COMPANY CONTACTS:

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FOR IMMEDIATE RELEASE

FirstService reports results for the nine month period to new fiscal year ended December 31, 2008

12% revenue growth despite global economic downturn

Nine month operating highlights:

	December 31, 2008	December 31, 2007	
Revenues	**$ 1.32 billion**	**$ 1.18 billion**	**+ 12%**
EBITDA	**$ 124.4 million**	**$ 123.2 million**	**+ 1%**
Adjusted EPS	**$ 1.09**	**$ 1.48**	**- 26%**

TORONTO, Canada, February 25, 2009 – FirstService Corporation (TSX: FSV; NASDAQ: FSRV; preferred shares - TSX: FSV.PR.U) today reported results for its third quarter ended December 31, 2008 and the nine month period ended December 31, 2008. The nine month transition period reflects the change in year-end to December 31 from the previous fiscal year-end of March 31. All amounts are in US dollars.

For the nine months ended December 31, 2008, operating results from continuing operations included revenues of $1.32 billion, an increase of 12% relative to the nine-month period ended December 31, 2007. EBITDA (1) increased slightly to $124.4 million and Adjusted EPS (2) was $1.09 (GAAP - $0.11) versus $1.48 (GAAP - $1.17) in the prior period.

Revenues for the quarter ended December 31, 2008 were $417.9 million, a decrease of 7% relative to the same period last year. EBITDA decreased 24% to $29.8 million and Adjusted EPS was a loss of $0.18 (GAAP - $(0.74)) for the quarter versus $0.49 (GAAP - $0.25) in the prior year period.

"Despite an extremely challenging economic environment, FirstService delivered respectable results in 2008, while continuing to capitalize on important strategic growth opportunities that position us well for the future," said Jay S. Hennick, Founder and Chief Executive Officer of FirstService Corporation. "The continued resilience of our Residential Property Management and Property Services divisions demonstrates the power and importance of our diversified business model. In Commercial Real Estate Services, which has been impacted more significantly by current economic conditions, we have taken decisive steps to contain our costs and align our infrastructure with anticipated revenue streams," he concluded.

About FirstService Corporation

FirstService is a global diversified leader in the rapidly growing real estate services sector, providing services in the following three areas: commercial real estate; residential property management; and property services. Industry-leading service platforms include: FirstService Commercial Real Estate Services, the fourth largest global player in commercial real estate; FirstService Residential Management (formerly, FirstManagement Partners), the largest manager of residential communities in North America; and TFC, North America's largest provider of property services through franchise and contractor networks.

FirstService is a diversified property services company with more than US$1.7 billion in annualized revenues and over 18,000 employees worldwide. More information about FirstService is available at www.firstservice.com.

Segmented Quarterly Results

Residential Property Management revenues increased to $144.7 million for the quarter, 15% higher than in the prior year period. Internal growth was 7%, attributable to property management contracts won during the last twelve months as well as increases in ancillary maintenance revenues, with the balance of the revenue growth attributable to an acquisition completed in January 2008. EBITDA for the quarter was $10.6 million, up 5% from $10.1 million one year ago.

Revenues in Commercial Real Estate Services totalled $182.1 million for the quarter, down 28% relative to the prior year quarter. Internal revenues, which exclude the positive impact of acquisitions, declined 33% (29% on a local currency basis excluding the effects of foreign exchange rate movements). Revenues were negatively impacted by the global economic slowdown and credit contraction. Quarterly EBITDA, before a non-recurring cost containment charge, was $9.0 million, versus $22.0 million in the year-ago period. EBITDA was negatively impacted by lower brokerage and leasing revenues in all major markets. The cost containment charge was comprised of severance and lease termination expenses and amounted to $4.5 million for the quarter. The Company's Chicago-based US mortgage brokerage and servicing operation was classified as held for sale as of December 31, 2008 and, by reason of its being held for sale, is being reported as a discontinued operation for all periods presented. This operation generated revenues of $2.1 million for the quarter (2007 - $3.5 million), which amounts are not included in the segment's results noted above.

