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**FORMER GENERAL COUNSEL OF MONSTER PLEADS GUILTY
TO SECURITIES FRAUD IN CONNECTION WITH
BACKDATING OF STOCK OPTIONS**

PAUL J. McNULTY, the Deputy Attorney General of the United States, MICHAEL J. GARCIA, the United States Attorney for the Southern District of New York, and RON WALKER, the Inspector-in-Charge of the New York Division of the United States Postal Inspection Service ("USPIS"), announced that MYRON OLESNYCKYJ, former General Counsel of recruitment services giant Monster Worldwide, Inc. ("Monster") pleaded guilty today to charges of securities fraud and conspiracy in connection with the backdating of millions of dollars' worth of employee stock option grants at Monster. OLESNYCKYJ, 45, of New Providence, New Jersey, pleaded guilty before United States District Judge LAURA TAYLOR SWAIN in Manhattan federal court. According to the Information to which OLESNYCKYJ pleaded:

Between 1996 and 2003, OLESNYCKYJ conspired with other former senior executives at Monster to systematically backdate stock option grants to Monster employees in an effort to fraudulently suppress Monster's compensation expenses, and falsely inflate its earnings and share price. As a result, Monster's public filings with the Securities and Exchange Commission ("SEC") between 1997 and 2005 fraudulently understated the company's compensation expenses, and inflated its earnings by over three hundred million dollars.

Applicable accounting principles required Monster to increase its compensation expenses, and reduce its earnings accordingly, where employee stock options were issued "in-the-

money" -- i.e., issued so as to permit the employee to exercise the option at a price (the "strike price") lower than the fair market value of the company's stock on the date of the grant. The compensation expense required to be recognized was the difference between the strike price and the value of the stock on the actual grant date. In an effort to provide in-the-money options without recording the required corresponding compensation expense, OLESNYCKYJ and other senior executives at Monster backdated options grants by papering them as if they had been issued on dates in the past on which Monster's stock price had been at a periodic low point. The resulting backdated options were in-the-money as soon as they were issued, but because the options fraudulently appeared to have been issued at the fair market price on a supposed grant date, they appeared not to require a charge to Monster's earnings.

OLESNYCKYJ and his co-conspirators concealed their options backdating practices from Monster's outside auditors, BDO Siedman, LLP ("BDO"), primarily by failing to maintain a complete set of records regarding the company's option grants and providing BDO with documents falsely identifying the dates on which options were granted by the Compensation Committee.

In substantially the foregoing manner, the co-conspirators backdated every one of Monster's broad-based annual options grants to its employees from 1997 to 2002. During the same period, the co-conspirators also backdated a number of "one-off" grants -- i.e., grants to new employees, or to current employees for the purposes of retention. In fact, new hires at Monster were promised that they would be granted options at the lowest price within the 30 days following their start date. To conceal this practice from Monster's auditors, OLESNYCKYJ instructed an employee in Monster's Human Resources department, by email, that "No written document should ever state lowest price over next 30 days! The auditor[s] will view that as backdating options and we'll have a charge to earning ...". OLESNYCKYJ subsequently prepared model language to be used in all of Monster's letters to new hires, which made no reference to granting options at low prices.

None of Monster's backdated, in-the-money options grants were properly accounted for as a compensation expense in Monster's public filings with the SEC. As a result, Monster's publicly-filed financial statements for the years 1997 to 2005 understated the company's expenses, and inflated its earnings by a total of approximately \$339,000,000. In 1999 and 2000, years in which Monster reported itself as a profitable company, the company actually lost nearly \$40 million.

OLESNYCKYJ pleaded guilty to one count of conspiracy to commit securities fraud, make false statements in SEC filings, make

false statements to auditors, and falsify corporate books and records; and one substantive count of securities fraud. The charges in the Information carry a total maximum penalty of 25 years' imprisonment. OLESNYCKYJ will be sentenced by Judge SWAIN at a date to be determined.

Mr. GARCIA, a member of the President's Corporate Fraud Task Force, praised the investigative efforts of the USPIS, and thanked the SEC for its assistance in this matter.

"Corporate executives who deliberately skew their books to hide compensation expenses are engaged in fraud against shareholders and investors," said Deputy Attorney General PAUL J. McNULTY. "The President's Corporate Fraud Task Force is committed to investigating and prosecuting those who backdate executive compensation. These investigations represent the next chapter in the Justice Department's fight against corporate corruption."

"Options backdating is not just a benefit for the employees who get the options. It does real harm to shareholders who are misled about the earnings of the company," said Mr. GARCIA.

"This defendant broke the law by backdating stock options at the expense of the company's investors and was caught doing so by postal inspectors, regulators, and the U.S. Attorney's Office," said Mr. WALKER.

For information regarding further proceedings in this case, interested parties and victims may, starting later today, consult the following website: www.usdoj.gov/usao/nys/victimwitness.html.

Assistant United States Attorneys DEIRDRE McEVOY and ANIRUDH BANSAL are in charge of the prosecution.

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