

2 December 2009

STAFFLINE GROUP PLC
(“Staffline” or “the Group”)**Acquisition**

Staffline, a leading provider of outsourced HR services to industry, is pleased to announce the acquisition of Peter Rowley Limited (“Peter Rowley”), a training provider. Peter Rowley, the principal of the company, will remain committed to Staffline for a minimum period of two years.

The acquisition is in line with Staffline’s strategy of making selective acquisitions to broaden its revenue streams, thereby positioning it more as a provider of value added business services in the human resource arena.

Peter Rowley has 36 employees and, in the year ended 31 July 2009, it achieved revenues in excess of £2 million per annum and a pre-tax profit of £0.5 million, with a net asset value of £0.8 million.

The consideration comprises an initial cash payment of £1 million, payable from Staffline’s existing bank facilities, deferred cash consideration of £0.5 million, payable in January 2011, and two further cash payments payable up to an aggregate maximum of £1.0 million based on 50% of the profits achieved in excess of £0.5 million during the two financial years following the acquisition.

Commenting, Andy Hogarth, Staffline’s Chairman and Chief Executive, said:

“We are delighted to welcome Peter Rowley and his company to the Group, bringing a highly complementary offering to our existing operations. Together our two organisations will provide a platform for further growth in our core operating areas.

“We continue to look for similar acquisition opportunities, in addition to other smaller industrial recruitment businesses in order to enhance shareholder value.”

- Ends -

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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).