Revenues in Property Services totalled $91.0 million, an increase of 35% over the prior year period. The revenue increase was attributable primarily to Field Asset Services, which provides property preservation and foreclosure management services to the US financial services industry through its national contractor network. Excluding the revenues generated from Field Asset Services, revenues declined 31%, as consumer-oriented franchise operations, including California Closets, continued to be challenged by the weakening US economy. EBITDA in the third quarter was $9.7 million, which was approximately equal to the prior year. EBITDA margins in the segment were affected by revenue mix, as contractor network operations carry lower operating margins than traditional franchising.

Quarterly corporate costs were $0.8 million, versus $6.9 million in the prior year period. The current year quarter included a $1.1 million foreign currency translation gain and a $0.5 million insurance recovery. The prior year quarter included a non-recurring stock-based compensation charge of $3.3 million.

A comparison of segmented EBITDA to operating earnings is provided below.

Non-operating Charges

During the quarter, the Company recorded a $12.2 million non-cash impairment loss on its investment in units of Resolve Business Outsourcing Income Fund ("Resolve"), which was "marked-to-market" in accordance with GAAP. For the nine months ended December 31, 2008, the total impairment loss on the Resolve units was $14.7 million. Also during the quarter, the Company recorded a $15.6 million non-cash valuation allowance with respect to deferred income tax assets, which increased income tax expense and resulted in an effective tax rate of 54% for the nine months ended December 31, 2008 versus 31% for the same period one year ago. The Company's cash income taxes for the quarter ended December 31, 2008 were $3.1 million (2007 - $9.7 million) and for the nine months ended December 31, 2008 were $20.6 million (2007 - $30.5 million).

Share Repurchases

During the quarter ended December 31, 2008, the Company repurchased 115,600 Preferred Shares on the Toronto Stock Exchange under its Normal Course Issuer Bid ("NCIB") at an average price of $14.82 per share. The Company is authorized to repurchase up to an additional 1.76 million Subordinate Voting Shares and 268,200 Preferred Shares under the NCIB which expires on June 6, 2009.

Conference Call

FirstService will be holding a conference call on Wednesday, February 25, 2009 at 11:00 am Eastern Time to discuss results for the first quarter. The call will be simultaneously web cast and can be accessed live or after the call at www.firstservice.com in the "Investor Relations / Newsroom" section.

Footnotes

1. Reconciliation of net (loss) earnings from continuing operations to EBITDA:

(in thousands of US dollars) (unaudited)	Three months ended December 31		Nine months ended December 31	
	2008	2007	**2008**	2007
Net (loss) earnings from continuing operations	**$ (18,982)**	$ 11,082	**$ 11,508**	$ 42,354
Minority interest share of earnings	**1,914**	5,574	**14,519**	16,112
Income taxes	**13,917**	4,874	**30,878**	25,740
Other expense (income)	**26**	(1,327)	**(2,422)**	(3,824)
Integrated Security division divestiture bonus	**-**	-	**5,715**	-
Impairment loss on available-for-sale securities	**12,195**	-	**14,680**	-
Interest expense, net	**3,340**	3,440	**8,252**	9,543
Operating earnings	**12,410**	23,643	**83,130**	89,925
Depreciation	**7,160**	5,529	**18,814**	14,164
Amortization of intangible assets other than backlog	**3,694**	4,194	**11,229**	8,564
Amortization of backlog	**743**	1,615	**1,703**	4,133
	24,007	34,981	**114,876**	116,786
Stock-based compensation expense	**1,280**	3,980	**2,551**	6,444
Cost containment	**4,510**	-	**6,934**	-
EBITDA	**$ 29,797**	$ 38,961	**$ 124,361**	$ 123,230

EBITDA is defined as net earnings from continuing operations before minority interest share of earnings, income taxes, interest, depreciation and amortization, stock-based compensation expense and other non-cash or non-recurring expenses. The Company uses EBITDA to evaluate operating performance. EBITDA is an integral part of the Company's planning and reporting systems. Additionally, the Company uses multiples of current and projected EBITDA in conjunction with discounted cash flow models to determine its overall enterprise valuation and to evaluate acquisition targets. The Company believes EBITDA is a reasonable measure of operating performance because of the low capital intensity of its service operations. The Company believes EBITDA is a financial metric used by many investors to compare companies, especially in the services industry, on the basis of operating results and the ability to incur and service debt. EBITDA is not a recognized measure of financial performance under United States 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. The Company's method of calculating EBITDA may differ from other issuers and accordingly, EBITDA may not be comparable to measures used by other issuers.

