

May 12, 2015



## **General Employment Enterprises, Inc. Files Universal Shelf Registration For \$75 Million On Form S-3**

NAPERVILLE, Ill., May 12, 2015 /PRNewswire/ --**GENERAL EMPLOYMENT ENTERPRISES, INC. ("the Company" or "General Employment")** (NYSE MKT: JOB), a professional staffing services provider, today announced that it has filed a universal shelf registration statement on Form S-3 (the "Form S-3") with the United States Securities and Exchange Commission ("SEC"). The registration statement is intended to provide the Company with additional flexibility to finance future business opportunities by accessing the capital markets quickly and in a cost-effective manner. The registration statement also contains a "resale prospectus" to satisfy the Company's registration rights obligations pursuant to certain agreements.

Under the Form S-3, once declared effective by the SEC, General Employment may from time to time issue various types of securities in one or more offerings, using any combination of common stock, preferred stock, debt securities, warrants, or units, consisting of one or more of the foregoing. The Company is registering to offer and sell up to \$75 million in securities over the next three years, subject to certain limitations on the sale of such securities up to an aggregate market value of not more than one-third of the Company's public float. The description of any future offering under the shelf registration, including the price and terms of any such offer and sale of securities, will be determined at the time of such offering and will be described in detail in a prospectus supplement filed with the SEC in connection with such offering.

The registration statement also contains a "resale prospectus" to satisfy "piggy back registration rights" that were granted to certain investors. The resale prospectus includes 42 million shares of common stock underlying our Series A Convertible Preferred Stock, plus 4 million shares of common stock reserved for future payment of accrued dividends on our Series A Convertible Preferred Stock, and includes approximately 8.8 million shares of common stock issuable upon exercise of currently outstanding warrants. General Employment will only receive proceeds from the sale of the shares to be registered under the resale prospectus to the extent the warrants are exercised for cash. At the time of the filing of the Form S-3, the Company had not received any notice from holders of the Series A Convertible Preferred Stock or holders of the Warrants, of their intention to convert or exercise their securities for shares of common stock.

Commenting on the filing, Derek Dewan, Chairman and Chief Executive Officer stated, "We believe this universal shelf registration statement provides General Employment optimal financial flexibility for general corporate purposes. In addition, it streamlines the process in the event we identify strategic growth opportunities that may require additional capital."

The shelf registration statement relating to the Company's aforementioned securities has been filed with the SEC but has not yet become effective. These securities may not be sold nor offers accepted prior to the time the shelf registration statement becomes effective. This press release does not constitute an offer to sell or the solicitation of an offer to buy the securities, nor shall there be any sale of the securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such state or jurisdiction. Any offering of the securities will be made solely by means of a prospectus and a prospectus supplement relating to that offering. A copy of the shelf registration statement on Form S-3, prospectus, prospectus supplements relating to any offerings under the registration statement, when available, can be obtained on the SEC's website at [www.sec.gov](http://www.sec.gov).

### **About General Employment Enterprises, Inc.**

General Employment Enterprises, Inc. (the "Company") was incorporated in the State of Illinois in 1962, is a provider of specialized staffing solutions and is the successor to employment offices doing business since 1893. The Company operates in two industry segments, providing professional staffing services and solutions, and light industrial staffing services through the names of General Employment, Ashley Ellis, Triad and Omni-One.

Also, in the healthcare sector, General Employment through its Scribe Solutions brand staffs medical scribes who assist physicians in emergency departments of hospitals and in medical practices by providing required documentation for patient care in connection with electronic medical records (EMR).

### **Forward-Looking Statements**

In addition to historical information, this press release contains statements relating to the Company's future results (including certain projections and business trends) that are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Act of 1934, as amended, (the "Exchange Act"), and are subject to the "safe harbor" created by those sections. The statements made in this press release that are not historical facts are forward-looking statements that are predictive in nature and depend upon or refer to future events. Such forward-looking statements often contain or are prefaced by words such as "will", "may", "plans", "expects", "anticipates", "projects", "predicts", "estimates", "aims", "believes", "hopes", "potential", "intends", "suggests", "appears", "seeks", or variations of such words or similar words and expressions. Forward-looking statements are not guarantees of future performance, are based on certain assumptions, and are subject to various known risks and uncertainties, many of which are beyond the Company's control, and cannot be predicted or quantified and consequently, as a result of a number of factors, the Company's actual results could differ materially from those expressed or implied by such forward-looking statements. Certain factors that might cause the Company's actual results to differ materially from those in the forward-looking statements include, without limitation: (i) the loss, default or bankruptcy of one or more customers; (ii) changes in general, regional, national or international economic conditions; (iii) an act of war or terrorism or cyber security breach that disrupts business; (iv) changes in the law and regulations; (v) the effect of liabilities and other claims asserted against the Company; (vi) changes in the size and nature of the Company's competition; (vii) the loss of one or more key executives; (viii) increased credit risk from customers; (ix) the Company's failure to grow internally or by acquisition or the failure to successfully integrate acquisitions; (x) the Company's failure to improve operating margins and realize cost efficiencies and economies of scale ; (xi) the Company's failure to

attract, hire and retain quality recruiters, account managers and salesmen; (xii) the Company's failure to recruit qualified candidates to place at customers for contract or full-time hire; and such other factors as set forth under the heading "Forward-Looking Statements" in the Company's annual reports on Form 10-K, its quarterly reports on Form 10-Q and in the Company's other filings with the Securities and Exchange Commission (SEC). More detailed information about the Company and the risk factors that may affect the realization of forward-looking statements is set forth in the Company's filings with the SEC. Investors and security holders are urged to read these documents free of charge on the SEC's web site at <http://www.sec.gov>. The Company is under no obligation to (and expressly disclaims any such obligation to) and does not intend to publicly update, revise or alter its forward-looking statements whether as a result of new information, future events or otherwise.

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