

HUDSON GLOBAL, INC.

Q1 2016 EARNINGS CALL

April 28, 2016

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.

Q1 2016: Consolidated Financial Results

\$US in Millions, except EPS

	B+ / W- (2)	Q1 2016	Q1 2015
Revenue	- 19%	\$101.2	\$124.3
	- 14% CC (1)		
Gross Margin	- 14%	\$41.3	\$47.9
	- 10% CC		
SG&A	+ 16%	\$43.3	\$51.7
	+ 12% CC		
Adjusted EBITDA	+ 46%	(\$2.0)	(\$3.8)
	+ 43% CC		
EBITDA	+ 44%	(\$3.2)	(\$5.6)
	+ 40% CC		
EBITDA, as a % of Revenue		-3.1%	-4.5%
Net Income (Loss)	+ 49%	(\$3.5)	(\$6.8)
	+ 46% CC		
Basic and Diluted EPS		(\$0.10)	(\$0.21)

(1) CC represents constant currency variance.

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

Q1 2016: Hudson Americas

<i>\$US in Millions</i>	B+ / W- ⁽¹⁾	Q1 2016	Q1 2015
Revenue	- 65%	\$3.8	\$11.0
Gross Margin	- 28%	\$3.3	\$4.6
SG&A	+ 43%	\$3.1	\$5.4
Adjusted EBITDA	+ 130%	\$0.2	(\$0.8)
Adjusted EBITDA, as a % of Revenue		6.3%	-7.4%

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

Q1 2016: Hudson Asia Pacific

\$US in Millions

	B+ / W- (2)	Q1 2016	Q1 2015
Revenue	- 4%	\$51.1	\$53.1
	+ 3% CC (1)		
Gross Margin	- 10%	\$18.8	\$20.9
	- 4% CC		
SG&A	+ 5%	\$18.9	\$19.9
	- 2% CC		
Adjusted EBITDA	- 116%	(\$0.2)	\$0.9
	- 114% CC		
Adjusted EBITDA, as a % of Revenue		-0.3%	1.7%

(1) CC represents constant currency variance.

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

Q1 2016: Hudson Europe

\$US in Millions

	B+ / W- (2)	Q1 2016	Q1 2015
Revenue	- 23%	\$46.3	\$60.2
	- 20% CC (1)		
Gross Margin	- 15%	\$19.2	\$22.4
	- 12% CC		
SG&A	+ 16%	\$18.7	\$22.4
	+ 13% CC		
Adjusted EBITDA	NM	\$0.5	\$0.0
	NM CC		
Adjusted EBITDA, as a % of Revenue		1.0%	0.0%

(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

Q1 2016: Reconciliation of Retained Revenue

\$US in Millions

	Reported			Retained (1)		
	Q1 2016	Variance vs Q1 2015	Constant Currency	Q1 2016	Variance vs Q1 2015	Constant Currency
Americas	\$ 3.8	-65.0%	-65.0%	\$ 3.8	10.4%	10.9%
Asia Pacific	51.1	-3.9%	3.2%	51.1	-3.9%	3.2%
Europe	46.3	-23.1%	-19.8%	46.3	-7.6%	-3.3%
Total	\$ 101.2	-18.6%	-14.4%	\$ 101.2	-5.2%	0.4%

- (1) Retained revenue and gross margin and divested revenue and gross margin are non-GAAP terms that management believes provide a better understanding of the underlying revenue and gross margin trends in the business following the divestitures in the second quarter of 2015. Divested revenue and gross margin includes such items attributable to the following businesses: the Americas IT staffing business, the Netherlands business, Ukraine, Czech Republic, Slovakia and Luxembourg. The non-GAAP financial measures do not replace the presentation of GAAP financial results and should only be used as a supplement to, not as a substitute for, Hudson's financial results presented in accordance with GAAP. The above table provides a reconciliation of the non-GAAP financial measure used in its financial reporting to the most directly comparable GAAP financial measure.