2. Reconciliation of net (loss) earnings from continuing operations and net (loss) earnings per common share from continuing operations to adjusted net earnings and adjusted net earnings per share:

(in thousands of US dollars) (unaudited)	Three months ended December 31		Nine months ended December 31	
	2008	2007	**2008**	2007
Net (loss) earnings from continuing operations	**$ (18,982)**	$ 11,082	**$ 11,508**	$ 42,354
Preferred dividends	**(2,606)**	(2,616)	**(7,760)**	(4,336)
Amortization of intangible assets other than backlog	**3,694**	4,194	**11,229**	8,564
Amortization of backlog	**743**	1,615	**1,703**	4,133
Impairment loss on available-for-sale Securities	**12,195**	-	**14,680**	-
Integrated Security division divestiture bonus	**-**	-	**5,715**	-
Stock-based compensation expense	**1,280**	3,980	**2,551**	6,444
Cost containment	**4,510**	-	**6,934**	-
Income tax on adjustments	**(5,546)**	(1,973)	**(12,247)**	(4,643)
Minority interest on adjustments	**(612)**	(587)	**(1,497)**	(1,384)
Adjusted net earnings from continuing operations	**$ (5,324)**	$ 15,695	**$ 32,816**	$ 51,132

(in thousands of US dollars, except per share amounts) (unaudited)	Three months ended December 31		Nine months ended December 31	
	2008	2007	**2008**	2007
Diluted net (loss) earnings per common share from continuing operations	**$ (0.74)**	$ 0.25	**$ 0.11**	$ 1.17
Pro forma impact of preferred share dividends on comparative period	**-**	-	**-**	(0.12)
	(0.74)	0.25	**0.11**	1.05
Amortization of intangible assets other than backlog, net of income tax	**0.07**	0.08	**0.21**	0.16
Amortization of backlog, net of income tax	**0.02**	0.03	**0.04**	0.08
Impairment loss on available-for-sale securities, net of income tax	**0.34**	-	**0.41**	-
Integrated Security division divestiture bonus, net of income tax	**-**	-	**0.12**	-
Stock-based compensation expense, net of income tax	**0.03**	0.13	**0.05**	0.19
Cost containment, net of income tax	**0.10**	-	**0.15**	-
Adjusted diluted net (loss) earnings per common share from continuing operations	**$ (0.18)**	$ 0.49	**$ 1.09**	$ 1.48

The Company is presenting adjusted earnings measures to eliminate the impact of (i) amortization expense related to intangible assets recognized in connection with acquisitions, (ii) stock-based compensation expense, (iii) a non-recurring bonus paid to management upon the divestiture of the Integrated Security division, (iv) a non-cash impairment loss on available-for-sale securities and (v) non-recurring cost containment charges. In addition, the Company is presenting the pro forma impact of preferred share dividends on comparative periods. The preferred share dividend obligation commenced on August 1, 2007 upon the issuance of the Preferred Shares. All of the adjustments are considered “non-GAAP financial measures” under OSC and SEC guidelines.

Forward-looking Statements

This press release includes forward-looking statements. Forward-looking statements include the Company's financial performance outlook and statements regarding goals, beliefs, strategies, objectives, plans or current expectations. These statements involve known and unknown risks, uncertainties and other factors which may cause the actual results to be materially different from any future results, performance or achievements contemplated in the forward-looking statements. Such factors include: (i) general economic and business conditions, which will, among other things, impact demand for the Company's services and the cost of providing services; (ii) 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; (iii) changes in or the failure to comply with government regulations; and (iv) other factors which are described in the Company's filings with the Ontario Securities Commission.

