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PRESS RELEASE

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For immediate release

TECHNOLOGY SERVICES GROUP GROWS AGAIN IN YORKSHIRE

On April 20, 2005, Technology Services Group Ltd (TSG) continued its expansion in developing UK-wide IT service provision for SMEs, with the acquisition of Agenda Business Systems Ltd, the Barnsley-based IT software, hardware and network installation business. The acquisition expands TSG's Pegasus customer base in the north of England, and with TSG's Leeds and Sheffield offices brings the headcount in the region to 100 staff working out of three locations across Yorkshire.

Agenda was formed in 1988 to provide consultancy on Accounting and Payroll solutions to SMEs. The business has concentrated on providing Pegasus software together with hardware and network installation, offering training and support by people with accounting backgrounds and qualifications. Former MD Kevin Turton takes over as Area Business Manager to strengthen TSG's local presence in South Yorkshire, Humberside and North Derbyshire

Mark Ambler (Regional Managing Director, TSG North) said: 'We'll be expanding rapidly across South Yorkshire, offering additional software and infrastructure expertise to all Agenda Business Systems' customers, and will be creating new jobs in the region over the next couple of years as growth continues. However, from the outset we're looking after 150 new customers and will be able to offer them the benefit of our innovative System Care service, which has been designed to provide SMEs with support for all their IT requirements, either as a complete outsourced service, or as add-on support for in-house IT staff.'

Kevin Turton said: 'Agenda Business Systems has been built round the concept of customer service, and I'm delighted that this history and the skills of the team will continue into the future with TSG. We've built up a reputation as a reliable local supplier and this can only go from strength to strength when backed up by TSG's national presence.'

The acquisition process was overseen by Newcastle-based legal firm Ward Hadaway on behalf of TSG, working with the vendor's solicitors Lupton Fawcett and corporate finance organisation UNW. Martin Hulls, Corporate Finance Partner with Ward Hadaway commented: 'It's a real privilege to help complete another acquisition for this fantastic company.'

TSG now employs more than 400 staff across the UK, has an annualised turnover in excess of £37 million and provides IT services to more than 9,000 small and medium sized businesses across the UK, from Basingstoke in the south, to Aberdeen in the north.

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