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

Transcend CFO Lance Cornell Receives Prestigious 2010 Atlanta Business Chronicle's CFO of the Year Award

Atlanta, Georgia. TRANSCEND SERVICES, INC. (NASDAQ: TRCR), announced today that its Chief Financial Officer, Lance Cornell, is the winner of the Atlanta Business Chronicle's 2010 CFO of the Year Award in the Public Company/Medium category. Mr. Cornell was recognized for his financial management achievements, his accretive acquisition strategy and strategic planning capabilities.

Under Lance's leadership, Transcend Services became the second largest medical transcription company in the industry with 2009 revenue of 71.8 million, a first quarter 2010 annualized revenue run rate of over \$88 million, and a compound annual revenue growth rate of 36% from 2004 through 2009. In 2009, he closed three acquisitions that contribute approximately \$25 million in annualized revenue. Lance was also instrumental in the cost savings that resulted from implementing cost control and productivity enhancement programs resulting in operating income margins that increased from 2% of revenue in 2004 to 15% of revenue in 2009.

"Lance provided Transcend with strong financial leadership at a critical time in the company's history," said Larry Gerdes, Chief Executive Officer for Transcend Services. "He played a key role in strategically planning for the financial implications of implementing speech recognition and the decision to send a portion of Transcend's work offshore. These two initiatives served to allow Transcend to double its gross profit margins from 17% in the third quarter of 2005 to 34% in the first quarter of 2010, and increase the company's market valuation seven-fold from \$18 million at the end of 2005 to \$128 million today."

In addition to his impressive operational and financial performance, Lance works with a management team that has an unwavering dedication to outstanding customer service and that supports a 96% three-year average customer retention rate. Lance has been instrumental in focusing and coordinating this effort, and is key to its successful execution.

Said Susan McGrogan, President and Chief Operating Officer for Transcend, "One of the things I

respect about Lance is that he understands the financial aspects of the company and he also recognizes the unique demands of our customer-centric business. He has been a key to our success and I am proud to work with him.”

Lance demonstrates excellence in every aspect of his professional life. He is a role model who inspires everyone around him to deliver the consistent, high-quality performance so crucial to sustained business success. He has been instrumental in growing Transcend to where it is today and will continue to use his skills to ensure Transcend’s successful future.

About Transcend Services, Inc.

Transcend Services is a leading provider of clinical documentation solutions for healthcare organizations. The company’s high-quality transcription services – along with leading data extraction and reporting tools – provide critical data needed to document patient encounters and help drive clinical decision making. Transcend provides clients with exceptional quality, turnaround time and service so that they can focus on what matters most – their patients.

For more information, visit www.transcendservices.com.

Safe Harbor Statement

This press release contains certain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, that represent our expectations, anticipations or beliefs about future events, including our operating results, financial condition, liquidity, expenditures, and compliance with legal and regulatory requirements. For this purpose, any statements that are not statements of historical fact may be deemed to be forward-looking statements. These statements involve risks and uncertainties that could cause actual results to differ materially depending on a variety of important factors. Factors that might cause or contribute to such differences include, but are not limited to, competitive pressures, extraordinary expenses, loss of significant customers, the mix of revenue, changes in pricing policies, delays in revenue recognition, challenges encountered in integrating acquired businesses, increased regulatory burdens, lower-than-expected demand for the Company's products and services, failure to expand customer relationships or realize revenues from sales closed in the current quarter, the Company's position for growth, delays in the development of the Company's transcription platform, business conditions in the integrated health care delivery network market, adverse general economic conditions, and the risk factors detailed in our periodic, quarterly and annual reports on Forms 8-K, 10-Q and 10-K that we file with the Securities Exchange Commission ("SEC") from time to time. With respect to such forward-looking statements, we claim protection under the Private Securities Litigation Reform Act of 1995. Our SEC filings are available from us, and also may be examined at public reference facilities maintained by the SEC or, to the extent filed via EDGAR, accessed through the website of the SEC (<http://www.sec.gov>). In addition, factors that we are not currently aware of could harm our future operating results. You are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date of this press release. We undertake no obligation to make any revisions to the forward-looking statements or to reflect events or circumstances after the date of this press release.