- 30 -

FIRSTSERVICE CORPORATION

Condensed Consolidated Statements of Earnings

(in thousands of US dollars, except per share amounts)

(unaudited)		Three months ended December 31 2008	Three months ended December 31 2007	Nine months ended December 31 2008	Nine months ended December 31 2007
Revenues		**$ 417,860**	$ 447,634	**$ 1,322,680**	$ 1,180,582
Cost of revenues		**261,276**	252,498	**801,421**	684,473
Selling, general and administrative expenses		**132,577**	160,155	**406,383**	379,323
Depreciation		**7,160**	5,529	**18,814**	14,164
Amortization of intangible assets other than backlog		**3,694**	4,194	**11,229**	8,564
Amortization of backlog		**743**	1,615	**1,703**	4,133
Operating earnings		**12,410**	23,643	**83,130**	89,925
Other expense (income)		**26**	(1,327)	**(2,422)**	(3,824)
Impairment loss on available-for-sale securities (1)		**12,195**	-	**14,680**	-
Integrated Security division divestiture bonus (2)		**-**	-	**5,715**	-
Interest expense, net		**3,340**	3,440	**8,252**	9,543
		(3,151)	21,530	**56,905**	84,206
Income taxes (3)		**13,917**	4,874	**30,878**	25,740
		(17,068)	16,656	**26,027**	58,466
Minority interest share of earnings		**1,914**	5,574	**14,519**	16,112
Net (loss) earnings from continuing operations		**(18,982)**	11,082	**11,508**	42,354
Discontinued operations, net of tax (4)		**(18,170)**	(3,097)	**50,528**	1,406
Net (loss) earnings		**$ (37,152)**	$ 7,985	**$ 62,036**	$ 43,760
Preferred share dividends		**2,606**	2,616	**7,760**	4,336
Net (loss) earnings available to common shareholders		**$ (39,758)**	$ 5,369	**$ 54,276**	$ 39,424
Net (loss) earnings per common share					
Basic					
Continuing operations		**$ (0.74)**	$ 0.28	**$ 0.12**	$ 1.27
Discontinued operations		**(0.62)**	(0.09)	**1.71**	0.05
		$ (1.36)	$ 0.19	**$ 1.83**	$ 1.32
Diluted (5)					
Continuing operations		**$ (0.74)**	$ 0.25	**$ 0.11**	$ 1.17
Discontinued operations		**(0.62)**	(0.10)	**1.70**	0.05
		$ (1.36)	$ 0.15	**$ 1.81**	$ 1.22
Adjusted diluted net (loss) earnings per common share from continuing operations (6)		**$ (0.18)**	$ 0.49	**$ 1.09**	$ 1.48
Weighted average common shares	Basic	**29,263**	29,905	**29,584**	28,879
outstanding: (in thousands)	Diluted	**29,263**	30,466	**29,755**	30,417

Notes to Condensed Consolidated Statements of Earnings

(1) Non-cash loss recognized on the other-than-temporary impairment of the Company's investment in Resolve.
(2) Non-recurring cash bonus paid to management upon the successful completion of the sale of the Integrated Security division.
(3) Income tax expense for the three months and nine months ended December 31, 2008 includes a $15,600 non-cash valuation allowance charge related to deferred income tax assets (2007 - nil).
(4) Reflects: (i) the Integrated Security segment; (ii) the Canadian commercial mortgage securitization operation; and (iii) the Chicago-based US mortgage brokerage and servicing operation.
(5) Numerators for diluted earnings per share calculations have been adjusted to reflect dilution from stock options at subsidiaries. The adjustment for the quarter ended December 31, 2008 was nil (2007 - $743) and nine months ended December 31, 2008 was $530 (2007 - $2,491).
(6) See definition and reconciliation above.

