



FOR IMMEDIATE RELEASE

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De Bellas & Co. Reports No Change in Q3 M&A Activity

November 11, 2008 - Irvine, CA - De Bellas & Co., the #1 Staffing Industry M&A investment banking firm for over two decades, reported today that 25 Staffing related M&A transactions were announced in Q3 of 2008. This compares with 27 announced in Q2 of 2008 and 24 in Q3 of 2007. Total transactions in IT Services, Healthcare and Finance/Accounting continued to dominate activity with almost 80% of the transactions being in these sectors.

Alfred F. De Bellas, Jr., President, commented that, "Activity in Q3 remained essentially unchanged from Q2 despite a barrage of negative news. The negative events have accelerated in Q4 to levels which were unthinkable 12, 9, 6 or 3 months ago. Despite these developments, with some exceptions, the buyer community remains interested and active."

He added that, "Strategic buyers are executing, as their name implies, on long term strategic plans. Financial buyers, primarily Private Equity Groups, are similarly engaged in long-term investment programs. The substantial majority of staffing transactions are not as dependant on leverage as are larger transactions. Mezzanine investors are filling in the gap left by the banks, as they reduced their lending sharply. While there has been some impact on pricing, it is nowhere near proportional to the declines seen in the public markets."

SECTOR HIGHLIGHTS

	Commercial	Healthcare	IT Staffing / Solutions	Legal & Accounting	Other	Totals
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	9	20	11	12	26	78

BUYERS

Private acquirers accounted for just over two thirds of announced transactions. Public company acquirers included Kelly Services, CHG Healthcare, Comsys and Cross Country Healthcare.

NOTABLE TRANSACTIONS

- **Alexander Gallo Holdings, LLC acquires The Hobart West Group:** The Hobart West Group is a leading provider of court reporting and litigation support services. Hobart West Group had 2007 revenues of about \$200 million.
- **Cross Country Healthcare, Inc. acquired Medical Doctors Associates for \$123 million plus earn outs:** MDA is a leading national provider of locum tenens with revenues of about \$158 million.
- **StaffOne, Inc., a leading Professional Employer Organization (PEO) was acquired and recapitalized by Gordian Capital:** StaffOne provides outsourced human resources management services.

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 or contact us.

U.S. STAFFING INDUSTRY												
Merger & Acquisition Activity												
				Nine	Twelve	Twelve	Twelve	Twelve	Twelve	Twelve	Twelve	Twelve
				Months	Months	Months	Months	Months	Months	Months	Months	Months
				2008	2007	2006	2005	2004	2003	2002	2001	
		3rd Qtr.	2nd Qtr.	1st Qtr.	2008	2007	2006	2005	2004	2003	2002	2001
		2008	2008	2008	2008	2007	2006	2005	2004	2003	2002	2001
Transactions:												
Disclosed/Completed Transactions		25	27	26	78	141	122	151	153	112	142	74
Buyers		23	25	22	70	104	86	103	103	81	91	59
Transactions/Buyers		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)		15.5	9.5	29.4	16.2	20.0	12.4	18.5	10.3	16.7	16.8	21.0
Mix:												
IT Staffing		4	2	0	6	17	13	14	29	8	16	14
IT Solutions		2	0	1	3	4	5	21	14	13	18	5
A/F		2	5	1	8	16	13	4	5	3	3	2
Legal		2	1	1	4	3	1	4	2	3	1	7
Healthcare		7	6	7	20	25	22	43	39	26	28	8
Other		3	5	3	11	24	20	19	13	17	17	2
Outplacement		0	0	0	0	0	0	0	0	0	1	0
PEO		0	3	4	7	3	8	11	10	11	19	14
Place & Search		0	1	0	1	0	1	2	4	1	2	1
Technical		2	1	4	7	6	3	2	8	5	7	3
Executive Search		0	1	1	2	7	6	5	2	5	8	5
Commercial Staffing		3	2	4	9	36	30	26	27	20	22	13
Total		25	27	26	78	141	122	151	153	112	142	74
Geographics:												
Domestic		19	22	22	63	123	114	134	127	99	126	67
Cross Border		6	5	4	15	18	8	17	26	13	16	7
Total		25	27	26	78	141	122	151	153	112	142	74
Ownership of Buyer:												
Public		9	12	8	29	69	62	92	84	60	88	32
Private Equity Group		1	1	1	3	21	17	22	11	n/a	n/a	n/a
Private - Other		15	14	17	46	51	43	37	58	52	54	42
Total		25	27	26	78	141	122	151	153	112	142	74
Source: De Bellas & Co., SEC filings and Staffing Industry Report												
<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>												

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