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Q1 2016: Reconciliation of Retained Gross Margin

\$US in Millions

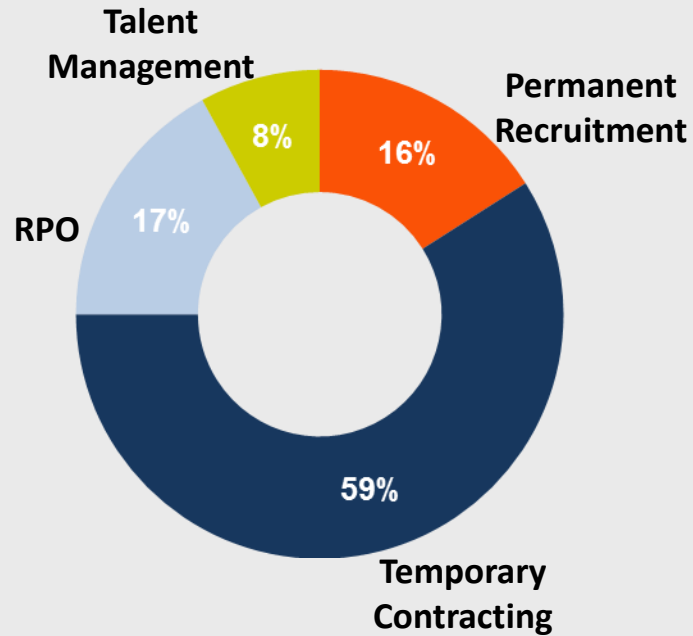
	Reported			Retained (1)		
	Q1 2016	Variance vs Q1 2015	Constant Currency	Q1 2016	Variance vs Q1 2015	Constant Currency
Americas	\$ 3.3	-27.7%	-27.5%	\$ 3.3	17.3%	17.9%
Asia Pacific	18.8	-10.1%	-4.5%	18.8	-10.1%	-4.5%
Europe	19.2	-14.6%	-11.6%	19.2	-4.5%	-0.9%
Total	\$ 41.3	-13.9%	-10.1%	\$ 41.3	-5.7%	-1.3%

- (1) Retained revenue and gross margin and divested revenue and gross margin are non-GAAP terms that management believes provide a better understanding of the underlying revenue and gross margin trends in the business following the divestitures in the second quarter of 2015. Divested revenue and gross margin includes such items attributable to the following businesses: the Americas IT staffing business, the Netherlands business, Ukraine, Czech Republic, Slovakia and Luxembourg. The non-GAAP financial measures do not replace the presentation of GAAP financial results and should only be used as a supplement to, not as a substitute for, Hudson's financial results presented in accordance with GAAP. The above table provides a reconciliation of the non-GAAP financial measure used in its financial reporting to the most directly comparable GAAP financial measure.

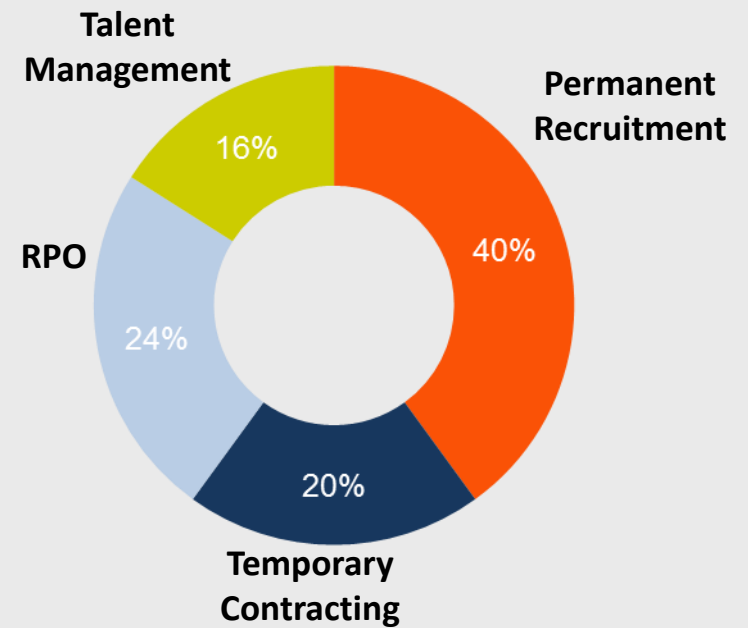
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Q1 2016: Global Services Split

