



Liquidity Services, Inc. Enhances Executive Management Team

July 18, 2005

Washington, DC, July 18, 2005 — Liquidity Services, Inc. (LSI), a leading provider of comprehensive asset recovery services for businesses and the public sector, is pleased to announce the appointment of James M. Rallo to its executive management team as Chief Financial Officer and Treasurer. Mr. Rallo has more than sixteen years of experience in growth company finance, accounting, strategic planning, and operations.

In this role, Mr. Rallo will lead the financial, accounting and human resource functions of LSI and the related treasury and financing activities. He also brings with him extensive experience developing and implementing internal controls and Sarbanes Oxley requirements as well as corporate finance experience raising growth capital.

"Liquidity Services, Inc. is growing at an exceptional rate across all of our marketplaces and is positioned as the industry leader in generating high recovery rates on surplus, salvage and wholesale goods for corporate and governmental sellers," said Bill Angrick, Chairman and CEO of LSI. "As our business continues to excel, Jim's depth of knowledge and experience with high-growth companies is of indispensable value."

Prior to joining LSI, Mr. Rallo served as CFO and Treasurer with Sleep Services of America, Inc., a subsidiary of Vital Signs, Inc. (NASDAQ: VITL) that is a leading provider of outsourced sleep diagnostic services to health care systems. He also previously served as Vice President of Deutsche Alex. Brown's Investment Banking Group, where he provided strategic advice to rapidly growing companies regarding initial and follow-on public equity offerings, convertible and high-yield debt offerings, mergers and acquisitions, and private equity and debt placements; and as a financial auditor for Deloitte and Touche and Grant Thornton.

Mr. Rallo holds an MBA with honors from the Smith School of Business at the University of Maryland and a B.S. from Washington and Lee University. He also holds a C.P.A.

About Liquidity Services, Inc.

Liquidity Services, Inc. and its subsidiaries enable government agencies, businesses and financial institutions to market and sell surplus assets and wholesale goods quickly and conveniently using innovative online auction marketplaces, business-to-business product sales and marketing expertise, and value-added logistics and fulfillment services. The privately held company is based in Washington, D.C. and employs 285 people. Additional information can be found at: www.liquidityservicesinc.com.