

Interim management statement

Quarter ended 31 March 2008

Commenting on trading for the quarter ended 31 March 2008, Alistair Cox, Chief Executive of Hays, said:

“We have had another excellent quarter of double digit growth with 17% organic growth in Group net fees and strong performances in both our temporary and permanent placement businesses.

Our UK business has continued to achieve good growth. Our International business, which now represents 42% of the Group’s net fees, delivered another market beating performance, growing organically by 39% in the quarter. In total, thirteen countries have grown by over 40% so far this year. We are continuing to invest to capture the substantial opportunities available in these markets.”

Group

Growth in net fees for the quarter ended 31 March 2008
(versus the same period last year)

	Growth	
	actual	LFL*
By region		
United Kingdom & Ireland	7%	5%
Asia Pacific	53%	40%
Continental Europe & Rest of World	47%	38%
Total	21%	17%
By segment		
Permanent	27%	22%
Temporary	16%	13%
Total	21%	17%

* LFL is like-for-like growth, which represents organic growth of continuing activities at constant currency. No adjustment is made for the two less trading days in the quarter ended 31 March 2008.

In the quarter ended 31 March 2008, Hays plc, the leading global specialist recruitment group, grew net fees by 17% on a like-for-like basis over the same period last year. It is estimated that Easter falling earlier this year reduced our growth by approximately 2% in the quarter (Easter was in quarter 4 last year). During the quarter, we added 5 International offices to the network, including our first entry into Denmark. The Group increased the number of consultants by 3% to 5,894, driven by investment in the International business.

As in recent quarters, the permanent placement market has continued to grow at a faster rate than the temporary placement market. Accordingly, our net fees increased by 22% from permanent placements and by 13% from temporary placements on a like-for-like basis over the same period last year. As referred to in the Interim Results, the lower rate of sequential growth in the permanent placement business, compared to quarter 2, reflects a modest

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slowdown in growth in the UK & Ireland market and the tougher comparatives in the second half. The growth rate achieved in our temporary placement business has been broadly consistent with quarter 2.

United Kingdom & Ireland

In the United Kingdom & Ireland, we had good like-for-like net fee growth of 5%. The Accountancy & Finance business continued the progress it made in the first half. Growth in Construction & Property slowed in the permanent placement business, particularly in the residential sector, and the Information Technology business continued to grow at a modest rate. Among the Other Specialist Recruitment Activities, Education, Retail and Purchasing performed strongly, whilst demand in City related activities weakened during the quarter.

Asia Pacific

In Asia Pacific, our businesses continued their outstanding track record, achieving like-for-like growth in net fees of 40%. In Australia & New Zealand, our market leading businesses recorded exceptional performances across all of their specialist activities and regions. We continued to roll out our newer specialisms across the network and we opened new offices in Brisbane, Ipswich and Auckland. In Asia, our businesses continued their strong momentum across the region.

Continental Europe & Rest of World ('RoW')

In Continental Europe & RoW, like-for-like net fees increased by 38%. This excellent growth stems from our significant investment in the region, the impact of deregulation in key markets, and an increasing awareness and willingness by both candidates and clients to use specialist recruitment consultants. All countries contributed to this performance, with Germany, France, Canada, Italy and United Arab Emirates performing particularly well. During the quarter, we started activities in Denmark (Copenhagen) and opened a new office in Italy (Rome).

Share buy-back

We have continued with the share buy-back programme. During the quarter, we purchased 11.7 million shares at a cost of £12.4 million (total buy-back in nine months ended 31 March 2008: 47.7 million shares at a cost of £64.1 million). As previously stated, the company expects to buy-back around £100 million of shares during this financial year.

Cash flow and balance sheet

The cash flow performance has been in line with expectations with net debt levels remaining broadly constant across the quarter. The balance sheet remains strong.

Outlook

In Asia Pacific and Continental Europe, growth in demand for our services continues to be strong. As indicated in the Interim Report, growth in the United Kingdom & Ireland has slowed compared to the first half, but continues to be good. Whilst mindful of the current economic uncertainty, the Board remains confident in its outlook for the year.

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Enquiries

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Conference call

Paul Venables and Martin Abell of Hays plc will conduct a conference call for analysts and investors at 9:00am United Kingdom time on Thursday 10 April 2008. The dial in details are as follows:

Dial-in number

+44 (0) 1452 561 263

The call will be recorded and available for playback for seven days as follows:

Replay dial-in number

+44 (0) 1452 550 000

Access code

41939663#

Reporting calendar

Investor day

17 April 2008

Trading statement for quarter ending 30 June 2008

10 July 2008

Full year results for year ending 30 June 2008

2 September 2008

Note to editors

Hays plc is the leading global specialist recruitment group. It is market leader in the UK and Australia, and one of the market leaders in Continental Europe. The Group employs over 8,900 staff operating from 390 offices in 27 countries across 17 specialisms.

For the year ended 30 June 2007:

- the Group had revenues of £2.1 billion, net fees of £633.6 million and operating profit of £216.1 million;
- the Group placed 68,000 candidates into permanent jobs during the year and paid 46,000 temporary workers weekly; and
- the temporary placement business represented 51% of net fees and the permanent placement business represented 49% of net fees.

Important notice

Certain statements in this announcement are forward looking statements. By their nature, forward looking statements involve a number of risks, uncertainties or assumptions that could cause actual results or events to differ materially from those expressed or implied by those statements. Forward looking statements regarding past trends or activities should not be taken as representation that such trends or activities will continue in the future. Accordingly, undue reliance should not be placed on forward looking statements.

All information shown for the quarter ended 31 March 2008 is unaudited.