



**FOR IMMEDIATE RELEASE**

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**De Bellas & Co. Reports Decline in Q4 M&A Activity  
Buyers and Sellers Still Eager to Put Deals Together**

**February 17, 2009 - Irvine, CA** - De Bellas & Co., the #1 Staffing Industry M&A investment banking firm for over two decades, reported today that nine Staffing related M&A transactions were announced in Q4 of 2008. This represents a sharp decline in comparison with 25 announced in Q3, 27 announced in Q2 and 26 announced in Q1 of 2008. Commercial and IT Services made up the substantial majority of the activity in this period.

Royal J. Brown, Vice President, commented that, “Although activity in Q4 experienced a sharp decrease from the first nine months of the year, buyers remain active and continue to take a long term approach to acquisitions. We currently represent several firms for sale in various stages of completion in IT Staffing, Finance and Accounting and other segments. Each of these transactions has several interested buyers.”

**SECTOR HIGHLIGHTS**

	Commercial	Healthcare	IT Staffing / Solutions	Legal & Accounting	Other	Totals
Q4 2008	4	0	4	0	1	9
Q3 2008	3	7	8	4	3	25
Q2 2008	2	6	2	6	11	27
Q1 2008	4	7	1	2	12	26
Totals	13	20	15	12	27	87

## **BUYERS**

Private acquirers accounted for six of the announced transactions. Public company acquirers included Kforce, AMREP Corp. and ResCare, Inc..

## **NOTABLE TRANSACTIONS**

- **Kforce Purchased dNovus RDI:** dNovus is a supplier of information technology services focusing on state and federal government projects. The acquisition will compliment its Government Solutions segment. Kforce is paying over 1X revenue for the acquisition.
- **Pro Staff:** a large provider of staffing services, was acquired by its management.

*De Bellas & Co. has monitored nationwide staffing M&A activity since 1993 to support its investment banking activities. The firm has completed over 150 Staffing, IT Services and HRO transactions. For more information on M&A activity or to enter your criteria as a buyer, please visit our website at [www.debellas.com](http://www.debellas.com) or contact us at (949) 859-3333.*

U.S. STAFFING INDUSTRY													
Merger & Acquisition Activity													
	4th Qtr.	3rd Qtr.	2nd Qtr.	1st Qtr.	Twelve Months	Twelve Months	Twelve Months	Twelve Months	Twelve Months	Twelve Months	Twelve Months	Twelve Months	Twelve Months
	2008	2008	2008	2008	2008	2007	2006	2005	2004	2003	2002	2001	
<b>Transactions:</b>													
Disclosed/Completed Transactions	9	25	27	26	87	141	122	151	153	112	142	74	
Buyers	9	23	25	22	79	104	86	103	103	81	91	59	
Transactions/Buyers	1	1.1	1.1	1.2	1.1	1.4	1.4	1.5	1.5	1.4	1.6	1.3	
Median Rev. of Seller (millions)	n/a	15.5	9.5	29.4	16.2	20.0	12.4	18.5	10.3	16.7	16.8	21.0	
<b>Mix:</b>													
IT Staffing	4	4	2	0	10	17	13	14	29	8	16	14	
IT Solutions	0	2	0	1	3	4	5	21	14	13	18	5	
A/F	0	2	5	1	8	16	13	4	5	3	3	2	
Legal	0	2	1	1	4	3	1	4	2	3	1	7	
Healthcare	0	7	6	7	20	25	22	43	39	26	28	8	
Other	1	3	5	3	12	24	20	19	13	17	17	2	
Outplacement	0	0	0	0	0	0	0	0	0	0	1	0	
PEO	0	0	3	4	7	3	8	11	10	11	19	14	
Place & Search	0	0	1	0	1	0	1	2	4	1	2	1	
Technical	0	2	1	4	7	6	3	2	8	5	7	3	
Executive Search	0	0	1	1	2	7	6	5	2	5	8	5	
Commercial Staffing	4	3	2	4	13	36	30	26	27	20	22	13	
Total	9	25	27	26	87	141	122	151	153	112	142	74	
<b>Geographics:</b>													
Domestic	9	19	22	22	72	123	114	134	127	99	126	67	
Cross Border	0	6	5	4	15	18	8	17	26	13	16	7	
Total	9	25	27	26	87	141	122	151	153	112	142	74	
<b>Ownership of Buyer:</b>													
Public	3	9	12	8	32	69	62	92	84	60	88	32	
Private Equity Group	0	1	1	1	3	21	17	22	11	n/a	n/a	n/a	
Private - Other	6	15	14	17	52	51	43	37	58	52	54	42	
Total	9	25	27	26	87	141	122	151	153	112	142	74	
<b>Source: De Bellas &amp; Co., SEC filings and Staffing Industry Report</b>													
<i>Note: De Bellas &amp; Co. defines a transaction as an announced merger, acquisition or significant equity investment.</i>													
<i>The firm's statistics include domestic, as well as cross border transactions involving a participant with U.S. operations.</i>													
<i>The acquired entity includes staffing firms as well as other businesses.</i>													
<i>IT Solutions transactions are those transactions completed by a buyer having staffing operations and an IT Solutions seller.</i>													

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