

February 22, 2011



# General Employment Reports First Quarter Results

OAKBROOK TERRACE, Ill., Feb. 22, 2011 /PRNewswire/ -- General Employment Enterprises, Inc. (NYSE Amex: JOB) reported consolidated net revenues for the quarter ended December 31, 2010 of \$5,972,000, which increased by \$4,000,000 (203%) from the same period last year and was primarily due to the acquisition of certain assets of On-Site (\$2,377,000), RFFG of Cleveland (\$485,000), DMCC (\$450,000) and fees paid under the Management Agreement (\$162,000), which contributed \$3,474,000 in revenue for the period. Professional contract and placement services increased by \$173,000 (12.3%) and \$353,000 (61.9%) from the same period last year, respectively

The Company had a net income of \$15,000 or \$.00 per share, in the first quarter of this year, compared with a net loss of \$589,000, or \$.04 per share, in the first quarter last year. For purposes of calculating the diluted earnings per-share amounts, the number of average common shares outstanding was 14,921,000 in the current quarter, compared with 13,380,000 in the prior-year quarter.

Commenting on the Company's performance, Salvatore J. Zizza, CEO, stated, "We have made substantial progress in our plan to return our Company to profitability and I am very pleased with the first quarter profit numbers reported above. The turnaround in our performance over the first quarter of last year is a direct result of our strategy to grow the Company through acquisitions and I believe the foundation has been laid for future growth, both organically and through future acquisitions. There is every indication that the economy and job market are improving and we have positioned General Employment to take advantage of an emerging job market."

## **Business Information**

General Employment Enterprises, Inc. (the "Company") provides contract and placement staffing services for business and industry, primarily specializing in the placement of information technology, engineering and accounting professionals. With the acquisition of certain of the assets of On-Site Services, Inc. ("On-Site") in June 2010, the Company also began to provide contract staffing services for the agricultural industry. This business is located in Florida and provides labor and human resource solutions, including temporary staffing, to the agricultural industry. Effective November 1 2010, the Company and its wholly-owned subsidiary, Triad Personal Services, Inc an Illinois corporation, entered into an asset purchase agreement, with DMCC Staffing, LLC, an Ohio limited liability company ("DMCC"), RFFG of Cleveland, LLC, an Ohio limited liability company ("RFFG of Cleveland"), and Thomas J. Bean (the "Asset Purchase Agreement"), for the purchase of certain assets of DMCC and RFFG of Cleveland, including customer lists, comprising DMCC and RFFG of Cleveland's services business. DMCC and RFFG of Cleveland's services business is operated from offices in Ohio and provides labor and human resource solutions, including

temporary staffing, human resources and payroll outsourcing services, labor and employment consulting and workforce solutions. Currently, RFFG of Cleveland has one customer.

### **Forward-Looking Statements**

The statements made in this press release which are not historical facts are forward-looking statements. Such forward-looking statements often contain or are prefaced by words such as "will" and "expect." As a result of a number of factors, our actual results could differ materially from those set forth in the forward-looking statements. Certain factors that might cause our actual results to differ materially from those in the forward-looking statements include, without limitation, those factors set forth under the heading "Forward-Looking Statements" in our annual report on Form 10-K for the fiscal year ended September 30, 2010, and in our other filings with the SEC. General Employment is under no obligation to (and expressly disclaims any such obligation to) and does not intend to update or alter its forward-looking statements whether as a result of new information, future events or otherwise.

GENERAL EMPLOYMENT ENTERPRISES, INC.

CONSOLIDATED STATEMENT OF OPERATIONS

(In Thousands, Except Per Share)

	Three Months	
	Ended December 31	
	2010	2009
Net revenues:		
Contract services	\$ 4,887	\$ 1,402
Placement services	923	570
Management services	162	—
Net revenues	5,972	1,972
Cost of contract services	4,115	996
Selling, general and administrative expenses	1735	1,547
Amortization of intangible assets	94	—
Income (loss) from operations	28	(571)
Other expense, net	(13)	(18)
Net income (loss)	\$ 15	\$ (589)

Average number of shares - basic	14,917	13,380
Average number of shares - diluted	14,921	13,380
Net loss per share - basic and diluted	\$ -	\$ (.04)

GENERAL EMPLOYMENT ENTERPRISES, INC.

SUMMARIZED CONSOLIDATED BALANCE SHEET INFORMATION

(In Thousands)

	December 31	September 30
	2010	2010
Assets:		
Cash and cash equivalents	\$ 243	\$ 945
Other current assets	3,364	1,635
Total current assets	3,607	2,580
Property and equipment, net	340	383
Goodwill	1,256	172
Intangible assets, net	3,674	259
Total assets	\$ 8,877	\$ 3,394
Liabilities and shareholders' equity:		
Current liabilities	\$ 2,658	\$ 1,371

Long-term obligations	2,210	431
Shareholders' equity	4,009	1,592
Total liabilities and shareholders' equity	\$ 8,877	\$ 3,394

SOURCE General Employment Enterprises, Inc.