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FOR IMMEDIATE RELEASE

TSE: FSV
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FIRSTSERVICE ACQUIRES WATTS

TORONTO, Ontario (March 8, 2001) -- FirstService Corporation, a rapidly growing provider of property and business outsourcing services, today announced that it has expanded its business services group through the acquisition of Herbert A. Watts Limited.

Founded in 1952 and based in Toronto, Watts is one of Canada's largest fulfillment and customer relationship management (CRM) companies. Watts employs more than 1,700 service professionals and operates from modern facilities located primarily in Canada - including more than 275,000 square feet of warehouse capacity in its fulfillment operations and over 800 seats in its CRM customer interaction centres.

Watts manages and fulfills marketing support materials and promotional items for the financial, travel and consumer products industries; provides imaging, statement processing, and database services to customers with recurring requirements; processes coupons and rebates; and provides list brokerage and management services.

As well, Watts provides around-the-clock outsourced CRM services to large corporations from five customer interaction centres. Each centre maintains world-class customer contact management systems and is staffed by highly trained customer service professionals, assuring unparalleled service to Watts' customers.

For the year ended August 31, 2000, Watts generated revenues of approximately C \$ 60 million (US \$ 39 million) and earnings before interest, taxes, depreciation and amortization of approximately C\$ 7.1 million (US\$ 4.6 million). The purchase price of the transaction was not disclosed.

"This acquisition is an ideal fit," said Jay Hennick, President and Chief Executive Officer of FirstService. "Watts will compliment and expand our existing fulfillment and business process outsourcing operations -- while its leading market position in CRM allows us to cross sell this essential service to our existing client base."

"FirstService is the perfect partner for an entrepreneurial company like Watts," stated Rip Gauthier, President and Chief Executive Officer of Watts. "Our senior management team has been able to retain a significant equity stake in our business and we have added a highly regarded corporate partner who understands our business and can provide us with the capital, acquisition expertise and new business opportunities that will allow us to grow and develop well into the future."

FirstService Corporation is a leader in the rapidly growing service sector, providing a variety of property and business outsourcing services -- including residential property management, security, and consumer services as well as information processing, fulfilment and customer relationship management (CRM) services-- to customers primarily throughout North America. Detailed information on FirstService can be found at www.firstservice.com

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.