Revenue

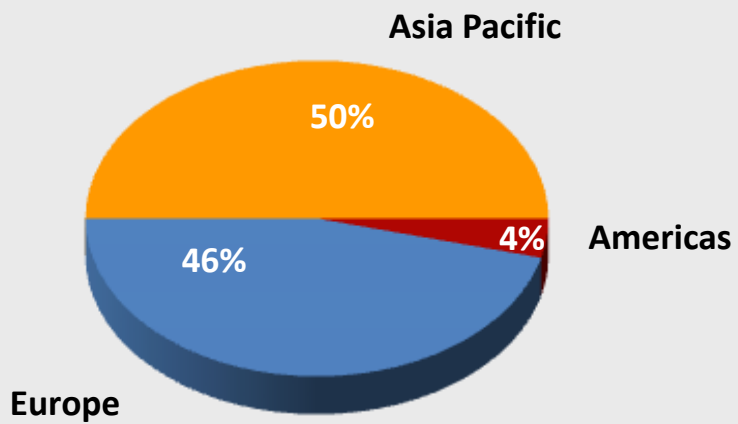


Gross Margin

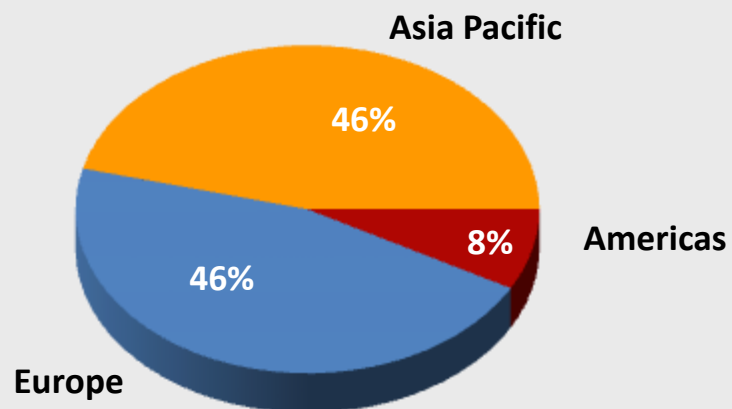


Q1 2016: Regional Split

Revenue



Gross Margin



Balance Sheet: Select Items

\$US in Millions

Selected Assets		
	March 31, 2016	December 31, 2015
Cash	\$31.9	\$37.7
Accounts Receivable	\$64.2	\$62.4
Selected Liabilities		
	March 31, 2016	December 31, 2015
Short-term Borrowings	\$5.8	\$2.4
Shareholders' Equity	\$56.0	\$61.2
Working Capital		
	March 31, 2016	December 31, 2015
Current Assets	\$102.3	\$106.1
Current Liabilities	\$54.0	\$51.6
Working Capital	\$48.3	\$54.6

