

HUDSON GLOBAL, INC.

Q4 2014 EARNINGS CALL

February 26, 2015

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 may cause actual results to differ materially from those contained in the forward-looking statements, including global economic fluctuations, risks related to fluctuations in our operating results, the ability of clients to terminate their relationship at anytime, competition, limited availability under our credit facilities and our ability to successfully achieve our strategic initiatives 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.

Q4 2014: Consolidated Financial Results

\$US in Millions, except EPS

	B+ / W- (2)	Q4 2014	Q4 2013
Revenue	- 2% + 3% CC (1)	\$136.7	\$140.0
Gross Margin	+ 1% + 6% CC	\$53.3	\$52.8
SG&A	- 1% - 7% CC	\$55.7	\$54.8
Adjusted EBITDA	- 19% - 15% CC	(\$2.4)	(\$2.0)
EBITDA	- 9% - 4% CC	(\$4.3)	(\$4.7)
EBITDA, as a % of Revenue		-3.1%	-3.4%
Net Income from cont ops (loss)	+ 66% + 64% CC	(\$3.5)	(\$10.3)
Net Income (loss)	+ 124% + 126% CC	\$2.7	(\$11.3)
Basic and Diluted EPS		\$0.08	(\$0.35)

(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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Q4 2014: Hudson Americas

\$US in Millions

	B+ / W- (1)	Q4 2014	Q4 2013
Revenue	- 5%	\$11.7	\$12.3
Gross Margin	+ 8%	\$5.3	\$4.9
SG&A	- 48%	\$5.4	\$3.7
Adjusted EBITDA	- 111%	(\$0.1)	\$1.2
Adjusted EBITDA, as a % of Revenue		-1.2%	10.0%

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

Q4 2014: Hudson Asia Pacific

\$US in Millions

	B+ / W- (2)	Q4 2014	Q4 2013
Revenue	+ 5%	\$58.4	\$55.4
	+ 13% CC (1)		
Gross Margin	+ 14%	\$22.9	\$20.0
	+ 21% CC		
SG&A	- 7%	\$22.7	\$21.3
	- 13% CC		
Adjusted EBITDA	+ 115%	\$0.2	(\$1.3)
	+ 115% CC		
Adjusted EBITDA, as a % of Revenue		0.3%	-2.3%

(1) CC represents constant currency variance.

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

Q4 2014: Hudson Europe

\$US in Millions

	B+ / W- (2)	Q4 2014	Q4 2013
Revenue	- 8% - 3% CC (1)	\$66.6	\$72.2
Gross Margin	- 10% - 5% CC	\$25.0	\$27.9
SG&A	+ 14% + 9% CC	\$23.2	\$26.9
Adjusted EBITDA	+ 93% + 114% CC	\$1.8	\$1.0
Adjusted EBITDA, as a % of Revenue		2.8%	1.3%

(1) CC represents constant currency variance.

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

FY 2014: Consolidated Financial Results

\$US in Millions, except EPS

	B+ / W- (2)	2014	2013
Revenue	+ 3%	\$581.2	\$562.6
	+ 4% CC (1)		
Gross Margin	+ 6%	\$222.8	\$209.4
	+ 7% CC		
SG&A	- 3%	\$230.3	\$223.9
	- 4% CC		
Adjusted EBITDA	+ 48%	(\$7.5)	(\$14.4)
	+ 48% CC		
EBITDA	+ 43%	(\$11.7)	(\$20.5)
	+ 42% CC		
EBITDA, as a % of Revenue		-2.0%	-3.6%
Net Income from cont ops (loss)	+ 48%	(\$15.8)	(\$30.2)
	+ 47% CC		
Net Income (loss)	+ 57%	(\$13.2)	(\$30.4)
	+ 55% CC		
Basic and Diluted EPS		(\$0.40)	(\$0.94)

(1) CC represents constant currency variance.

