

For immediate release

7 July 2009

STAFFLINE RECRUITMENT GROUP PLC
(“Staffline” or “the Group”)

Half Year Trading Update

Staffline, a leading provider of outsourced HR services to industry, today issues a trading update for the six months ended 30 June 2009 and its notice of results.

Half year trading update

Performance in the first half of 2009 has been in line with management’s expectations.

The current financial year is seeing the full benefit of the new *OnSites* opened during the second half of 2008 and some additional client wins. We have also benefited from the operational savings implemented during 2008. This has been partially offset by falling volumes with some clients, particularly those operating in the automotive sector.

We ended the period with the same number of OnSites as we had at 31 December 2008, 112. In addition the number of branches increased by 2, to 13.

Our business remains strongly cash generative and our financial position has been further improved during the period. At the half year end our net debt stood at £4.3m (30 June 2008: £5.8m, 31 December 2008: £6.1m). This amount includes our term loan which is due to be repaid by 2013.

During the half year we successfully completed the acquisition of The Workplace, a Yorkshire based Recruitment Company which provides temporary recruitment, and HR consultancy services. We also entered in to an agency agreement with the administrators of Bridge Contract Services, the terms of which allowed us to provide continuity of supply for Bridge’s clients and collect the outstanding debts in return for a management fee.

These businesses have been an excellent fit with the rest of the Staffline Group and we will continue to take advantage of smaller acquisitions as they arise. We have developed an efficient acquisition and integration proposition which minimises the risk for the Group whilst providing the vendors the opportunity to receive a fair value for their business, based on performance.

Notice of results

Staffline intends issuing its interim results for the six months ended 30 June 2009 on 8 September 2009.

Andy Hogarth, Staffline’s Chairman, said:

“We have performed well in the first half given the economic background. The market landscape continues to change rapidly and Staffline has increased market share despite intense competition. Based on current trading and the number of *OnSites* due to open we remain confident of a satisfactory outcome for the year as a whole.”

- Ends -

For further information, please contact:

www.staffline.co.uk

Staffline Recruitment Group plc

Andy Hogarth, Chairman and Chief Executive
Tim Jackson, Finance Director

0115 950 0885
07931 175775
07720 458626

Smithfield

Reg Hoare / Rebecca Whitehead

020 7360 4900

Altium

Phil Adams / Paul Lines

0161 831 9133

About Staffline

Staffline Group plc's main business is as a specialist supplier of "blue collar" temporary and contract staff to industry. It provides a fully outsourced service, managing the temporary recruitment function of its clients on their premises, at 112 *OnSite* locations nationwide and also has a network of 13 industrial branches. In addition, the Group has two smaller businesses branded as Techsearch, which specialises in temporary and permanent engineering, IT, HR and FMCG placements, and OSP, which provides permanent recruitment outsourcing services in healthcare, retail, and distribution. The Group, which is managed from a head office in Nottingham, was founded in 1986 and was admitted to AIM in December 2004 (Ticker: STAF.L).