, 2013	December 31, 2012
Short-term Borrowings	\$0.0	\$0.0
Shareholders' Equity	\$85.8	\$106.5
Working Capital		
	September 30, 2013	December 31, 2012
Current Assets	\$142.2	\$157.4
Current Liabilities	\$72.3	\$67.2
Working Capital	\$69.9	\$90.2

Q3 2013: Cash Flow Summary

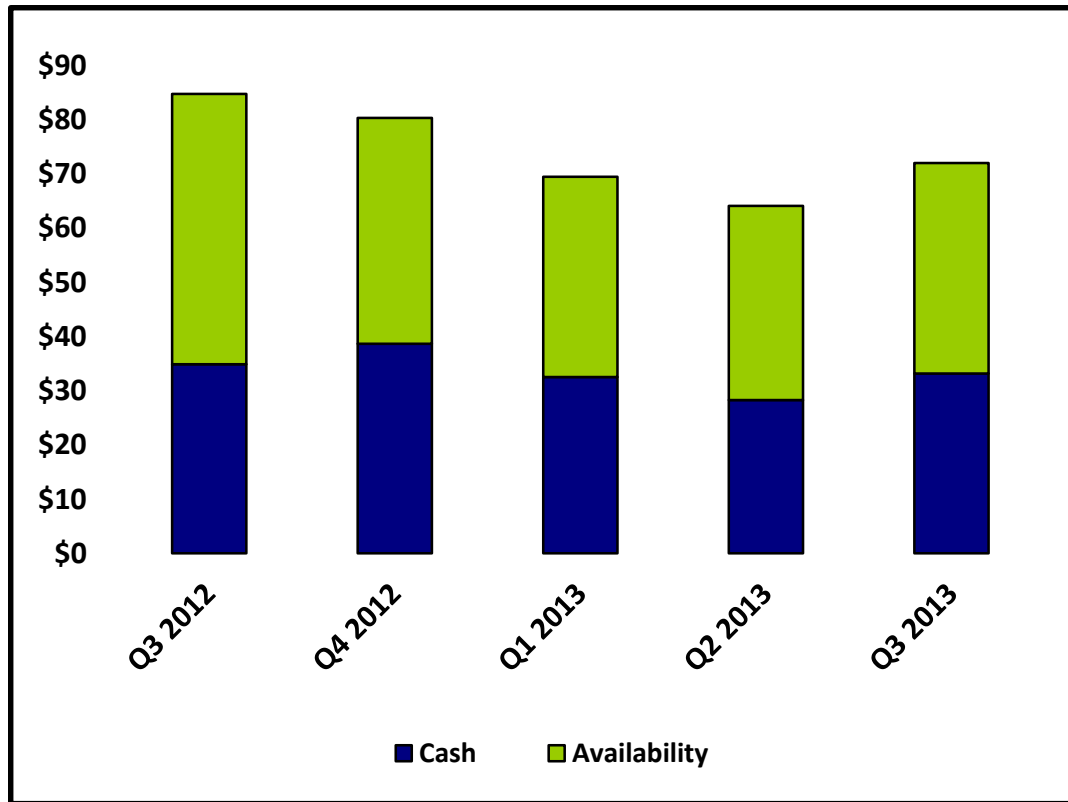
\$US in Millions

	QTD <u>Sep-13</u>	QTD <u>Sep-12</u>
Net income (loss)	\$ (5.0)	\$ (2.2)
Depreciation and amortization	1.5	1.7
Stock-based compensation	0.4	0.5
Change in accounts receivable	8.3	12.2
Change in accounts payable and other liabilities	0.4	(6.2)
Other	-	1.9
Cash provided by (used in) operations	5.6	7.9
Capital expenditures	(0.7)	(0.9)
Free cash flow	4.9	7.0
Change in net borrowings (repayments)	(0.7)	(1.4)
Other	(0.2)	(0.2)
Effect of exchange rates	0.9	0.5
Change in cash	\$ 4.9	\$ 5.9

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Liquidity Remains Strong

\$US in Millions



Q3 Temporary Contracting GM by Region

	Q3 2013	Q3 2012
Americas	20.5%	19.7%
Asia Pacific	13.8%	16.0%
Europe	16.6%	17.6%
Hudson Total	16.7%	17.6%