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

FY 2014: Hudson Americas

\$US in Millions

	B+ / W- (1)	2014	2013
Revenue	- 3%	\$50.1	\$51.9
Gross Margin	+ 11%	\$20.8	\$18.7
SG&A	- 18%	\$19.3	\$16.4
Adjusted EBITDA	- 38%	\$1.4	\$2.3
Adjusted EBITDA, as a % of Revenue		2.9%	4.5%

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

FY 2014: Hudson Asia Pacific

\$US in Millions

	B+ / W- (2)	2014	2013
Revenue	+ 6%	\$246.9	\$232.7
	+ 11% CC (1)		
Gross Margin	+ 7%	\$93.0	\$87.2
	+ 11% CC		
SG&A	- 3%	\$91.0	\$88.5
	- 7% CC		
Adjusted EBITDA	NM	\$1.9	(\$1.4)
	NM CC		
Adjusted EBITDA, as a % of Revenue		0.8%	-0.6%

(1) CC represents constant currency variance.

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

FY 2014: Hudson Europe

\$US in Millions

	B+ / W- (2)	2014	2013
Revenue	+ 2% - 1% CC (1)	\$284.2	\$278.0
Gross Margin	+ 5% + 3% CC	\$109.1	\$103.6
SG&A	- 0% + 2% CC	\$103.1	\$103.0
Adjusted EBITDA	NM NM CC	\$6.1	\$0.6
Adjusted EBITDA, as a % of Revenue		2.2%	0.2%

(1) CC represents constant currency variance.

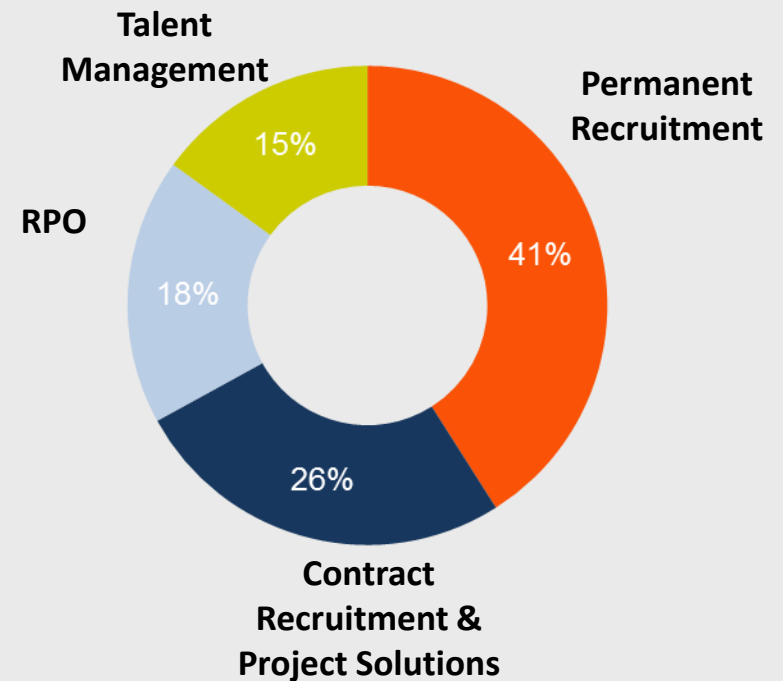
(2) B/W indicates whether the result was better (+) or worse (-) than the comparison period.