Q1 2016: Cash Flow Summary

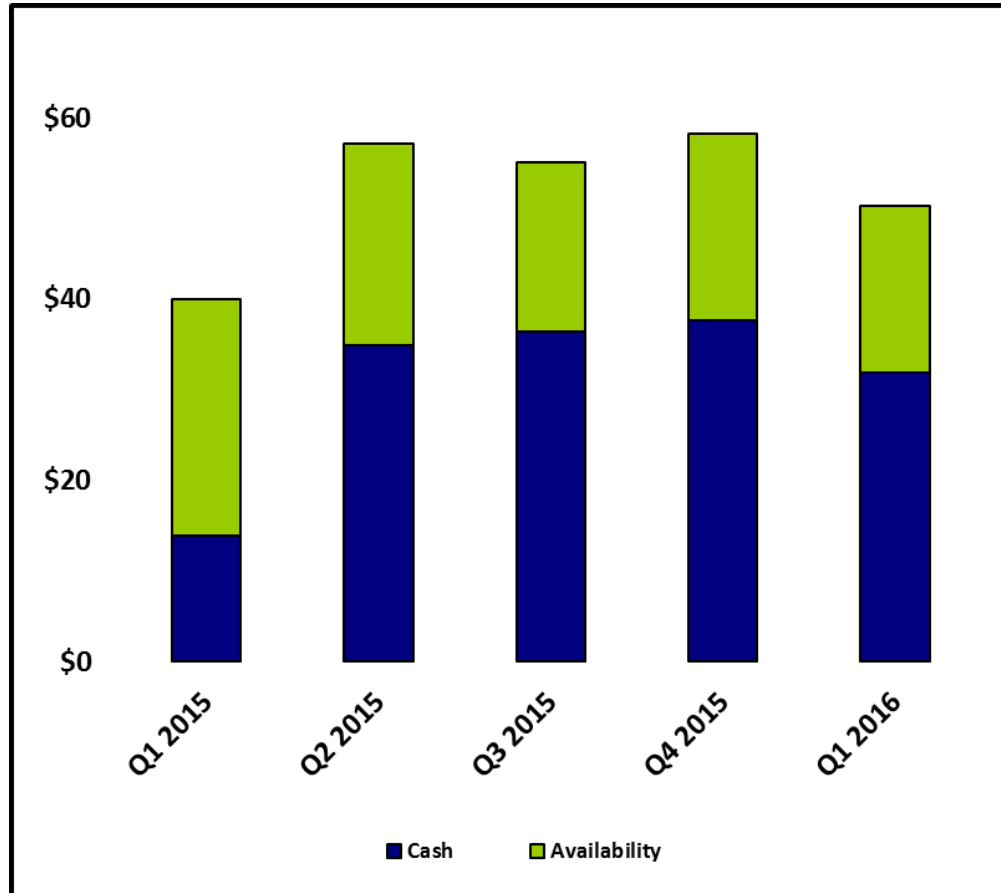
\$US in Millions

	QTD <u>Mar-16</u>	QTD <u>Mar-15</u>
Net income (loss)	\$ (3.5)	\$ (6.8)
Depreciation and amortization	0.7	1.1
Stock-based compensation	0.4	0.5
Change in accounts receivable	(0.8)	(9.8)
Change in accounts payable and other liabilities	(1.6)	(4.7)
Other	(1.0)	1.3
Cash provided by (used in) operations	(5.8)	(18.4)
Capital expenditures	(0.6)	(0.7)
Free cash flow	(6.4)	(19.1)
Change in net borrowings (repayments)	3.1	0.1
Purchase of treasury stock	(1.0)	
Dividends paid	(1.7)	
Other	-	-
Effect of exchange rates	0.3	(1.1)
Change in cash	\$ (5.7)	\$ (20.1)

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Flexible Liquidity

\$US in Millions



Retained GM % by Region

Temporary Contracting GM %

	Q1 2016	Q1 2015
Asia Pacific	12.2%	12.8%
Europe	14.2%	14.0%
Hudson Total	13.1%	13.5%

Total GM %

	Q1 2016	Q1 2015
Americas	87.0%	81.7%
Asia Pacific	36.6%	39.2%
Europe	41.4%	40.0%
Hudson Total	40.8%	41.0%



Appendix

Q1 2016 Regional Gross Margin Mix

Approximate mix of gross margin by product around the globe

	Temp	Perm	Talent Mgmt
Americas	0%	100%	0%
Europe	20%	55%	25%
UK	45%	50%	5%
Cont. Europe	0%	55%	45%
Asia Pacific	25%	65%	10%
ANZ	35%	55%	10%
ASIA	0%	95%	5%
Hudson Total	20%	65%	15%

Q1 EBITDA Reconciliation

\$US in Millions

Q1 2016	Hudson				Total	Q1 2015	Hudson				Total
	Americas	Asia Pacific	Europe	Corp			Americas	Asia Pacific	Europe	Corp	
Revenue	\$ 3.8	\$ 51.1	\$ 46.3	\$ -	\$ 101.2	Revenue	\$ 11.0	\$ 53.1	\$ 60.2	\$ -	\$ 124.3
Gross margin	\$ 3.3	\$ 18.8	\$ 19.2	\$ -	\$ 41.3	Gross margin	\$ 4.6	\$ 20.9	\$ 22.4	\$ -	\$ 47.9
Adjusted EBITDA (loss)	\$ 0.2	\$ (0.2)	\$ 0.5	\$ (2.6)	\$ (2.0)	Adjusted EBITDA (loss)	\$ (0.8)	\$ 0.9	\$ 0.0	\$ (3.9)	\$ (3.8)
Business reorg expenses and impairment	(0.0)	0.2	0.5	(0.0)	0.6	Business reorg expenses	0.4	0.0	0.9	0.0	1.3
Stock-based comp expense	0.0	0.1	0.0	0.2	0.4	Stock-based comp expense	0.1	0.0	0.0	0.3	0.5
Non-operating expenses (income)	0.1	0.8	0.3	(1.0)	0.1	Non-operating expenses (income)	0.3	0.1	1.2	(1.6)	(0.0)
EBITDA (Loss)	\$ 0.2	\$ (1.2)	\$ (0.3)	\$ (1.8)	\$ (3.2)	EBITDA (Loss)	\$ (1.6)	\$ 0.8	\$ (2.2)	\$ (2.6)	\$ (5.6)
Depreciation and amortization					0.7	Depreciation and amortization					1.1
Interest expense (income)					0.1	Interest expense (income)					0.1
Provision for (benefit from) income taxes					(0.3)	Provision for (benefit from) income taxes					(0.1)
Income (loss) from discontinued ops					0.1	Income (loss) from discontinued ops					(0.2)
Net income (loss)					\$ (3.5)	Net income (loss)					\$ (6.8)

- (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.

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