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STAFFING M&A ACTIVITY HIGHER FOR Q2

De Bellas & Co. Reports 37 Q2'05 Transactions

June 30, 2005 - Houston - De Bellas & Co., the leading specialty investment banking firm focused on the Staffing, IT Services and HRO sectors for the last 20 years, reported today that 37 staffing and related IT M&A transactions were announced for the second quarter of 2005. This compares with 30 in the first quarter of 2005.

Our thoughts on the quarter follow:

- **Increased activity from Q1 bodes well for the year** – Q2 shows an increase in transactions from Q1, especially in IT, Healthcare and Commercial staffing.
- **Public companies are active** – Public companies were the purchasers of 63% of the staffing related deals for the first half of 2005 compared to 52% for all of 2004.
- **Buyer composition shifts** – Six of the top ten buyers this year are smaller companies, many of whom are relative newcomers, and they tend to acquire smaller businesses.
- **IT overtakes Medical in M&A activity** – An improving IT services market drove the IT subsector ahead of Medical when ranked by number of deals.
- **Notable transactions** – The most notable transaction of the quarter was Gryphon Investor's acquisition of Update Legal (De Bellas & Co. represented Update in the transaction). Another notable transaction was Labor Ready's acquisition of CLP Resources, Inc. Expect several more large transactions to be announced this year.

De Bellas & Co. has monitored nationwide consolidation activity since 1993 to support its investment banking activities and has completed over 140 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 or contact us.

U.S. STAFFING INDUSTRY

Merger & Acquisition Activity

		1st Qtr.	Three Months	Twelve Months	Twelve Months	Twelve Months	Twelve Months	Twelve Months	Twelve Months	Twelve Months	Twelve Months	Twelve Months	Twelve Months
		2005	2005	2004	2003	2002	2001	2000	1999	1998	1997	1996	1995
Transactions:													
Disclosed/Completed Transactions		28	28	**153**	**112**	**142**	**74**	**160**	**264**	**439**	**416**	**343**	**157**
Buyers		24	24	**103**	**81**	**91**	**59**	**86**	**128**	**146**	**149**	**109**	**68**
Transactions/Buyers		1.2	1.2	**1.5**	**1.4**	**1.6**	**1.3**	**1.9**	**2.1**	**3.0**	**2.8**	**3.1**	**2.3**
Median Rev. of Seller (millions)		15.5	15.5	**10.3**	**16.7**	**16.8**	**21.0**	**16.0**	**11.5**	**8.8**	**9.0**	**8.7**	**9.0**
Mix:													
IT Staffing		14.3%	14.3%	**19.0%**	**7.1%**	**11.3%**	**18.9%**	**18.8%**	**14.0%**	**22.1%**	**12.5%**	**4.7%**	**3.2%**
IT Solutions		14.3%	14.3%	**9.2%**	**11.6%**	**12.7%**	**6.8%**	**11.3%**	**27.3%**	**25.1%**	**28.4%**	**33.2%**	**11.5%**
A/FS		0.0%	0.0%	**3.3%**	**2.7%**	**2.1%**	**2.7%**	**5.0%**	**2.7%**	**2.3%**	**4.6%**	**1.5%**	**2.5%**
Legal		3.6%	3.6%	**1.3%**	**2.7%**	**0.7%**	**9.5%**	**1.9%**	**0.8%**	**1.8%**	**2.6%**	**2.0%**	**6.4%**
Healthcare		28.6%	28.6%	**25.5%**	**23.2%**	**19.7%**	**10.8%**	**11.3%**	**11.7%**	**7.5%**	**9.9%**	**6.4%**	**11.5%**
Other		10.7%	10.7%	**8.5%**	**15.2%**	**12.0%**	**2.7%**	**2.5%**	**3.4%**	**4.1%**	**1.2%**	**1.2%**	**0.0%**
Outplacement		0.0%	0.0%	**0.0%**	**0.0%**	**0.7%**	**0.0%**	**1.9%**	**4.2%**	**0.9%**	**2.2%**	**2.0%**	**3.2%**
PEO		14.3%	14.3%	**6.5%**	**9.8%**	**13.4%**	**18.9%**	**5.6%**	**5.7%**	**5.5%**	**8.4%**	**7.3%**	**5.1%**
Place & Search		0.0%	0.0%	**2.6%**	**0.9%**	**1.4%**	**1.4%**	**3.8%**	**0.8%**	**1.4%**	**1.2%**	**1.5%**	**7.0%**
Technical		0.0%	0.0%	**5.2%**	**4.5%**	**4.9%**	**4.1%**	**1.3%**	**3.4%**	**3.2%**	**2.6%**	**5.2%**	**9.6%**
Executive Search		0.0%	0.0%	**1.3%**	**4.5%**	**5.6%**	**6.8%**	**12.5%**	**8.3%**	**3.6%**	**1.0%**	**0.0%**	**2.5%**
Commercial Staffing		14.3%	14.3%	**17.6%**	**17.9%**	**15.5%**	**17.6%**	**24.4%**	**17.8%**	**22.6%**	**25.5%**	**35.0%**	**37.6%**
	Total	100.0%	100.0%	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**
Geographics:													
Domestic		89.3%	89.3%	**83.0%**	**88.4%**	**88.7%**	**90.5%**	**84.4%**	**76.5%**	**83.8%**	**87.3%**	**85.4%**	**80.9%**
Cross Border		10.7%	10.7%	**17.0%**	**11.6%**	**11.3%**	**9.5%**	**15.6%**	**23.5%**	**16.2%**	**12.7%**	**14.6%**	**19.1%**
	Total	100.0%	100.0%	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**
Ownership of Buyer:													
Public		60.7%	60.7%	**51.6%**	**53.6%**	**62.0%**	**43.2%**	**50.6%**	**65.2%**	**78.4%**	**77.4%**	**78.7%**	**67.5%**
Private		39.3%	39.3%	**48.4%**	**46.4%**	**38.0%**	**56.8%**	**49.4%**	**34.8%**	**21.6%**	**22.6%**	**21.3%**	**32.5%**
	Total	100.0%	100.0%	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Source: De Bellas & Co., SEC filings, Staff Facts and Staffing Industry Report