Appendix

Q3 2013: Regional Gross Margin Mix

Approximate mix of gross margin by product around the globe

	Temp	Perm	Talent Mgmt
Americas	75%	25%	0%
Asia Pacific	30%	60%	10%
ANZ	40%	45%	15%
ASIA	0%	95%	5%
Europe	35%	50%	15%
UK	45%	50%	5%
Cont. Europe	25%	45%	30%
Hudson Total	40%	50%	10%

Q3 2013: Public Sector Gross Margin Mix

Approximate gross margin mix of public sector work

	Public Sector
Americas	4%
ANZ	25%
Asia	--
UK	13%
Cont Europe	33%
Total	17%

2013 EBITDA Reconciliation

\$US in Millions

	Hudson				Total
	Americas	Asia Pacific	Europe	Corp	
Q1 2013					
Revenue	\$ 37.2	\$ 56.2	\$ 72.3	\$ -	\$ 165.7
Gross margin	\$ 8.1	\$ 21.5	\$ 27.1	\$ -	\$ 56.7
Adjusted EBITDA (loss)	\$ (0.4)	\$ (0.4)	\$ (0.1)	\$ (4.0)	\$ (4.9)
Business reorg expenses	-	0.1	1.9	-	2.0
Office integration expense	-	-	-	-	-
Goodwill and other impairment charges	-	-	-	-	-
Non-operating expenses (income)	0.6	0.3	1.5	(2.7)	(0.3)
EBITDA (Loss)	\$ (0.9)	\$ (0.9)	\$ (3.5)	\$ (1.4)	\$ (6.6)
Depreciation and amortization					1.6
Interest expense (income)					0.1
Provision for (benefit from) income taxes					(0.2)
Loss (income) from disc ops, net of taxes					-
Net income (loss)					\$ (8.2)

	Hudson				Total
	Americas	Asia Pacific	Europe	Corp	
Q3 2013					
Revenue	\$ 34.8	\$ 58.3	\$ 70.5	\$ -	\$ 163.6
Gross margin	\$ 9.1	\$ 21.3	\$ 25.4	\$ -	\$ 55.8
Adjusted EBITDA (loss)	\$ 1.3	\$ (0.5)	\$ 0.4	\$ (4.2)	\$ (2.9)
Business reorg expenses	0.2	-	0.2	0.4	0.7
Non-operating expenses (income)	0.4	(0.3)	0.9	(1.3)	(0.3)
EBITDA (Loss)	\$ 0.7	\$ (0.1)	\$ (0.6)	\$ (3.2)	\$ (3.3)
Depreciation and amortization					1.5
Interest expense (income)					0.2
Provision for (benefit from) income taxes					-
Loss (income) from disc ops, net of taxes					-
Net income (loss)					\$ (5.0)

	Hudson				Total
	Americas	Asia Pacific	Europe	Corp	
Q2 2013					
Revenue	\$ 37.3	\$ 62.9	\$ 71.2	\$ -	\$ 171.4
Gross margin	\$ 9.2	\$ 24.3	\$ 27.0	\$ -	\$ 60.5
Adjusted EBITDA (loss)	\$ 1.5	\$ 0.7	\$ 0.1	\$ (4.9)	\$ (2.5)
Business reorg expenses	0.3	-	0.6	0.4	1.2
Office integration expense	-	-	-	-	-
Non-operating expenses (income)	0.8	0.5	1.7	(2.9)	0.1
EBITDA (Loss)	\$ 0.4	\$ 0.2	\$ (2.2)	\$ (2.3)	\$ (3.9)
Depreciation and amortization					1.7
Interest expense (income)					0.2
Provision for (benefit from) income taxes					0.1
Loss (income) from disc ops, net of taxes					-
Net income (loss)					\$ (5.8)

- (1) EBITDA is a non-GAAP measure defined as earnings before interest, income taxes, depreciation and amortization. Adjusted EBITDA is a non-GAAP measure defined as earnings before interest, income taxes, depreciation and amortization, non-operating income, goodwill and other impairment charges, business reorganization expenses and other charges.

