



Franchise Services of North America Inc.

4780 I-55 North, Ste. 300

Jackson, MS 39211

Phone: (800) 438-2300 Fax: (601) 982-9850

www.fsna-inc.com

For Immediate Release

Franchise Services of North America Inc. Announces Results for the Third Quarter Ending June 30, 2010, and new Franchise Locations

CALGARY, ALBERTA, August 27, 2010

TSX-V Trading Symbol: FSN

FRANCHISE SERVICES OF NORTH AMERICA INC. ("FSNA" or the "Company") announced today its third quarter results for the period ended June 30, 2010. Revenue and the net loss for the three months ended June 30, 2010 were \$4.0 million and (\$191,839) respectively, as compared to revenue of \$3.7 million and a net loss of (\$110,384) for the three months ended June 30, 2009.

The Company also announced the sale of a franchise in the Country of Greece, and a franchise for the Country of Jamaica under the U-Save brand and new PractiCar franchises located in Scarborough West, in the Greater Toronto Area, and Laval/St. Laurent, Quebec. All of these transactions were sold in the fourth fiscal quarter and the results are not reflected in the financial results described herein.

Bob Barton, the Company's President and Chief Operating Officer, stated, "The Company's insurance portfolio, and in particular the deductible fund book from the association business experienced unusually high claims expense during the early part of the quarter. Effective June 1, 2010 the remaining portion of this insurance portfolio was converted from a deductible fund to a first dollar program, thus limiting the Company's exposure to claims expense for this portion of the portfolio prospectively. Future claim reporting experience from activity prior to June 1, 2010 will determine the need, if any, to increase the reserves; however there will be no further claim exposure as a result of a deductible fund from this portfolio subsequent to June 1, 2010. The Company continues to explore opportunities to move the Franchise book into a similar type program."

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 32 airport markets in 13 different states and 6 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:

Robert M. Barton
Franchise Services of North America Inc.
(601) 713-4333 x 116
bob.barton@usave.com

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-