Q4 2014: Global Services Split

Revenue



Gross Margin

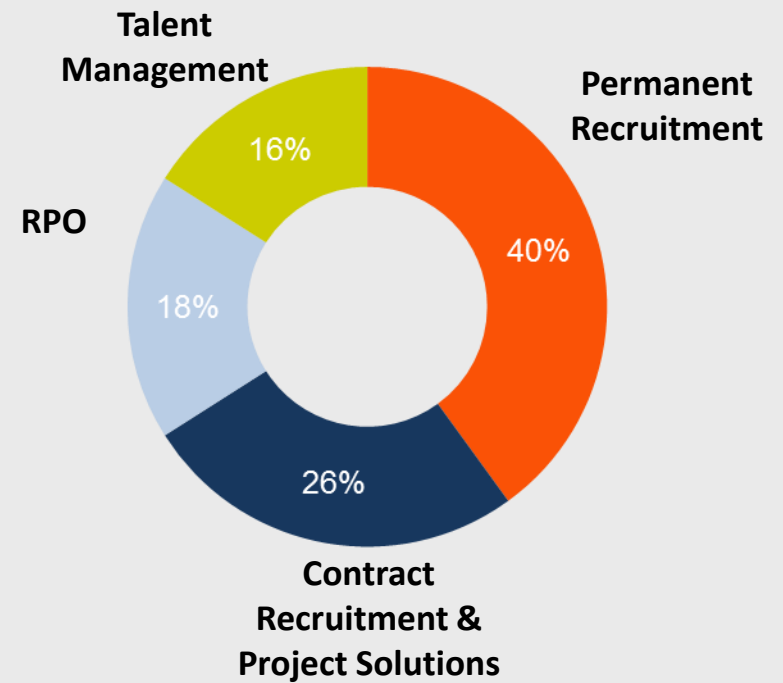


FY 2014: Global Services Split

Revenue

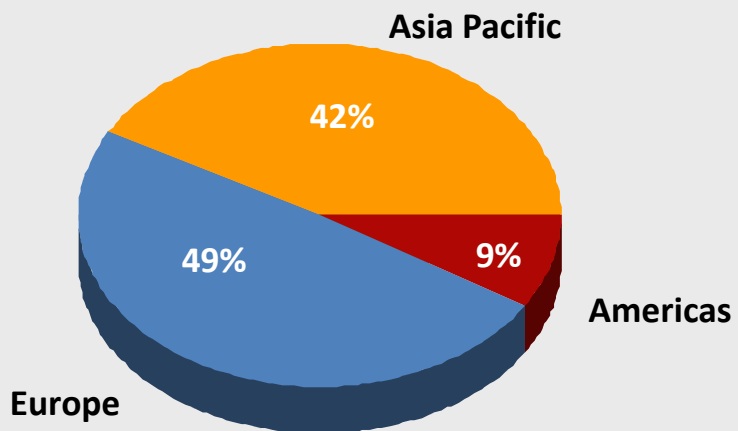


Gross Margin

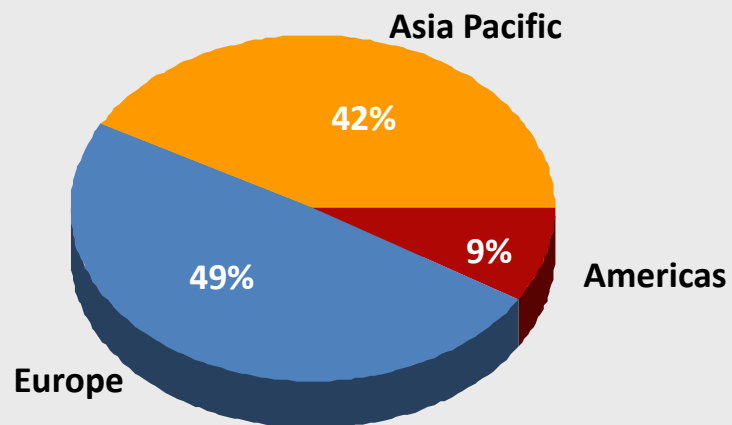


Q4 2014: Regional Split

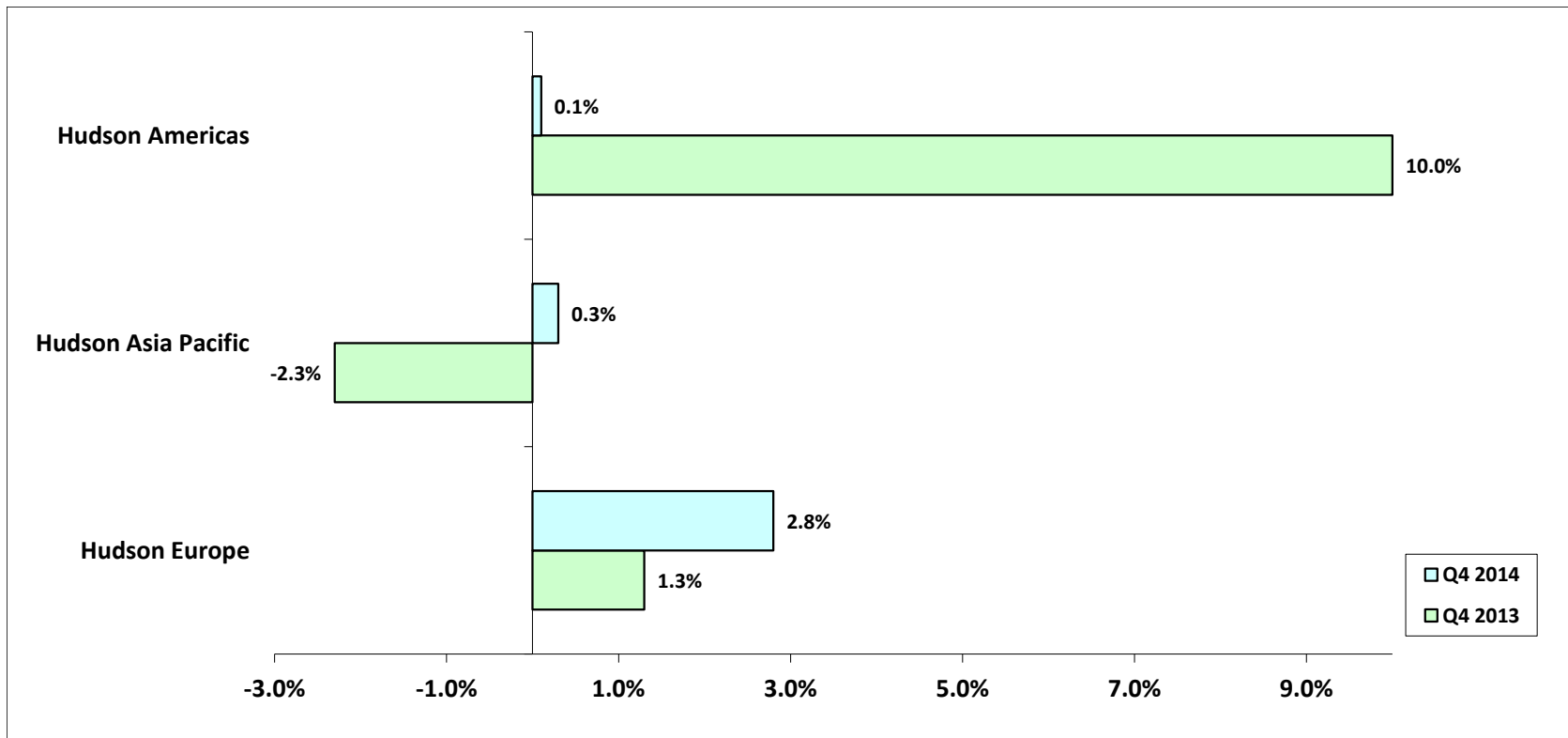
Q4 2014 Revenue



Q4 2014 Gross Margin



Q4 2014: Regional 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		
	December 31, 2014	December 31, 2013
Cash	\$34.0	\$37.4
Accounts Receivable	\$74.1	\$76.5
Selected Liabilities		
	December 31, 2014	December 31, 2013
Short-term Borrowings	\$0.0	\$0.5
Shareholders' Equity	\$59.3	\$74.4
Working Capital		
	December 31, 2014	December 31, 2013
Current Assets	\$118.9	\$134.3
Current Liabilities	\$67.1	\$69.8
Working Capital	\$51.8	\$64.5

