

FOR IMMEDIATE RELEASE

Contact: Larry Gerdes, CEO, larry.gerdes@trcr.com
Lance Cornell, CFO, lance.cornell@trcr.com
678-808-0600

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(BW) (TRANSCEND SERVICES, INC.) (TRCR)

TRANSCEND ANNOUNCES NEW EXECUTIVE V.P. OF SALES AND MARKETING

Atlanta, Georgia. TRANSCEND SERVICES, INC. (NASDAQ: TRCR), a leading medical transcription services provider, today announced the appointment of Leo Cooper as Executive Vice President of Sales and Marketing.

Mr. Cooper has over 35 years of experience in building and leading sales organizations, with an emphasis on healthcare technology and outsourcing solutions. Prior to joining Transcend, Mr. Cooper was Vice President of Sales and Marketing for White Plume Technologies, a healthcare software company, from 2003-2007. Prior to that, Mr. Cooper was Senior Vice President of Sales and Marketing at Payformance and SOURCECORP, companies which provide processing and software solutions for healthcare and other industries. From 1997-1999, Mr. Cooper was Executive Vice President of Sales and Marketing at Transcend, where he successfully recruited a team of top sales executives who sold over \$100 million in new business, primarily in medical records outsourcing and transcription. Mr. Cooper spent the first ten years of his career at Xerox in a variety of sales roles. He has a Bachelors degree in Business Administration (Marketing) from the University of Georgia.

Larry Gerdes, the Company's President and Chief Executive Officer, commented on the announcement: "We are excited to have Leo back at Transcend. He has a demonstrated track record of successfully building sales teams, leveraging strategic partnerships and achieving sales goals at a variety of companies, including Transcend."

Mr. Cooper commented: "I am excited to be joining Transcend once again. I have watched the company's progress over the last two years and have been impressed with their ability to execute on several fronts. I'm convinced that the Company's high level of customer satisfaction will be an important factor driving new sales."

About Transcend Services, Inc.

Transcend believes that accurate, reliable and timely transcription creates the foundation for the patient medical record. To this end, the Company has created Internet-based, speech-recognition enabled, voice-to-text systems that allow its skilled medical language specialists to securely and quickly produce the highest quality medical documents. The Company's wide range of transcription and editing services encompass everything needed to securely receive, type, edit, format and distribute electronic copies of physician-dictated medical documents, from overflow projects to complete transcription outsourcing. For more information, visit <http://www.transcendservices.com>.

This press release contains forward-looking statements that involve a number of risks and uncertainties. Among the important factors that could cause actual results to differ materially from those indicated by such forward-looking statements are competitive pressures, changes in pricing policies, delays in contract start dates, lower-than-expected demand for Transcend's solutions, business conditions in the integrated healthcare delivery network market, general economic conditions and the risk factors detailed from time to time in Transcend's periodic reports and registration statements filed with the Securities and Exchange Commission.