

## Homeserve Reports Fourth Quarter and Year-End Results

**Toronto, May 28, 2010** – Homeserve Technologies Inc. today reported net income for the fourth quarter ended February 28, 2010 of \$19 thousand (a basic and diluted loss of \$0.14 per common share, after payment of preferred share dividends) on revenues of \$2.0 million for the fourth quarter ended February 28, 2010, compared to net loss of \$2.3 million (a basic and diluted loss of \$0.46 per common share, after payment of preferred share dividends) on revenues of \$2.0 million for the same period of the last fiscal year. Significant elements contributing to the \$2.3 million quarter-to-quarter increase in net income was reduced selling, general and administrative expense of \$0.5 million, reduced amortization expense of \$0.2 million due to a \$1.6 million impairment charge taken in Fiscal 2009 in respect of software relating to the Aeromove™ and Move Services Affinity Program which reduced current year amortization expense, and current income tax recovery of \$0.3 million, partially offset by a provision for future income tax expense of \$0.2 million. A summary of the Company's results is summarized in the table below:

(\$ thousands, except per share amounts)	Three Months Ended		Twelve Months Ended	
	February 28		February 28	
	2010	2009	2010	2009
Revenue	1,950	1,971	11,407	12,129
Cost of sales	98	67	497	345
Gross margin	1,852	1,904	10,910	11,784
Operating costs – selling, general and administrative	668	1,189	3,807	5,373
Operating costs – amortization	1,269	1,459	5,083	6,109
Net income (loss) from operations	(85)	(744)	2,020	302
Investment income	1	55	143	422
Gain on sale of investments	-	-	839	-
Impairment of intangible assets	-	(1,564)	-	(1,564)
Income (loss) before income tax	(84)	(2,253)	3,002	(840)
Current income tax recovery	320	-	320	-
Provision for future income tax	(217)	-	(217)	-
Net income (loss) for the period	19	(2,253)	3,105	(840)
Preferred share dividends	(972)	(971)	(3,945)	(3,936)
Basic and diluted loss to common shareholders	(953)	(3,224)	(840)	(4,776)
Basic and diluted loss per common share	\$(0.14)	\$(0.46)	\$(0.12)	\$(0.69)

### 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		Twelve Months Ended	
	February 28		February 28	
	2010	2009	2010	2009
Net income (loss)	19	(2,253)	3,105	(840)
Preferred share dividends	(972)	(971)	(3,945)	(3,936)
Net loss to common shareholders	(953)	(3,224)	(840)	(4,776)
Weighted average outstanding common shares	6,944	6,944	6,944	6,944
Common shares and common share equivalents	6,944	6,944	6,944	6,944
Basic and diluted loss per common share	\$(0.14)	\$(0.46)	\$(0.12)	\$(0.69)

## **Outlook**

The 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 to a subsidiary of BRPS for a five year term with two one-year renewal options, which commenced on December 1, 2009, 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™ initiatives.

## **Annual Meeting**

Homeserve Technologies Inc. will hold its annual general meeting of shareholders at 9:00 am on Friday, July 9, 2010 at 39 Wynford Drive, Toronto, Ontario, M3C3K5. The Company will also release its first quarter financial results on July 9. These results will be available online at [www.homeserve.ca](http://www.homeserve.ca) and will be filed with SEDAR.

## **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 February 28, 2010 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, 2010, which are and is also available on SEDAR's website at [www.sedar.com](http://www.sedar.com).

For further information please contact:

Jenn Pearce, Homeserve Technologies Inc.  
(416) 510-5321 or [JPearce@homeserve.ca](mailto:JPearce@homeserve.ca)