



FOR: FIRSTSERVICE CORPORATION

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FOR IMMEDIATE RELEASE

**FIRSTSERVICE EXPANDS COLLIERS INTERNATIONAL IN ASIA
PACIFIC**

Acquires Australia's PRDnationwide

Updates Outlook

TORONTO, Ontario, May 24, 2006 – FirstService Corporation (NASDAQ: FSRV; TSX: FSV) today announced that its subsidiary, Colliers Macaulay Nicolls Inc. (“CMN”), operating globally as Colliers International, has acquired PRDnationwide. The terms of the transaction were not disclosed.

Based in Brisbane, Australia, PRDnationwide is a leading commercial and residential real estate services firm, providing residential project marketing, commercial brokerage, property management, and franchised residential brokerage services. With 4 corporate offices and 150 franchised locations across Australia, PRDnationwide advised on more than US\$3 billion in real estate transactions in 2005 and generated approximately US\$20 million in corporate revenues.

The combined company, which will operate as Colliers International, generated pro-forma revenues in excess of US\$110 million for the 12 months ended March 31, 2006, from 35 offices in Australia and New Zealand. In addition, system-wide sales generated by franchisees exceeded US\$80 million.

“PRDnationwide’s widely recognized project marketing skills and strong residential franchise network, combined with CMN’s market leading commercial real estate expertise and international network, creates a compelling property services company in the Australian marketplace,” said Doug Frye, Chief Executive Officer of CMN and Chairman of Colliers International. “Together, we provide unmatched service excellence and market knowledge that will accelerate the success of our clients.”

“This transaction represents another important investment in our growing global real estate services platform. It strengthens our position as the number one property services firm in the rapidly growing Asia Pacific region and allows us to further leverage our brand with additional services and a deeper skill set across the region,” said Jay Hennick, Founder and Chief Executive Officer of FirstService. “Colliers is well positioned for accelerated growth, both in Asia Pacific and around the world, as we continue to invest in our robust global service platform and excellent management team.”

Updated Financial Outlook

Based on the completion of the PRDnationwide acquisition, FirstService is updating the outlook for fiscal 2007 previously issued on May 17, 2006.

Fiscal year ending March 31, 2007 (1)

| (in millions of US dollars, except per share amounts) | Outlook dated May 17, 2006 | Updated Outlook |
|---|----------------------------------|-------------------|
| Revenues | \$1,125 - \$1,200 | \$1,145 - \$1,220 |
| EBITDA (2) | \$96 - \$105 | \$100 - \$109 |
| Adjusted diluted earnings per share (3) | \$1.12 - \$1.22 | \$1.15 - \$1.25 |

Notes

1. The outlook assumes: (i) no further acquisitions or divestitures completed during the outlook period (ii) exclusion of expected impact of one-time cumulative effect adjustments upon adoption of SFAS 123(R) on April 1, 2006 and (iii) current economic conditions in the markets in which the Company operates remaining unchanged and in particular the market for commercial real estate services. Actual results may differ materially. The Company undertakes no obligation to continue to update this information.
2. EBITDA is defined as net earnings before minority interest share of earnings, income taxes, interest, depreciation and amortization. EBITDA is not a recognized measure of financial performance under generally accepted accounting principles (GAAP), and should not be considered as a substitute for operating earnings, net earnings or cash flows from operating activities, as determined in accordance with GAAP.
3. Diluted earnings per share is adjusted for the impact of accelerated amortization of short-lived intangible assets acquired in connection with commercial real estate acquisitions completed during the past year.

About FirstService Corporation

FirstService is a leader in the rapidly growing property services sector, providing services in the following areas: commercial real estate; residential property management; property improvement; and integrated security services. Market-leading brands include Colliers International in commercial real estate; The Continental Group in residential property management; California Closets, Paul Davis Restoration, Pillar to Post Home Inspections, and Certa Pro Painters in property improvement; and Intercon Security and Security Services & Technologies in integrated security.

FirstService is a diversified property services company with more than US\$1 billion in annualized revenues and more than 12,000 employees worldwide. More information about FirstService is available at www.firstservice.com.

About CMN & Colliers International

CMN (www.colliersmn.com) is a leading international real estate services company that provides a full range of services to commercial real estate users, owners and investors worldwide. With annualized revenues in excess of US\$500 million, CMN is the largest member of the Colliers International global network, one of the top three commercial real estate service organizations in the world with annual revenues of US\$1.4 billion. The Colliers International global network has 241 offices in 54 countries worldwide (130 in the Americas, 65 in Europe, Middle East and Africa and 46 in Greater Asia).

FORWARD-LOOKING STATEMENTS

Certain statements included in this release constitute "forward-looking statements" within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of FirstService, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the following: general economic and business conditions, which will, among other things, impact demand for the FirstService's services, service industry conditions and capacity; the ability of FirstService to implement its business strategy, including FirstService's ability to acquire suitable acquisition candidates on acceptable terms and successfully integrate newly acquired businesses with its existing businesses; changes in or the failure to comply with government regulations (especially safety and environmental laws and regulations); and other factors which are described in FirstService's filings with the U.S. Securities and Exchange Commission and the Canadian regulatory authorities.

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