2012 EBITDA Reconciliation

\$US in Millions

Q1 2012	Hudson				Total
	Americas	Asia Pacific	Europe	Corp	
Revenue	\$ 45.2	\$ 74.3	\$ 81.2	\$ -	\$ 200.6
Gross margin	\$ 11.8	\$ 29.3	\$ 32.1	\$ -	\$ 73.2
Adjusted EBITDA (loss) (1)	\$ 0.3	\$ 2.1	\$ 1.4	\$ (4.8)	\$ (0.9)
Business reorg expenses	-	0.1	0.7	0.1	0.9
Office integration expense	-	0.3	-	-	0.3
Goodwill and other impairment charges	-	-	-	-	-
Non-operating expenses (income)	0.7	1.7	1.8	(4.3)	-
EBITDA (Loss) (1)	\$ (0.5)	\$ -	\$ (1.1)	\$ (0.6)	\$ (2.2)
Depreciation and amortization					1.5
Interest expense (income)					0.2
Provision for (benefit from) income taxes					(0.6)
Loss (income) from disc ops, net of taxes					-
Net income (loss)					\$ (3.2)

Q3 2012	Hudson				Total
	Americas	Asia Pacific	Europe	Corp	
Revenue	\$ 39.1	\$ 73.4	\$ 75.3	\$ -	\$ 187.9
Gross margin	\$ 9.6	\$ 29.9	\$ 28.2	\$ -	\$ 67.7
Adjusted EBITDA (loss)	\$ 0.8	\$ 4.7	\$ 0.6	\$ (4.6)	\$ 1.5
Business reorg expenses	0.3	0.2	1.0	-	1.5
Non-operating expenses (income)	0.9	1.2	1.8	(4.4)	(0.6)
EBITDA (Loss)	\$ (0.4)	\$ 3.4	\$ (2.2)	\$ (0.2)	\$ 0.6
Depreciation and amortization					1.7
Interest expense (income)					0.2
Provision for (benefit from) income taxes					1.0
Loss (income) from disc ops, net of taxes					-
Net income (loss)					\$ (2.2)

Q2 2012	Hudson				Total
	Americas	Asia Pacific	Europe	Corp	
Revenue	\$ 45.5	\$ 76.9	\$ 82.4	\$ -	\$ 204.8
Gross margin	\$ 12.4	\$ 31.9	\$ 32.8	\$ -	\$ 77.1
Adjusted EBITDA (loss)	\$ 2.5	\$ 3.7	\$ 2.4	\$ (4.9)	\$ 3.7
Business reorg expenses	0.7	1.0	3.1	0.2	5.1
Office integration expense	-	0.2	-	-	0.2
Non-operating expenses (income)	0.9	1.9	1.6	(4.1)	0.4
EBITDA (Loss)	\$ 0.8	\$ 0.6	\$ (2.3)	\$ (1.0)	\$ (1.9)
Depreciation and amortization					1.6
Interest expense (income)					0.2
Provision for (benefit from) income taxes					(4.1)
Loss (income) from disc ops, net of taxes					-
Net income (loss)					\$ 0.4

Q4 2012	Hudson				Total
	Americas	Asia Pacific	Europe	Corp	
Revenue	\$ 39.5	\$ 63.5	\$ 81.3	\$ -	\$ 184.3
Gross margin	\$ 9.4	\$ 26.4	\$ 31.2	\$ -	\$ 66.9
Adjusted EBITDA (loss)	\$ 1.4	\$ 2.3	\$ 3.5	\$ (4.0)	\$ 3.2
Business reorg expenses	-	-	0.2	-	0.2
(Gain) loss on disposal of business	(0.6)	-	-	-	(0.6)
Non-operating expenses (income)	0.6	1.0	0.6	(2.2)	-
EBITDA (Loss)	\$ 1.4	\$ 1.3	\$ 2.6	\$ (1.8)	\$ 3.5
Depreciation and amortization					1.7
Interest expense (income)					0.1
Provision for (benefit from) income taxes					2.1
Loss (income) from disc ops, net of taxes					-
Net income (loss)					\$ (0.3)

- (1) EBITDA is a non-GAAP measure defined as earnings before interest, income taxes, depreciation and amortization. Adjusted EBITDA is a non-GAAP measure defined as earnings before interest, income taxes, depreciation and amortization, non-operating income, goodwill and other impairment charges, business reorganization expenses and other charges.

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