Q4 2014: Cash Flow Summary

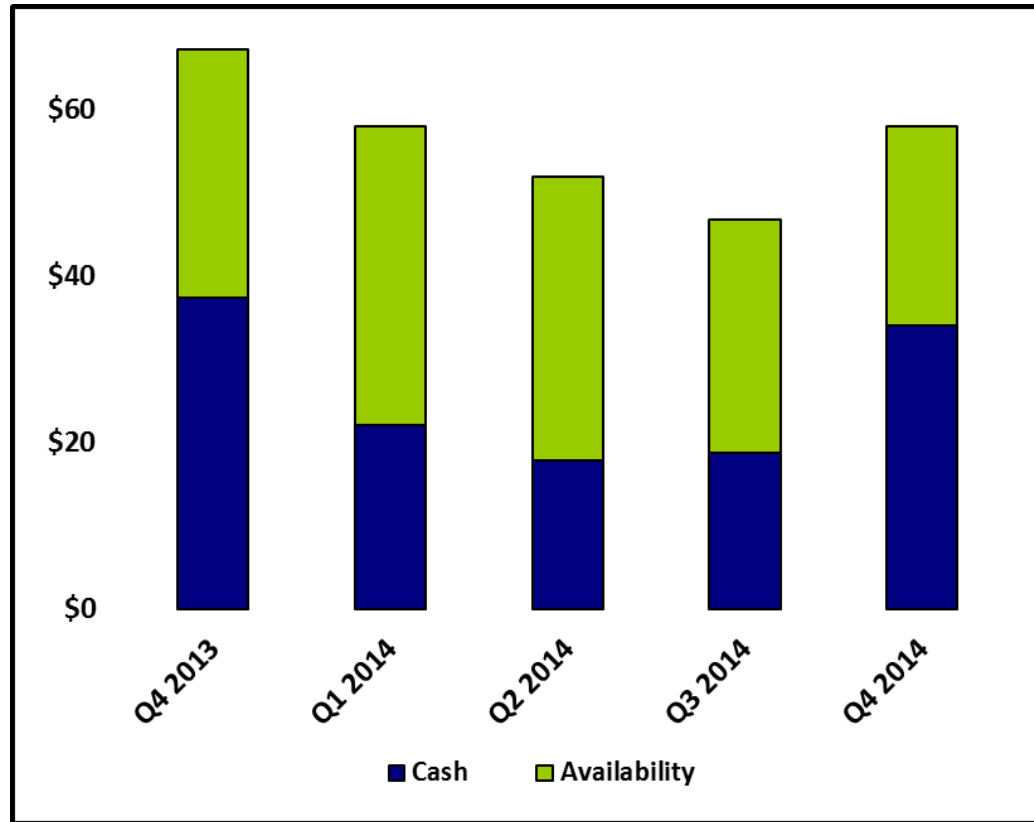
\$US in Millions

	QTD <u>Dec-14</u>	QTD <u>Dec-13</u>
Net income (loss)	\$ 2.7	\$ (11.3)
Depreciation and amortization	1.3	1.6
Stock-based compensation	0.4	0.1
Change in accounts receivable	3.6	12.5
Change in accounts payable and other liabilities	4.9	(5.8)
Other	(10.0)	7.0
Cash provided by (used in) operations	2.9	4.1
Capital expenditures	(1.1)	(0.4)
Free cash flow	1.8	3.7
Change in net borrowings (repayments)	(8.1)	0.5
Proceeds from sale of assets	22.1	-
Other	(0.2)	(0.2)
Effect of exchange rates	(0.4)	0.1
Change in cash	\$ 15.2	\$ 4.1

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Flexible Liquidity

\$US in Millions



Q4 Temporary Contracting GM by Region

	Q4 2014	Q4 2013
Americas	25.6%	26.7%
Asia Pacific	12.9%	13.3%
Europe	16.1%	16.5%
Hudson Total	15.6%	16.3%



Appendix

Q4 2014 Regional Gross Margin Mix

Approximate mix of gross margin by product around the globe

	Temp	Perm	Talent Mgmt
Americas	40%	60%	0%
Europe	30%	45%	25%
UK	45%	50%	5%
Cont. Europe	20%	40%	40%
Asia Pacific	20%	70%	10%
ANZ	35%	50%	15%
ASIA	0%	100%	0%
Hudson Total	30%	55%	15%

