

**FOR IMMEDIATE RELEASE**

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

**TRANSCEND RECEIVES A MOST INNOVATIVE SOLUTION AWARD IN SPEECH  
RECOGNITION TECHNOLOGY DEPLOYMENT**

Atlanta, Georgia, TRANSCEND SERVICES, INC. (TRCR/NASDAQ) Transcend Services, Inc. is proud to announce that it is being recognized by *Speech Technology Magazine* as a 2006 Most Innovative Solution recipient for deployment of speech recognition technology. Transcend was selected because it demonstrated innovative and unique deployment of creative speech-service solutions that have positively impacted its organization, its employees and its customers.

To choose the 2006 Most Innovative Solutions, readers of *Speech Technology Magazine* and STM NewsBlast nominated companies who deployed speech recognition technologies to interface with their customers. A panel comprised of STM's Editorial Advisory Board selected the top 10 deployments who demonstrated creativity and innovation in their implementation of speech.

Transcend has integrated a speech recognition engine developed by Multimodal Technologies, Inc. (M\*Modal) into its proprietary medical transcription workflow solution to enable its medical language specialists to increase productivity and improve the quality of and turnaround time for transcribed medical documents.

"2006 has been the year that the use of speech recognition technology has become the norm for Transcend rather than the exception," said Jane Rudov, Vice President of Transcend. "We believe that we are at the forefront in the use of speech recognition technology in our industry, thanks in no small part to our partnership with M\*Modal. We thank *Speech Technology Magazine* for this recognition and award."

Added Michael Finke, CEO of M\*Modal, "Our objective is to provide healthcare organizations with the best available speech understanding technology that is easily integrated into our client's workflow, transparent to the speaker and that transforms the clinical documentation process. Transcend has integrated our technology into their robust transcription platform in such a way as to deliver measurable positive results. We congratulate Transcend for their success and this award."

Transcend Services will be recognized at SpeechTEK 2006 in New York City on August 7-10 and will be presenting its solution during the conference.

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>.

### About M\*Modal

M\*Modal offers on-demand conversational documentation services that help healthcare providers capture discrete clinical information from dictation to generate complete and timely electronic medical records. The company's unique speech recognition and understanding technology platform, AnyModal CDS, is a vital tool that empowers physicians to capture clinical facts and orders from dictation without requiring any change to their normal dictation routine. M\*Modal's focus is on providing hospitals and medical transcription service providers with the industry's most comprehensive yet most adaptable solution for creating highly accurate, structured, encoded and shareable medical documents to increase patient safety, promote continuity of patient care, and reduce cost. For more information, please visit [www.mmodal.com](http://www.mmodal.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.*

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