Note: De Bellas & Co. defines a transaction as a completed merger, acquisition or significant equity investment.

The firm's statistics include domestic, as well as cross border transactions involving a participant with U.S. operations.

Note: IT Solutions transactions are those transactions completed by a buyer having staffing operations and an IT Solutions seller.

U.S. STAFFING INDUSTRY													
Merger & Acquisition Activity													
			Three	**Twelve**	**Twelve**	**Twelve**	**Twelve**	**Twelve**	**Twelve**	**Twelve**	**Twelve**	**Twelve**	**Twelve**
		1st Qtr.	**Months**	**Months**	**Months**	**Months**	**Months**	**Months**	**Months**	**Months**	**Months**	**Months**	**Months**
		2005	**2005**	**2004**	**2003**	**2002**	**2001**	**2000**	**1999**	**1998**	**1997**	**1996**	**1995**
Mix:													
IT Staffing		4	4	**29**	**8**	**16**	**14**	**30**	**37**	**97**	**52**	**16**	**5**
IT Solutions		4	4	**14**	**13**	**18**	**5**	**18**	**72**	**110**	**118**	**114**	**18**
A/FS		0	0	**5**	**3**	**3**	**2**	**8**	**7**	**10**	**19**	**5**	**4**
Legal		1	1	**2**	**3**	**1**	**7**	**3**	**2**	**8**	**11**	**7**	**10**
Healthcare		8	8	**39**	**26**	**28**	**8**	**18**	**31**	**33**	**41**	**22**	**18**
Other		3	3	**13**	**17**	**17**	**2**	**4**	**9**	**18**	**5**	**4**	**0**
Outplacement		0	0	**0**	**0**	**1**	**0**	**3**	**11**	**4**	**9**	**7**	**5**
PEO		4	4	**10**	**11**	**19**	**14**	**9**	**15**	**24**	**35**	**25**	**8**
Place & Search		0	0	**4**	**1**	**2**	**1**	**6**	**2**	**6**	**5**	**5**	**11**
Technical		0	0	**8**	**5**	**7**	**3**	**2**	**9**	**14**	**11**	**18**	**15**
Executive Search		0	0	**2**	**5**	**8**	**5**	**20**	**22**	**16**	**4**	**0**	**4**
Commercial Staffing		4	4	**27**	**20**	**22**	**13**	**39**	**47**	**99**	**106**	**120**	**59**
	Total	28	28	**153**	**112**	**142**	**74**	**160**	**264**	**439**	**416**	**343**	**157**
Geographics:													
Domestic		25	25	**127**	**99**	**126**	**67**	**135**	**202**	**368**	**363**	**293**	**127**
Cross Border		3	3	**26**	**13**	**16**	**7**	**25**	**62**	**71**	**53**	**50**	**30**
	Total	28	28	**153**	**112**	**142**	**74**	**160**	**264**	**439**	**416**	**343**	**157**
Ownership of Buyer:													
Public		17	17	**79**	**60**	**88**	**32**	**81**	**172**	**344**	**322**	**270**	**106**
Private		11	11	**74**	**52**	**54**	**42**	**79**	**92**	**95**	**94**	**73**	**51**
	Total	28	28	**153**	**112**	**142**	**74**	**160**	**264**	**439**	**416**	**343**	**157**

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