Q1 EBITDA Reconciliation

\$US in Millions

Q1 2014	Hudson				Total
	Americas	Asia Pacific	Europe	Corp	
Revenue	\$ 12.2	\$ 56.4	\$ 75.5	\$ -	\$ 144.2
Gross margin	\$ 4.5	\$ 20.9	\$ 28.6	\$ -	\$ 54.0
Adjusted EBITDA (loss)	\$ -	\$ 0.1	\$ 1.9	\$ (3.9)	\$ (1.9)
Business reorg expenses	0.1	-	-	-	0.1
Non-operating expenses (income)	0.4	0.4	1.2	(1.8)	0.2
EBITDA (Loss)	\$ (0.5)	\$ (0.3)	\$ 0.7	\$ (2.1)	\$ (2.2)
Depreciation and amortization					1.4
Interest expense (income)					0.1
Provision for (benefit from) income taxes					0.4
Loss (income) from disc ops, net of taxes					0.4
Net income (loss)					\$ (4.5)

Q1 2013	Hudson				Total
	Americas	Asia Pacific	Europe	Corp	
Revenue	\$ 13.4	\$ 56.2	\$ 68.3	\$ -	\$ 137.9
Gross margin	\$ 4.3	\$ 21.5	\$ 25.2	\$ -	\$ 51.0
Adjusted EBITDA (loss)	\$ -	\$ (0.4)	\$ (0.7)	\$ (4.0)	\$ (5.1)
Business reorg expenses	-	0.1	1.9	-	2.0
Non-operating expenses (income)	0.6	0.3	1.5	(2.7)	(0.3)
EBITDA (Loss)	\$ (0.5)	\$ (0.9)	\$ (4.1)	\$ (1.4)	\$ (6.9)
Depreciation and amortization					1.5
Interest expense (income)					0.1
Provision for (benefit from) income taxes					(0.5)
Loss (income) from disc ops, net of taxes					0.2
Net income (loss)					\$ (8.2)

- (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.



Q2 EBITDA Reconciliation

\$US in Millions

Q2 2014	Hudson				Total
	Americas	Asia Pacific	Europe	Corp	
Revenue	\$ 13.2	\$ 65.1	\$ 72.8	\$ -	\$ 151.1
Gross margin	\$ 5.4	\$ 24.5	\$ 30.0	\$ -	\$ 59.9
Adjusted EBITDA (loss)	\$ 0.8	\$ 1.0	\$ 2.7	\$ (4.9)	\$ (0.3)
Business reorg expenses	-	1.1	-	-	1.1
Non-operating expenses (income)	0.7	0.5	1.6	(2.5)	0.3
EBITDA (Loss)	\$ 0.1	\$ (0.6)	\$ 1.1	\$ (2.4)	\$ (1.8)
Depreciation and amortization					1.4
Interest expense (income)					0.2
Provision for (benefit from) income taxes					0.2
Loss (income) from disc ops, net of taxes					0.8
Net income (loss)					\$ (4.4)

Q2 2013	Hudson				Total
	Americas	Asia Pacific	Europe	Corp	
Revenue	\$ 13.4	\$ 62.9	\$ 69.1	\$ -	\$ 145.4
Gross margin	\$ 4.8	\$ 24.3	\$ 26.0	\$ -	\$ 55.1
Adjusted EBITDA (loss)	\$ 0.9	\$ 0.7	\$ 0.1	\$ (4.9)	\$ (3.2)
Business reorg expenses	0.3	-	0.6	0.4	1.2
Non-operating expenses (income)	0.8	0.5	1.7	(2.9)	0.1
EBITDA (Loss)	\$ (0.2)	\$ 0.2	\$ (2.2)	\$ (2.3)	\$ (4.5)
Depreciation and amortization					1.5
Interest expense (income)					0.1
Provision for (benefit from) income taxes					0.1
Loss (income) from disc ops, net of taxes					(0.5)
Net income (loss)					\$ (5.8)

