



FOR: FIRSTSERVICE CORPORATION

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FOR IMMEDIATE RELEASE

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FIRSTSERVICE REPORTS RECORD THIRD QUARTER RESULTS

TORONTO, Ontario (January 24, 2001)-- FirstService Corporation today announced significant year-over-year increases in revenue and earnings for the third quarter of fiscal 2001.

Revenue for the three months ending December 31, 2000 grew 21.5% to US \$97.0 million, while EBITDA increased 32.4% to US \$7.7 million from US \$5.8 million. Net earnings for the quarter were US \$1.1 million, compared to US \$551,000 in the prior year. Diluted earnings per share doubled to US \$0.08 from US \$0.04.

Revenues for the nine months ended December 31, 2000 were US \$320.5 million, a 22.7% increase from the US \$261.2 million reported in the comparable period. EBITDA was US \$41.6 million, up 22.2% over the US \$34.1 million reported last year, while net earnings grew 22.7% to US \$12.7 million from US \$10.3 million. Diluted earnings per share for the nine-month period were US \$0.92 versus US \$0.75 in the prior year.

"We are very pleased with our third quarter results which show significant year-over-year increases," said Scott Patterson, Chief Financial Officer. "Overall, our operations continue to perform strongly and we are confident that we are on track to achieve our financial objectives for the year ending March 31.

" The Property Services division generated revenue of US \$78.3 million for the third quarter, a 25.7% increase over the prior year, reflecting internal growth of approximately 11% and the impact of several acquisitions including Security Services and Technologies.

Revenue from the Business Services division was US \$18.6 million for the quarter, representing an increase of 6.3% from US \$17.5 million in the prior year.

During the third quarter, BDP Business Data Services, a unit of FirstService's Business Services division, announced three significant contract wins: one with the Canadian Department of Justice and two contracts to process and administer student loans; one with the Province of British Columbia and the other with Human Resources Development Canada. The aggregate value of the contracts is between Cdn. \$55.0 million and Cdn. \$65.0 million over five years.

Subsequent to the end of the third quarter, FirstService announced the completion of three tuck-under acquisitions adding approximately US \$10.0 million in annual revenue to its Property Services division.

FirstService Corporation is a leader in the rapidly growing service sector, providing a variety of property and business services -- including residential property management, security, and consumer services as well as information processing and specialized trade material fulfillment -- to customers throughout North America.

Certain statements included in this release constitute "forward-looking statements" within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 (the "Reform Act"). Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company, 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 Company's services, service industry conditions and capacity; the ability of the

Company to implement its business strategy, including the Company'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 the Company's filings with the Securities and Exchange Commission.

FirstService Corporation

Consolidated Statements of Earnings (Unaudited)

(in thousands of U.S. dollars)				
	Three month Periods ended December 31		Nine month Periods ended December	
	2000	1999	2000	1999
Revenue	\$96,957	\$79,793	\$320,514	\$261,247
Cost of revenue	66,879	54,954	211,545	170,789
Selling, general and administrative expenses	22,339	18,994	67,323	56,370
EBITDA	7,739	5,845	41,646	34,088
Depreciation	1,914	1,641	5,480	4,726
Amortization	1,046	957	3,119	2,821
Interest	2,489	2,047	7,200	5,769
Earnings before the following:	2,290	1,200	25,847	20,772
Income taxes	916	479	10,332	8,285
Earnings before minority interest	1,374	721	15,515	12,487
Minority interest share of earnings	319	170	2,852	2,166
Net earnings	\$1,055	\$551	\$12,663	\$10,321
Earnings per share: Basic	\$0.08	\$0.04	\$0.97	\$0.80
Diluted	\$0.08	\$0.04	\$0.92	\$0.75
Weighted average shares outstanding:				
Basic	13,057	12,936	13,054	12,931
Diluted	13,908	13,666	13,772	13,742

Condensed Consolidated Balance Sheets

(in thousands of U.S. dollars)		
	(Unaudited) As At December 31	(Audited) As at March 31
Assets	2000	2000
Cash and cash equivalents	\$5,218	\$ 3,297
Accounts receivable (net)	63,673	53,170
Inventory and other current assets	19,691	18,483
Current assets	88,582	74,950
Fixed assets	32,259	29,693
Other assets	10,872	8,749
Goodwill	137,301	117,495
Total assets	\$269,014	\$ 230,887
Liabilities and shareholders' equity		
Accounts payable and other current liabilities	\$42,533	\$ 38,103
Unearned revenue	5,878	10,725
Long term debt - current	4,054	2,733
Current liabilities	52,465	51,561
Long term debt net of current portion	123,056	102,177
Deferred income taxes	3,712	1,836
Minority interest	9,811	6,975
Shareholders' equity	79,970	68,338
Total liabilities and equity	\$269,014	\$ 230,887

The Consolidated Statements of Earnings and Balance Sheets have been prepared in accordance with U.S. GAAP.