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Jefferies Acquires Leading Private Equity Fund Placement Firm; Helix Associates Further Extends Jefferies Services to the Private Equity, Buyout and Venture Capital Community

NEW YORK--(BUSINESS WIRE)--May 17, 2005--Jefferies Group, Inc. (Jefferies) (NYSE: JEF) today announced that it has acquired Helix Associates Limited (Helix), a leading private equity fund placement firm. The fund raising capabilities of Helix will enhance the array of services Jefferies can offer private equity firms.

Founded in 1993, Helix is a leading global placement agent serving private equity general partners. Helix is well known for the quality of the firms it represents and for its high standards of research and marketing materials. Since 1998, funds for which Helix has acted have closed with a value of approximately \$17.5 billion. The firm also acts for hedge funds of funds and related product providers. Helix is based in London and over the years has developed a growing reputation in the U.S. and Canada. The firm's presence in the U.S. will be significantly enhanced through its association with Jefferies.

"The acquisition of Helix significantly extends Jefferies' investment banking platform in the area of long-term private capital raising and complements our firm's strong coverage of the financial sponsor and venture capital communities," commented Richard B. Handler, Chairman and CEO of Jefferies. "The Helix business represents yet another arena of growth and diversification for the Jefferies platform in a strategic and complementary manner."

"We're very pleased to join the thriving Jefferies franchise as we look to extend significantly our network of relationships around the world," added Lord Charles Cecil, Managing Director and Co-Founder of Helix. "With Jefferies' ability to introduce us to a broader array of middle market fund sponsors and managers, we specifically look to capitalize on the significant growth potential for us in the U.S."

Helix has five Executive Directors and seven other placement professionals out of a total of 17 employees. U.K.-based Helix Associates Limited will be added to Jefferies International Limited, the European subsidiary of Jefferies Group, Inc. Helix Associates Inc., the U.S. operating subsidiary, will be folded into Jefferies & Company, Inc., the principal operating subsidiary of Jefferies Group, Inc. The Helix name will continue to be used to ensure continuity in the marketplace, and the business will operate as a division of Jefferies.

While terms of the acquisition were not disclosed, the transaction is similar in structure to Jefferies' acquisitions of Randall & Dewey in February of this year, Broadview International LLC in December 2003, and Quarterdeck Investment Partners in December 2002. The transaction was completed with a combination of stock and cash, and is expected to be immediately accretive.

Millenium Associates AG advised Helix on the transaction.

About Helix Associates Limited

Helix Associates Limited is Europe's leading independent placement agent for private equity funds, providing superior service to private equity firms. Founded in 1993, the firm's reputation is based on discriminating fund selection, thoughtful and balanced research, rigorous due diligence, and effective project management. This approach has generated a consistent track record of successful outcomes. Each year, Helix acts as the placement agent for a select number of high-quality private equity funds. Helix has developed relationships of trust with institutional investors and major family offices throughout the world. This network is strengthened and expanded through Helix's agreements with its global partners in regional markets. For more information, visit www.helix-associates.com.

About Jefferies

Jefferies, a global investment bank and institutional securities firm, has served growing and mid-sized companies and their investors for over 40 years. Headquartered in New York, with more than 25 offices around the world, Jefferies provides clients with capital markets and financial advisory services, institutional brokerage, securities research and asset management. The firm is a leading provider of trade execution in equity, high yield, convertible and international securities for institutional investors and high net worth individuals. Jefferies & Company, Inc. is the principal operating subsidiary of Jefferies Group, Inc. (NYSE: JEF; www.jefferies.com).

Note to Editors:

Key facts about Jefferies:

-- Jefferies Group, Inc. (NYSE: JEF) is a holding company with 2004 revenues of \$1.2 billion, an equity market capitalization of approximately \$2.2 billion, and nearly 1,900 employees in more than 25 offices worldwide.

-- Jefferies - a Thriving Investment Banking Practice:

-- More than 300 investment banking professionals

-- Completed more than 240 transactions valued at nearly \$47 billion during 2004

-- The No. 1 Underwriter of U.S. high yield Single B new issues under \$200 million, and ranked No. 1 in three of last four years for those under \$150 million (Source: Securities Data Corporation; Excludes split-rated, mortgage and asset-backed securities, full credit to lead bookrunning manager, equal if joint; Ratings from Moody's and S&P)

-- A Top 10 Middle Market M&A Advisor (Source: Mergerstat, number of announced U.S. transactions valued under \$500 million in 2004)

-- The No. 1 Middle Market Technology M&A Advisor (Source: Securities Data Corporation, 9 months ended 9/04; based on number of announced transactions valued under \$500 million in North America and Western Europe)

-- The No. 3 Restructuring Firm on Wall Street (Source: The Deal, October 2004, based on the number of active bankruptcy cases as of October 1, 2004)

-- Jefferies - a Leading Wall Street Trading Platform:

-- A Top 10 brokerage in both NYSE and NASDAQ trading (Source: Institutional Investor, 11/04, "The Orders of Battle")

-- One of the largest trading platforms on Wall Street--approximately 600 sales and trading professionals connect a network of more than 2,000 institutional investors

-- The No. 1 Trader of Combined NASDAQ and Bulletin Board Stocks (Source: AutEx(R), BlockDATA, 2004; Ranking among investment banks, based on NASDAQ, NNM, SCM and advertised OTCBB combined share volume)

-- Executes nearly 10% of the average daily reported NYSE volume (NYSE trades executed by Jefferies' affiliate, Jefferies Execution Services, Inc.)

-- Jefferies - a Growing Force in Research:

-- Ranked second in The Wall Street Journal Best on the Street 2005 Analysts Survey, with a total of eight awards

-- More than 110 research professionals covering nearly 1,000 companies in 40 industries worldwide

-- Focused on growing and mid-sized companies--80% of equity research coverage have a market capitalization below \$5 billion

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