

May 5, 1999



Barrett Business Services, Inc. Announces 100% Increase in Earnings Per Share For First Quarter 1999

PORTLAND, Ore., May 5 /PRNewswire/ -- Barrett Business Services, Inc.

(Nasdaq: BBSI) reported today net income of \$740,000 for the first quarter ended March 31, 1999, an increase of \$353,000 or 91.2% over the first quarter of 1998. Basic and diluted earnings per share for the 1999 first quarter were \$.10, compared to \$.05 for both basic and diluted earnings per share for the same quarter a year ago.

Revenues for the first quarter ended March 31, 1999 totaled \$71.0 million, an increase of approximately \$1.8 million or 2.6% over the \$69.2 million reported for the same quarter a year ago.

	(Unaudited)	
	First Quarter Ended	
	March 31,	
Results of Operations	1999	1998
(in thousands, except per share amounts)		
Revenues:		
Staffing services	\$37,229	\$40,304
Professional employer services	33,786	28,937
Total revenues	71,015	69,241
Cost of revenues:		
Direct payroll costs	55,163	53,667
Payroll taxes and benefits	6,251	6,440
Workers' compensation	1,969	1,996
Safety incentives	317	364

Total cost of revenues	63,700	62,467
Gross margin	7,315	6,774
Selling, general and administrative expenses	5,710	5,816
Amortization of intangibles	374	353
Income from operations	1,231	605
Other income	72	69
Income before taxes	1,303	674
Provision for income taxes	563	287
Net income	\$740	\$387
Basic earnings per share	\$.10	\$.05
Weighted average basic shares	7,666	7,639
Diluted earnings per share	\$.10	\$.05
Weighted average diluted shares	7,707	7,693

The following summarizes the unaudited balance sheets at March 31, 1999
and December 31, 1998:

(\$ in thousands)	March 31,	December 31,
	1999	1998
Assets		
Cash	\$1,713	\$4,029
Receivables, net	23,579	21,907
Prepays and other	1,627	1,103
Deferred tax assets	1,841	1,857
Total current assets	28,760	28,896
Intangibles, net	14,968	11,508
Property and equipment, net	5,532	5,184
Restricted marketable securities	6,184	6,004
Deferred tax assets	697	552
Other assets	964	626
	\$57,105	\$52,770
Liabilities and Stockholders' Equity		
Note payable	\$240	\$-
Current portion of long-term debt	115	61

Income taxes payable	488	438
Accounts payable	1,156	948
Accrued payroll and benefits	13,249	9,246
Accrued workers' compensation claims	2,903	3,244
Customer safety incentives	1,113	1,173
Other accrued liabilities	361	514
Total current liabilities	19,625	15,624
Long-term debt, net	541	503
Customer deposits	805	829
Long-term workers' compensation		
liabilities	710	714
Other long-term liabilities	1,579	1,398
Stockholders' equity	33,845	33,702
	\$57,105	\$52,770

Barrett Business Services, Inc. is a human resource management company

with offices in ten states. For 1998, Barrett reported revenues of

\$303.0 million and net income of \$3.8 million.

SOURCE Barrett Business Services, Inc.

Web site: <http://www.barrettbusiness.com>

Company News On-Call: <http://www.prnewswire.com/comp/082187.html> or fax, 800-758-5804, ext. 082187

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