

For Release
July 20, 2000
at 10:00 a.m. PDT

On Assignment, Inc. Reports Record 2000 Second Quarter and First Half Results

Calabasas, CA, July 20, 2000--*On Assignment, Inc.* (Nasdaq: ASGN) today reported record revenues and earnings for the second quarter and first half ended June 30, 2000. For the quarter, revenues rose to \$47,817,000 from \$39,272,000 a year ago, an increase of 22 percent. Operating income advanced 29 percent to \$6,619,000 from \$5,135,000 a year ago. Net income advanced 30 percent to \$4,524,000, or \$0.20 per share, compared with net income of \$3,483,000, or \$0.15 per share last year.

For the six months ended June 30, 2000, revenues were \$92,162,000, compared with \$74,061,000 for the first six months of 1999, an increase of 24 percent. Operating income increased 35 percent to \$12,875,000 from \$9,564,000 a year ago. Net income rose 34 percent to \$8,730,000, or \$0.38 per share, compared with net income of \$6,513,000, or \$0.29 per share last year.

H. Tom Buelter, Chairman and Chief Executive Officer, said, "Our second quarter results underscore once again the value of *On Assignment's* long-standing focus on finding and retaining outstanding knowledge workers and aggressively marketing these professionals to our clients and prospects. We achieved record revenues and net income despite opening 10 branch offices, adding the largest group of new Account Managers in the Company's history, and experiencing a record level of employee conversions to permanent positions. Margins improved compared with the year-ago quarter as our Account Managers and support personnel generated efficiencies enabled by our proven business model."

During the quarter, 10 new branches brought *On Assignment's* worldwide total to 161. Lab Support opened in the Netherlands, its fourth country, with a branch office in Utrecht. A second branch located in Rotterdam will open in August. Lab Support's UK operation has expanded to seven branches with the recent addition of its East London office. Domestic Lab Support, Healthcare Financial Staffing and Clinical Lab Staff also added branches during the quarter and contributed to the Company's growth. Mr. Buelter commented, "In order to fuel future growth, we expanded our corps of Account Managers aggressively during the second quarter. Our ability to attract this valuable talent at an accelerated pace is in part a tribute to the hard work and dedication of our recruiting department staff. The current environment of low unemployment has ironically improved our ability to attract outstanding candidates. There is an increased willingness on their part to take the risk of becoming an Account Manager in order to achieve both personal and financial rewards."

Mr. Buelter concluded, "For the remainder of 2000, the Company will continue to build existing markets, enter new markets as well as evaluate new services. Lab Support, our largest division, will enlarge its international presence by opening its fifth country, Belgium. Domestically, we plan to add branches in Lab Support, Healthcare Financial Staffing and Clinical Lab Staff. Supported by a strong balance sheet, we will continue to explore potential acquisitions, both domestic and international, to further our strategies."

On Assignment, Inc., through its Lab Support, Healthcare Financial Staffing, *EnviroStaff*, and Clinical Lab Staff divisions, is a leading provider of temporary professionals to the scientific, healthcare, and environmental industries. *On Assignment's* branch network encompasses 161 branches in 75 operational

markets across the United States, Canada, United Kingdom and the Netherlands. *On Assignment, Inc.* common stock is traded on the Nasdaq Stock Market under the symbol ASGN.

Except for the historical information contained herein, the matters discussed in this news release are forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, including statements regarding the Company's expectations, beliefs, hopes, intentions or strategies regarding the future. All forward-looking statements included in this news release are based upon information available to the Company as of the date hereof and the Company assumes no obligation to update any such forward-looking statement. Actual results could differ materially from the Company's current expectations. Factors that could cause or contribute to such differences include the Company's ability to attract, train and retain qualified Account Managers, the availability of qualified temporary professional employees, risks inherent in expansion into new international and domestic markets, the integration of acquired operations, management of growth, and other risks detailed from time to time in the Company's reports filed with the Securities and Exchange Commission, including the Company's Annual Report on Form 10-K for the year ended December 31, 1999 as filed with the SEC on March 29, 2000.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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(Unaudited)
(In thousands of dollars, except per share amounts)

CONSOLIDATED STATEMENTS OF INCOME

	Three Months Ended		Six Months Ended	
	June 30		June 30	
	2000	1999	2000	1999
Total Revenues	\$ 47,817	\$ 39,272	\$ 92,162	\$ 74,061
Cost of Services	<u>32,163</u>	<u>26,524</u>	<u>62,062</u>	<u>50,093</u>
Gross Profit	15,654	12,748	30,100	23,968
Operating Expenses	<u>9,035</u>	<u>7,613</u>	<u>17,225</u>	<u>14,404</u>
Operating Income	6,619	5,135	12,875	9,564
Interest Income	<u>571</u>	<u>411</u>	<u>1,017</u>	<u>806</u>
Pretax Income	7,190	5,546	13,892	10,370
Income Taxes	<u>2,666</u>	<u>2,063</u>	<u>5,162</u>	<u>3,857</u>
Net Income	<u>\$ 4,524</u>	<u>\$ 3,483</u>	<u>\$ 8,730</u>	<u>\$ 6,513</u>
Diluted Earnings Per Share	<u>\$ 0.20</u>	<u>\$ 0.15</u>	<u>\$ 0.38</u>	<u>\$ 0.29</u>
Weighted Average Shares Outstanding	<u>23,182</u>	<u>22,490</u>	<u>22,903</u>	<u>22,589</u>

SUMMARY CONSOLIDATED BALANCE SHEET DATA

	As of June 30	
	2000	1999
Cash, Cash Equivalents and Marketable Securities	\$ 53,853*	\$ 39,907*
Working Capital	61,809	48,301
Total Assets	90,309	68,189
Long-term Liabilities	0	0
Stockholders' Equity	81,111	57,671

*Includes \$12,620 and \$4,125 in non-current marketable securities as of June 30, 2000 and 1999, respectively.

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