



District of Columbia Selects Liquidity Services, Inc. to Manage Surplus Asset Disposition

June 20, 2005

Washington, D.C. (June 20, 2005) — The District of Columbia Office of Contracting and Procurement has awarded an exclusive contract to Liquidity Services, Inc. (LSI) to handle the inventory, appraisal, sale, and disposition for all surplus property owned by the District. LSI, a provider of comprehensive asset recovery services for businesses and the public sector, will host open and competitive sales of the District's surplus property on its online auction marketplace, www.Liquidation.com. Auction sales are expected to generate increased rates of return on surplus inventory while improving data tracking and financial oversight of surplus asset disposition activities.

The new program for asset management and disposition brings the District a streamlined process that will not only create a valuable revenue stream but will also meet the District's criteria for transparent tracking and real-time reporting on transactions involving surplus property. The assets are managed by the Office of Contracting and Procurement and include items such as vehicles, police automobile accessories, information technology equipment, radio communication equipment, office furniture and office supplies.

"Our selection of LSI to manage our asset disposition program is reflective of the District's commitment to smart business practices," said Mayor Anthony A. Williams. "The cash flow from the sale of the District's surplus assets will be deposited directly back into the treasury and re-allocated to departments and programs within the government. The additional revenue will enable us to more effectively address and meet the expectations of taxpayers."

The government will realize fair-market value on its surplus items through LSI's marketing campaigns to District agencies, LSI's existing base of 220,000 qualified buyers, and other potential buyers of surplus. The transition from traditional sales methods to online auctions will further increase competitive pricing.

LSI will also handle all operational and administrative tasks including inventory reconciliation, creation and launch of auctions, buyer assistance, shipping and logistics, payment collection, and refurbishment and/or recycling of items when appropriate.

"The overall goal of our asset remarketing activities is to provide a solution that maximizes the recovery value of usable surplus property for the District of Columbia," said Bill Angrick, CEO of LSI. "Our proven success with Fortune 500 companies, manufacturers, and other government agencies demonstrates our ability to generate higher rates of return through our online auction marketplace and integrated services."

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