



Franchise Services of North America Inc.

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For Immediate Release

Franchise Services of North America Inc. announces the closing of the Merger with Adreca Holdings Corp. and Acquisition of the Advantage Rent A Car Brand

CALGARY, ALBERTA, May 3, 2013

TSX-V Trading Symbol: FSN

FRANCHISE SERVICES OF NORTH AMERICA INC. ("FSNA" or the "Company") ([FSN.V](#)) is pleased to announce the closing of the merger between FSNA's wholly-owned subsidiary, Advantage Company Holdings, Inc. ("Merger Sub"), and Adreca Holdings Corp. ("Adreca"), as a result of which the Advantage Rent A Car brand is now wholly owned by FSNA.

The acquisition was consummated pursuant to a merger agreement (the "Merger Agreement") dated July 13, 2012, among FSNA, Adreca, Boketo LLC ("Boketo") and Merger Sub, as amended. Pursuant to the Merger Agreement, Merger Sub merged with and into Adreca (the "Merger"), with Adreca continuing as the surviving corporation. Following the Merger, FSNA and Adreca merged, with FSNA continuing as the surviving corporation.

Prior to the Merger, FSNA continued/redomesticated to the State of Delaware from Canada pursuant to a plan of arrangement approved by the Court of Queen's Bench of Alberta on May 1, 2013 (the "Arrangement" and together with the Merger, the "Transaction"). The Transaction was approved by resolutions of the FSNA shareholders at a special meeting of shareholders held on April 30, 2013. The Merger and related transactions received final acceptance from the TSX Venture Exchange today.

The Merger Agreement, together with other material agreements concerning the Transaction, is available under FSNA's profile on SEDAR at www.sedar.com.

In connection with the Merger, FSNA issued 62,212,600 preferred shares, US\$0.001 par value per share ("Preferred Shares") to Boketo, a wholly-owned indirect subsidiary of Macquarie

Capital and the sole shareholder of Adreca, and certain rights to acquire additional Preferred Shares upon the exercise of outstanding options convertible into common shares of FSNA.

Commenting on the Transaction, Thomas P. McDonnell, III, the Company's Chief Executive Officer and Chairman said, "On behalf of our over 750 team members who have worked incredibly hard to make this Transaction happen, we would like to thank FSNA shareholders for their ongoing support. The integration of the Advantage Rent A Car brand into FSNA is a transformational event in our history. This Transaction marks a significant step forward in our growth strategy by considerably strengthening our position in the U.S. car rental market. As the 4th largest car rental company in the U.S., we look forward to fully capitalizing on this incredible opportunity."

About FSNA

FSNA is a publicly traded company listed on the TSX Venture Exchange. The Company and its subsidiaries own the following brands: Advantage Rent A Car ("Advantage"), 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.

Advantage is currently positioned as a brand, and targets consumers, in the value-oriented segment of the U.S. rental car market. As of July 2013, Advantage is expected to operate from approximately 75 locations servicing airports and five additional satellite locations in hotels in Hawaii and Las Vegas and has a fleet of approximately 23,000 cars, ranging from economy cars to SUVs. Advantage primarily services the leisure segment of the rental car market and predominantly operates in key domestic leisure destinations, including California, Florida, Texas, Colorado, Hawaii and Arizona.

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 30 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 28 airport markets in 11 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® and the PractiCar® trademarks for all of Canada. The Rent-A-Wreck® system operates a network of 69 franchise locations 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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Caution

Investors are cautioned that, except as disclosed in the Management Information Circular in respect of the Transaction, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of FSNA should be considered highly speculative.

The TSX Venture Exchange has in no way passed upon the merits of the transaction and has neither approved nor disapproved the contents of this press release.

Forward-Looking Information

Certain statements made in this news release are forward looking in nature, including statements made with respect to Advantage. 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. The forward-looking statements contained in this news release are based on certain key expectations and assumptions made by FSNA. Although FSNA believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because FSNA can give no assurance that they will prove to be correct. 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.