

Attention Business/Financial Editors:  
Homeserve Reports Second Quarter Results

TORONTO, Oct. 16 /CNW/ - Homeserve Technologies Inc. today reported net income of \$1.1 million or \$0.01 per common share, after preferred share dividends on revenues of \$2.9 million for the second quarter ended August 31, 2009, compared to net loss of \$0.1 million or \$0.16 per common share, after preferred share dividends on revenues of \$2.8 million for the same period of the prior fiscal year. The \$1.2 million quarter-over-quarter increase in net income was primarily attributed to an increase in investment income of \$0.8 million from the sale of our investment portfolio and reduced amortization of \$0.3 million as a result of an impairment charge taken in the fourth quarter of Fiscal 2009 for software relating to the Aeromove(TM) and Move Services Affinity Program ("MSAP") operations.

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(\$ thousands, except per share amounts)	Three Months Ended		Six Months Ended	
	August 31, 2009	August 31, 2008	August 31, 2009	August 31, 2008
Revenue	2,874	2,784	8,240	8,581
Cost of sales	216	138	279	206
Gross margin	2,658	2,646	7,961	8,375
Operating costs - selling, general and administrative	1,240	1,341	2,107	2,734
Operating costs - amortization	1,272	1,539	2,544	3,107
Net income (loss) from operations	146	(234)	3,310	2,534
Gain on sale of short-term investment	77	102	142	223
Investment income	839	-	839	-
Net income (loss) for the period	1,062	(132)	4,291	2,757
Preferred share dividends	(995)	(992)	(1,989)	(1,984)
Basic and diluted earnings (loss) to common shareholders	67	(1,124)	2,302	773
Basic and diluted earnings (loss) per common share	\$0.01	(\$0.16)	\$0.33	\$0.11

Calculation of Earnings per share

A summary of the components of the Company's diluted earnings per share is as follows:

(\$ thousands, except number of shares and per share amounts)	Three Months Ended		Six Months Ended	
	August 31, 2009	August 31, 2008	August 31, 2009	August 31, 2008
Net income (loss)	1,062	(132)	4,291	2,757
Preferred share dividends	(995)	(992)	(1,989)	(1,984)

Net income (loss) available to common shareholders	67	(1,124)	2,302	773
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Weighted average outstanding common shares	6,944	6,944	6,944	6,944
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Common shares and common share equivalents	6,944	6,944	6,944	6,944
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Basic and diluted income (loss) per common share	\$0.01	(\$0.16)	\$0.33	\$0.11
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#### Outlook

The announced award of the Government of Canada Contract ("GOC Contract") for the combined Canadian Forces, Government of Canada Department and Agencies and the Royal Canadian Mounted Police on August 18, 2009 to a subsidiary of BRPS for a five year term with two one-year renewal options, secures significant relocation volumes from which the Company earns licensing fees. Management anticipates the fees earned from the GOC Contract will provide sustainable cash flows for the Company for the immediately foreseeable future which is expected to mitigate the decline in corporate relocation volumes attributed to the slowdown in the worldwide economy and the continued investment in our Aeromove(TM) initiatives.

#### Subsequent Events

James Dunbar has submitted his resignation as President and Chief Executive Officer ("CEO") of the Company with an effective date of October 31, 2009. On October 15, 2009, the Board of Directors accepted the resignation of the President and CEO effective October 31, 2009 and approved the appointment of David Lacey, as President and CEO of the Company effective October 31, 2009. David Lacey is also a Managing Partner of BRPS.

On October 1, 2009, the Company amended its agreement with Aeroplan with reduced cost per mile on certain MSAP products and lower mile commitments over the next three calendar years.

#### About Homeserve

Homeserve is a Canadian based software development and services company focused on home-related services for the real estate, relocation and banking industries. Homeserve provides a one-stop shopping service for home buyers and sellers, offering real-estate related products and services throughout the customer's purchasing and selling cycle, coordinated by a proprietary CRM software system and contact centre.

#### Forward-Looking Statements

This press release contains forward-looking information, including "forward-looking statements". The words "will", "intends", "expected" and other expressions which are predictions of or indicate future events and trends and which do not relate to historical matters identify forward looking statements. Reliance should not be placed on forward-looking statements because they involve known and unknown risks, uncertainties and other factors, which may cause Homeserve's performance to differ materially from the description of the investment expressed or implied by such forward-looking statements. Although Homeserve believes that the anticipated future results, performance or achievements expressed or implied by the forward-looking statements and information are based upon reasonable assumptions and expectations, the reader should not place undue reliance on forward-looking

statements and information because they involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to differ materially from anticipated future results, performance or achievement expressed or implied by such forward-looking statements and information. Factors that could cause actual results to differ materially from those contemplated or implied by forward-looking statements include general economic conditions; interest rate changes; availability of equity and debt financing; and other risks and factors described from time to time in the documents filed by the Company with the securities regulators in Canada including in the Annual Information Form under the heading "Risk Factors." The Company undertakes no obligation to publicly update or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise.

#### Additional Information

Detailed financial information and Management's Discussion and Analysis of Results and Financial Condition as at and for the quarter ended August 31, 2009 is posted on Homeserve's website (under Investor Relations, Financial Information) at [www.homeserve.ca](http://www.homeserve.ca) and should be read in conjunction with this press release and the Company's audited financial statements for the year ended February 28, 2009, which are and is also available on SEDAR's website at [www.sedar.com](http://www.sedar.com).

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