



Franchise Services of North America Inc.

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For Immediate Release

Franchise Services of North America Inc. Announces Second Quarter Results for the Period Ending March 31, 2010 and New Franchise Sales in Canada

-Two New Practicar Franchises Continue Growth Trend-

CALGARY, ALBERTA, May 28, 2010

TSX-V Trading Symbol: FSN

FRANCHISE SERVICES OF NORTH AMERICA INC. ("FSNA" or the "Company") announced today its second quarter results for the period ended March 31, 2010. Revenue and the net loss for the three months ended March 31, 2010 were \$3.9 million and (\$180,768) respectively, as compared to revenue of \$3.4 million and a net loss of (\$212,901) for the second quarter ending March 31, 2009.

The Company also announced the sale of the Airdrie, Alberta and Thornhill, Ontario franchises for the Practicar brand. The franchises were sold after the conclusion of the reporting period, but prior to this release, thus the financial results of the sale will be recorded in the Company's third quarter.

Bob Barton, the Company's President and Chief Operating Officer, stated, "The Company actually performed much better compared to the previous year comparative quarter. Included in the quarter were approximately \$250,000 of increased expenses related to the Company's Canadian insurance program. Without these increased expenses, the Company would have reported a pre-tax profit of approximately \$118,000. The Company's Canadian insurance program does include a stop-gap provision, and the Company now has claims and expense reserves equal to 84% of the restricted cash in the program. Future claims experience will determine the need to increase the reserves, however the aggregate amounts are limited to a further \$86,000. We are also very excited to announce the sale of two more franchises within the Practicar system. These new locations are both scheduled for June openings, further expanding our ability to service Practicar customers throughout Canada."

About FSNA

FSNA is a publicly traded company listed on the TSX Venture Exchange. The Company and its subsidiaries own the following brands: U-Save Car & Truck Rental, U-Save Car Sales, Rent-A-Wreck of Canada, Practicar, Auto Rental Resource Center ("ARRC"), Xpress Rent A Car and Peakstone Financial Services.

U-Save, together with its subsidiary ARRC, has over 1,100 locations throughout the United States and is one of North America's largest franchise car rental companies. Having primarily serviced the local market for the past 25 years, the Company is expanding into the airport market with plans for the opening of airport locations in the top 30 markets in the United States and the major airports in Canada. U-Save currently services 34 airport markets in 13 different states and 7 countries. U-Save Car Sales is an expansion of the U-Save brand into the car sales market, and provides goods and services to car sales operators looking to affiliate with a national brand.

Practicar Systems Inc. (a wholly owned subsidiary of FSNA) owns the rights to the Rent-A-Wreck[®] trademark for all of Canada. The Rent-A-Wreck[®] system operates a network of 55 franchises from coast-to-coast in Canada, providing a range of vehicle rental, leasing and sales options to its customers. The Rent-A-Wreck[®] system has been in continuous operation in Canada since 1976.

For further information on FSNA or any of its operating subsidiaries please contact:

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Forward-Looking Information

Certain statements made in this news release are forward looking in nature. The words "may," "could," "should," "would," "expect," "intend," "estimate," "anticipate," "believe," or "outlook" and similar expressions often identify forward-looking information. By their nature, forward-looking statements require FSNA to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that predictions, forecasts, conclusions and projections will not prove to be accurate, that FSNA's assumptions may not be correct and that actual results may differ materially from such predictions, forecasts, conclusions or projections. FSNA's forward-looking statements are qualified in their entirety by these cautionary statements. In addition, the forward-looking statements are made only as of the date of this news release, and except as required by applicable law, FSNA undertakes no obligation to publicly update these forward-looking statements to reflect new information, subsequent events or otherwise.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

-End of Announcement-