

Liquidity Services, Inc. Ranks as Top Performer on Russell 2000 and Russell 3000 Indexes; Inclusion in Indexes is Based On Company's Market Capitalization

July 5, 2006

WASHINGTON--(BUSINESS WIRE)--July 5, 2006--Liquidity Services, Inc. (NASDAQ:LQDT), a leading online auction marketplace for wholesale, surplus and salvage assets, announced today that it remains on the Russell 2000 Index and Russell 3000 Index after the 2006 Russell Index Reconstitution effective as of June 30, 2006. Liquidity Services, Inc. (LSI) has been a Russell Top 10 Performer since it joined the indexes on March 31, 2006.

The Russell indexes capture the 3,000 largest U.S. stocks, ranking them by total market capitalization to create the Russell 3000. The largest 1,000 companies in the ranking comprise the Russell 1000 while the remaining 2,000 companies become the widely used Russell 2000. Membership in Russell's U.S. equity indexes, which remains in place for one year, is determined primarily by market capitalization rankings.

"We are pleased to be recognized as a top performer in the Russell 2000 and Russell 3000 indexes since the completion of our Initial Public Offering in February 2006," said Bill Angrick, Chairman and CEO of LSI. "This recognition highlights the continued success of our business in creating highly liquid and scalable online marketplaces to remarket and sell surplus assets and wholesale goods on behalf of large corporations and government agencies."

LSI's solution is comprised of online auction marketplaces and value-added services that are designed to provide large organizations with a comprehensive solution to quickly bring surplus assets to market and enhance the financial value realized from the sale of the items. LSI's marketplaces, www.Liquidation.com, www.Govliquidation.com and www.UKsurplus.com, provide buyers convenient access to a substantial and continuous flow of wholesale, surplus and salvage assets in over 500 categories and lot sizes ranging from full truck loads to pallets, packages and large individual items. LSI also operates a wholesale industry portal, www.goWholesale.com, which connects advertisers with buyers seeking products for resale and related business services.

About Liquidity Services, Inc. (LQDT)

Liquidity Services, Inc. (NASDAQ:LQDT) and its subsidiaries enable corporations and government agencies to market and sell surplus assets and wholesale goods quickly and conveniently using online auction marketplaces and value-added services. The company is based in Washington, D.C. and has 350 employees. Additional information can be found at: www.liquidityservicesinc.com.

About Russell

Russell Investment Group, a global leader in multi-manager investing, provides investment products and services in more than 44 countries. Russell manages more than \$155 billion in assets for advisory clients as of December 31, 2005, and provides other financial services to clients worldwide representing more than \$2.4 trillion. In 2006, and for the fifth time since 1999, Russell is ranked among the Fortune Magazine's 100 Best Companies to Work For in America.

CONTACT: Liquidity Services, Inc. Julie Davis, 202-467-6868 ext 234 julie.davis@liquidityservicesinc.com

SOURCE: Liquidity Services, Inc.