



B U C K I N G H A M

CORPORATE FINANCE LIMITED

Buckingham Corporate Finance advises on the successful disposal of Action First Recruitment Consultants to Public Recruitment Group PLC

Buckingham Corporate Finance Ltd., London, is delighted to announce its involvement in the sale of Action First Recruitment Consultants ("Action First") to Public Recruitment Group PLC ("PRG") for a total consideration of up to £16.5 million.

Action First is a London based supplier of social workers to public sector bodies across the South of England. Established in 1984 it operates from premises in central London and employs 24 staff.

Public Recruitment Group is a quoted recruitment and services group specialising in the public sector - education, healthcare and social work in particular. This acquisition is its first entry into the London social work market and gives PRG a national presence and a top 5 position in the social worker recruitment market.

Buckingham Corporate Finance was retained by Paul Godfrey, 43, founder and owner of the business, to advise him on this exit after receiving a number of unsolicited approaches from potential acquirors. Several months of negotiations with these parties led to the selection of PRG as an ideal acquiror. Terms of the transaction were:

Initial consideration of £11.3 million, satisfied by the issue of 739,437 ordinary shares in PRG equivalent to £1,050,000 and the balance by a mixture of cash and bank guaranteed loan notes.

Additional consideration may become payable subject to the achievement of EBIT targets for the years ended 31 October 2005 and 31 October 2006 to be satisfied by a mixture of cash and loan notes and the allotment of ordinary shares in PRG. The maximum consideration payable is £16.5 million, based on achieving EBIT of £3m for the year ending 31 October 2006.

For the year ended 31 October 2003, Action First achieved revenues of £14.5 million and adjusted EBIT of £1.4 million.

The transaction therefore represents an exit multiple of up to times 11.8 times historic EBIT, with an up front consideration amounting to over 8 times historic EBIT.

Enquires:

Ian Leaman 020 7798 2832, Director, Buckingham Corporate Finance.