

Attention Business/Financial Editors:
Homeserve Reports First Quarter Results

TORONTO, July 16 /CNW/ - Homeserve Technologies Inc. today reported net income of \$3.2 million or \$0.32 per common share, after preferred share dividends on revenues of \$5.4 million for the first quarter ended May 31, 2009, compared to net income of \$2.9 million or \$0.27 per common share, after preferred share dividends on revenues of \$5.8 million for the same period of the last fiscal year. The \$0.3 million quarter-over-quarter increase in net income was primarily attributed to reduced operating expenses of \$0.5 million and reduced amortization of \$0.4 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. These results were partially offset by a decrease in ICON licensing revenue resulting from lower file activities.

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(\$ thousands, except per share amounts)	Three Months Ended	
	May 31, 2009	May 31, 2008
Revenue	5,366	5,797
Cost of sales	63	68
Gross margin	5,303	5,729
Operating costs - selling, general and administrative	867	1,393
Operating costs - amortization	1,272	1,568
Net income from operations	3,164	2,768
Investment income	65	121
Net income for the period	3,229	2,889
Preferred share dividends	(994)	(992)
Basic and diluted earnings to common shareholders	2,235	1,897
Basic and diluted earnings per common share	\$0.32	\$0.27

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	
	May 31, 2009	May 31, 2008
Net income	3,229	2,889
Preferred share dividends	(994)	(992)
Net income available to common shareholders	2,325	1,897
Weighted average outstanding common shares	6,944	6,944
Common shares and common share equivalents	6,944	6,944
Basic and diluted income per common share	\$0.32	\$0.27

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Outlook

With the slowdown in the North American economy, management anticipates the Company's underlying clients may reduce their relocation activities and accordingly in the future may reduce the number of relocation files serviced by Brookfield Residential Property Services ("BRPS") with a corresponding decrease in the licensing fees earned by the Company from these activities. Similarly, with the slowdown in the Canadian economy and declining home sale transaction volumes, future Aeromove(TM) transaction volumes may be negatively impacted. While markets for software remain uncertain, the real estate home sales market and economy in general are declining, we are cautiously optimistic that the sustainable stable cash flows from the ICON acquisition combined with licensing opportunities from the Company's Aeromove(TM) and MSAP program model, will position the Company well for the future growth. Substantially all of the Company's revenue is derived from transaction fees paid by BRPS for the use of the Company's ICON technology for the provision of relocation services under two separate contracts with the Canadian Department of National Defence, Government of Canada and the Royal Canadian Mounted Police (collectively "GOC Contracts"). Approximately 87% of the Company's estimated licensing revenue from BRPS is derived from the GOC Contracts. On April 29, 2009, the Government of Canada issued a Request for Proposal on the GOC Contracts with an effective start date of December 1, 2009. BRPS submitted a bid for these contracts. There can be no assurance that the GOC Contracts will be awarded to BRPS. In the event that BRPS is not awarded the GOC Contracts, this could significantly decrease the contribution margin from the ICON licensing arrangement, and materially effect on the Company's expected business, results of operations and financial condition.

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 May 31, 2009 is posted on Homeserve's website (under Investor Relations, Financial Information) at 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.

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