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CONTACT: Alfred De Bellas
President
adebellas@debellas.com

David DuMay
Vice President
ddumav@debellas.com

ACTIVITY DOWN – OUTLOOK REMAINS POSITIVE

De Bellas & Co. Reports 26 Q3'06 Transactions

October 3, 2006 - Houston - De Bellas & Co., a leading specialty investment banking firm focused on the Staffing, IT Services and HRO sectors for the last 20 years, reported today that 26 staffing related M&A transactions were announced in Q3 2006. This compares with 35 in Q3 2005.

David DuMay, Vice President of De Bellas & Co., commented that “While the number of transactions has decreased, we do not feel this is indicative of the current interest level of buyers seeking to purchase staffing companies. Our ongoing contact with buyers has shown that their focus on growth thru acquisitions continues to be high when compared to recent years.”

Our thoughts on the quarter follow:

- **IT staffing continues its momentum** – Four IT staffing transactions were announced in Q3 for a total of eleven deals thus far in 2006. This compares to eight transactions which were announced for this period in 2005.
- **Accounting / Finance sets another record for activity** – Four announced Q3 deals make this the most active quarter in this sector since 2001. There have been eight announced deals thus far in 2006 versus two for this period last year. The demand for accounting / finance staffing firms is projected to continue for the remainder of the year.
- **Private Equity Group [PEG] participation increases** – Fifteen percent of the buyers in Q3 were backed by private equity funds versus an average of seven percent for the first two quarters. PEG investment activity within an industry can be noteworthy as an indicant of future growth.

De Bellas & Co. has monitored nationwide consolidation activity since 1993 to support its investment banking activities. For more information on recent 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										
					Nine	Twelve	Twelve	Twelve	Twelve	Twelve
	3rd Qtr.	2nd Qtr.	1st Qtr.	Months	Months	Months	Months	Months	Months	Months
	2006	2006	2006	2006	2005	2004	2003	2002	2001	
Transactions:										
Disclosed/Completed Transactions	26	35	33	94	151	153	112	142	74	
Buyers	24	29	26	69	103	103	81	91	59	
Transactions/Buyers	1.1	1.2	1.3	1.4	1.5	1.5	1.4	1.6	1.3	
Median Rev. of Seller (millions)	11.5	11.4	4.0	10.0	18.5	10.3	16.7	16.8	21.0	
Mix:										
IT Staffing	4	5	2	11	14	29	8	16	14	
IT Solutions	2	1	1	4	21	14	13	18	5	
A/F	4	3	1	8	4	5	3	3	2	
Legal	0	0	1	1	4	2	3	1	7	
Healthcare	3	8	2	13	43	39	26	28	8	
Other ^	5	4	7	16	19	13	17	17	2	
Outplacement	0	0	0	0	0	0	0	1	0	
PEO	1	1	5	7	11	10	11	19	14	
Place & Search	0	0	1	1	2	4	1	2	1	
Technical	2	1	0	3	2	8	5	7	3	
Executive Search	1	2	2	5	5	2	5	8	5	
Commercial Staffing	4	10	11	25	26	27	20	22	13	
Total	26	35	33	94	151	153	112	142	74	
Geographies:										
Domestic	25	31	32	88	134	127	99	126	67	
Cross Border	1	4	1	6	17	26	13	16	7	
Total	26	35	33	94	151	153	112	142	74	
Ownership of Buyer:										
Public	11	17	21	49	92	84	60	88	32	
Private Equity Group	4	2	3	9	22	11	n/a	n/a	n/a	
Private - Other	11	16	9	36	37	58	52	54	42	
Total	26	35	33	94	151	153	112	142	74	
Source: De Bellas & Co., SEC filings and Staffing Industry Report										
^ Beginning in 2005, De Bellas & Co. began tracking acquisitions by staffing firms of non-staffing businesses.										
<i>Note: De Bellas & 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>										