



Liquidity Services, Inc. Awarded Contract for the Sale of U.S. Department of Defense Surplus Assets Located in Germany

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WASHINGTON--(BUSINESS WIRE)--March 14, 2006--Liquidity Services, Inc. (NASDAQ:LQDT), a leading online auction marketplace for wholesale, surplus and salvage assets, today announced it is enhancing its European operations through a new contract award finalized on February 3, 2006 with the U.S. Defense Reutilization and Marketing Service (DRMS) for the sale of select U.S. Department of Defense (DoD) military surplus assets located in Germany. The contract has a term of three years and covers the sale of all surplus vehicles and vehicular parts, components and equipment throughout Germany as well as all miscellaneous equipment and supplies located at DRMS facilities in Kaiserslautern and Germersheim.

Liquidity Services, Inc. (LSI) will leverage its European presence to provide value-added reverse logistics services for the management and remarketing of DoD surplus assets in Germany. These services include warehousing, inventory management and tracking, manifest creation, photographing items, lotting, and outbound fulfillment. LSI will also prepare merchandise for sale on its online auction marketplaces and will market the inventory to professional wholesale and surplus buyers throughout Europe and Asia.

"LSI's expertise and proprietary technology solution for processing and remarketing surplus inventory in the reverse supply chain is easily replicated for businesses and public sector organizations of all types and sizes, in any location," said Bill Angrick, Chairman and CEO of LSI. "Under the contract with the DRMS in Germany, LSI will expand its services that have demonstrated success in the United States and the United Kingdom."

The contract was awarded on January 24, 2006 and was finalized after a ten-day government-mandated protest period.

About Liquidity Services, Inc.

Liquidity Services, Inc. (NASDAQ:LQDT) and its subsidiaries enable corporations and government agencies to market and sell surplus assets and wholesale goods quickly and conveniently using online auction marketplaces and value-added services. The company is based in Washington, D.C. and has 350 employees. Additional information can be found at: www.liquidityservicesinc.com.

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