

10 January 2008

HAYS PLC

Trading statement for the quarter ended 31 December 2007

Comment

Commenting on trading for the quarter ended 31 December 2007, Alistair Cox, Chief Executive of Hays plc, said:

“During this quarter we have delivered excellent growth. We have continued to invest in our business and have experienced strong demand across our markets. Having reviewed the business in my first few months with Hays, I see good opportunities to strengthen our market leading position in the UK and I have been impressed by the exceptional opportunities for rapid and sustainable growth in our International specialist recruitment markets. Our International business, which now represents 40% of the Group’s net fees, has grown organically by 45% in this quarter and is still at an early stage of development. On 17 April, we will hold an investor day, when we will discuss in detail the opportunities ahead of us and how we plan to capitalise on them.”

Group

Growth in net fees in the quarter ended 31 December 2007
(versus the same period last year)

	Growth	
	actual	LFL*
By region		
United Kingdom & Ireland	13%	11%
Asia Pacific	61%	45%
Continental Europe & Rest of World	49%	45%
Total	27%	23%
By segment		
Temporary	17%	14%
Permanent	39%	33%
Total	27%	23%

* LFL is like-for-like growth, which represents organic growth of continuing activities at constant currency

Hays plc, the leading global specialist recruitment group, has had another excellent quarter. In the quarter ended 31 December 2007, Group net fees grew by 23% on a like-for-like basis versus the same period last year. During the quarter, we added six offices to the network and, as planned, the Group increased the number of consultants by 5% to over 5,700 with most of the increase in consultants being 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 33% from permanent placements and by 14% from temporary placements on a like-for-like basis versus the same period last year.

United Kingdom & Ireland

In the United Kingdom & Ireland, we had strong like-for-like net fee growth of 11%. The Accountancy & Finance business continued the progress it made in the first quarter. Construction & Property benefited from strong demand, particularly in the commercial sector, and the Information Technology business made progress following the investment in the second half of last year. Our Other Specialist Recruitment Activities, which now represent 28% of the United Kingdom & Ireland net fees, continue to grow rapidly benefiting from our significant investment in this area.

Asia Pacific

In Asia Pacific, our businesses continued their excellent track record, achieving like-for-like growth in net fees of 45%. 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 another office in Melbourne. 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 also increased by 45%. This outstanding 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, Belgium, Spain and Canada performing

particularly well. During the quarter, we opened offices in France (Nancy), Brazil (Rio de Janeiro) and Poland (Gdansk).

Share buy-back

We have continued with the share buy-back programme. During the quarter, we purchased 14.9 million shares at a cost of £19.2 million (total buy-back in six months ended 31 December 2007: 36.0 million shares at a cost of £51.8 million). As previously stated, the company expects to buy-back a minimum of £75 million of shares during this financial year.

Cash flow and balance sheet

The cash flow performance in the quarter has been in line with expectations with net debt increasing following the payment of the full year dividend and the buy-back of shares. The balance sheet remains strong.

Board changes

As previously announced, the following Board changes were made on 15 November:

Denis Waxman retired as CEO and Alistair Cox succeeded him;

Richard Smelt joined as a non-executive Director;

Brian Wallace retired as a non-executive Director;

Lesley Knox assumed the role of Senior Independent Director; and

Paul Harrison was appointed as Chairman of the Audit Committee.

Outlook

Overall demand for our services continues to be strong, particularly in Continental Europe and Asia Pacific. Whilst mindful of the current economic uncertainties, the Board is confident in its outlook for the year.

- ends -

Enquiries

Hays plc

Paul Venables	Finance Director	+ 44 (0) 20 73832266
Martin Abell	Investor Relations	+ 44 (0) 20 73832266

Brunswick

Gill Ackers / Alexa von Wietzlow	+ 44 (0) 20 7404 5959
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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 January 2008. The dial in details are as follows:

Dial-in number	+44 (0) 1452 561 263
Password	Hays

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	29427459#

Reporting calendar

Half year results for 6 months ended 31 December 2007	26 February 2008
Interim management statement for quarter ending 31 March 2008	10 April 2008
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. 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 employed 7,753 staff operating from 376 offices in 25 countries across 17 specialisms
the Group placed circa 68,000 candidates into permanent jobs during the year and paid circa 46,000 temporary workers weekly;

the temporary placement business represented 51% of net fees and the permanent business represented 49% of net fees; and

the United Kingdom & Ireland represented 66% of Group net fees, Asia Pacific represented 18% and Continental Europe & Rest of World represented 16%.

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 is unaudited.