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Q3 EBITDA Reconciliation

\$US in Millions

Q3 2014	Hudson				Total
	Americas	Asia Pacific	Europe	Corp	
Revenue	\$ 13.0	\$ 67.0	\$ 69.3	\$ -	\$ 149.3
Gross margin	\$ 5.6	\$ 24.7	\$ 25.5	\$ -	\$ 55.7
Adjusted EBITDA (loss)	\$ 0.7	\$ 0.6	\$ (0.3)	\$ (3.9)	\$ (2.9)
Acquisition related expenses	-	-	-	-	-
SG&A	4.8	24.0	25.8	3.9	58.5
Business reorg expenses	-	0.1	0.4	0.2	0.8
Goodwill and other impairment charges	-	-	-	-	-
Non-operating expenses (income)	0.7	0.2	1.6	(2.7)	(0.2)
EBITDA (Loss)	\$ -	\$ 0.2	\$ (2.3)	\$ (1.5)	\$ (3.5)
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					2.5
Net income (loss)					\$ (7.0)

Q3 2013	Hudson				Total
	Americas	Asia Pacific	Europe	Corp	
Revenue	\$ 12.8	\$ 58.3	\$ 68.3	\$ -	\$ 139.3
Gross margin	\$ 4.7	\$ 21.3	\$ 24.5	\$ -	\$ 50.5
Adjusted EBITDA (loss)	\$ 0.1	\$ (0.5)	\$ 0.4	\$ (4.2)	\$ (4.1)
Acquisition related expenses	-	-	-	-	-
SG&A	4.6	21.8	24.1	4.2	54.6
Business reorg expenses	0.1	-	0.2	0.4	0.6
Goodwill and other impairment charges	-	-	-	-	-
Non-operating expenses (income)	0.4	(0.3)	0.9	(1.3)	(0.3)
EBITDA (Loss)	\$ (0.4)	\$ (0.1)	\$ (0.7)	\$ (3.2)	\$ (4.4)
Depreciation and amortization					1.4
Interest expense (income)					0.1
Provision for (benefit from) income taxes					(0.4)
Loss (income) from disc ops, net of taxes					(0.5)
Net income (loss)					\$ (5.0)

- (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.



Q4 EBITDA Reconciliation

\$US in Millions

Q4 2014	Hudson				Total
	Americas	Asia Pacific	Europe	Corp	
Revenue	\$ 11.7	\$ 58.4	\$ 66.6	\$ -	\$ 136.7
Gross margin	\$ 5.3	\$ 22.9	\$ 25.1	\$ -	\$ 53.3
Adjusted EBITDA (loss)	\$ (0.1)	\$ 0.2	\$ 1.8	\$ (4.3)	\$ (2.4)
Acquisition related expenses	-	-	-	-	-
Business reorg expenses	-	0.1	1.0	0.7	1.8
Impairment charges on long-lived assets	-	0.3	0.3	-	0.7
Non-operating expenses (income)	(0.6)	0.1	1.2	(1.2)	(0.5)
EBITDA (Loss)	\$ 0.4	\$ (0.3)	\$ (0.7)	\$ (3.8)	\$ (4.3)
Depreciation and amortization					1.3
Interest expense (income)					0.1
Provision for (benefit from) income taxes					(2.2)
Loss (income) from disc ops, net of taxes					(6.3)
Net income (loss)					\$ 2.9

Q4 2013	Hudson				Total
	Americas	Asia Pacific	Europe	Corp	
Revenue	\$ 12.3	\$ 55.4	\$ 72.2	\$ -	\$ 140.0
Gross margin	\$ 4.9	\$ 20.0	\$ 27.9	\$ -	\$ 52.8
Adjusted EBITDA (loss)	\$ 1.2	\$ (1.3)	\$ 1.0	\$ (2.9)	\$ (2.0)
Business reorg expenses	0.1	0.9	0.6	-	1.6
Impairment charges on long-lived assets	-	0.3	1.1	-	1.3
(Gain) loss on disposal of business	-	-	-	-	-
Non-operating expenses (income)	0.7	-	1.5	(2.5)	(0.3)
EBITDA (Loss)	\$ 0.4	\$ (2.5)	\$ (2.2)	\$ (0.4)	\$ (4.7)
Depreciation and amortization					1.5
Interest expense (income)					0.1
Provision for (benefit from) income taxes					4.0
Loss (income) from disc ops, net of taxes					1.0
Net income (loss)					\$ (11.3)

- (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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