Condensed Consolidated Balance Sheets
(in thousands of US dollars)

(unaudited)	**December 31 2008**	March 31 2008
Assets		
Cash and cash equivalents	**$ 79,642**	$ 75,371
Restricted cash	**10,240**	8,858
Accounts receivable	**175,520**	185,384
Inventories	**10,572**	11,178
Prepaids and other current assets	**50,674**	57,175
Assets held for sale	**14,210**	90,849
Current assets	**340,858**	428,815
Fixed assets	**76,789**	79,949
Other non-current assets	**39,363**	46,022
Goodwill and intangibles	**527,124**	474,633
Assets held for sale	**6,503**	59,924
Total assets	**$ 990,637**	$ 1,089,343
Liabilities and shareholders' equity		
Accounts payable and accrued liabilities	**$ 215,992**	$ 237,595
Other current liabilities	**35,242**	24,293
Long term debt – current	**20,899**	24,777
Liabilities related to assets held for sale	**12,946**	46,977
Current liabilities	**285,079**	333,642
Long term debt – non-current	**245,470**	331,253
Other liabilities	**21,832**	17,914
Deferred income taxes	**42,072**	41,618
Liabilities related to assets held for sale	**278**	763
Minority interest	**50,067**	58,468
Shareholders' equity	**345,839**	305,685
Total liabilities and equity	**$ 990,637**	$ 1,089,343

Total debt	**$ 266,369**	$ 356,030
Total debt, net of cash	**186,727**	280,659

Condensed Consolidated Statements of Cash Flows
(in thousands of US dollars)

(unaudited)	Three months ended December 31		Nine months ended December 31	
	2008	2007	**2008**	2007
Operating activities				
Net (loss) earnings from continuing operations	**$ (18,982)**	$ 11,082	**$ 11,508**	$ 42,354
Items not affecting cash:				
Depreciation and amortization	**11,597**	11,338	**31,746**	26,861
Deferred income taxes	**14,290**	609	**10,125**	(1,383)
Minority interest share of earnings	**1,914**	5,574	**14,519**	16,112
Other	**11,010**	4,336	**11,938**	6,881
Changes in operating assets and liabilities	**16,144**	7,442	**(11,641)**	(10,178)
Discontinued operations	**(3,094)**	(5,364)	**(1,815)**	(8,067)
Net cash provided by operating activities	**32,879**	35,017	**66,380**	72,580
Investing activities				
Acquisitions of businesses, net of cash acquired	**(50,434)**	(60,370)	**(74,789)**	(136,647)
Purchases of fixed assets, net	**(2,537)**	(9,807)	**(14,719)**	(24,522)
Other investing activities	**(6,482)**	1,577	**(4,060)**	5,673
Discontinued operations	**(728)**	(493)	**153,682**	(3,797)
Net cash (used in) provided by investing	**(60,181)**	(69,093)	**60,114**	(159,293)
Financing activities				
Increase (decrease) in long-term debt, net	**21,375**	69,653	**(90,795)**	95,146
Other financing activities	**(1,537)**	(6,682)	**(30,574)**	(11,618)
Discontinued operations	**-**	(192)	**-**	(192)
Net cash provided by (used in) financing	**19,838**	62,779	**(121,369)**	83,336
Effect of exchange rate changes on cash	**(7,542)**	(1,243)	**(5,742)**	6,375
(Decrease) increase in cash and cash equivalents	**(15,006)**	27,460	**(617)**	2,998
Cash and cash equivalents, beginning of period including cash held by discontinued operations	**$ 95,055**	$ 74,576	**$ 80,666**	$ 99,038
Cash and cash equivalents, end of period including cash held by discontinued operations	**$ 80,049**	$ 102,036	**$ 80,049**	$ 102,036

Segmented Revenues, EBITDA and Operating Earnings
(in thousands of US dollars)

(unaudited)	Commercial Real Estate Services	Residential Property Management	Property Services	Corporate	Consolidated
Three months ended December 31					
2008					
Revenues	**$ 182,132**	**$ 144,687**	**$ 91,010**	**$ 31**	**$ 417,860**
EBITDA	**4,458**	**10,648**	**9,708**	**(807)**	**24,007**
Stock-based compensation					**1,280**
Cost containment	**4,510**				**4,510**
	8,968				**29,797**
Operating earnings (loss)	**(2,803)**	**8,379**	**7,724**	**(890)**	**12,410**
2007					
Revenues	$ 254,260	$ 125,959	$ 67,299	$ 116	$ 447,634
EBITDA	21,980	10,100	9,781	(6,880)	34,981
Stock-based compensation					3,980
					38,961
Operating earnings	14,908	7,365	8,325	(6,955)	23,643

(unaudited)	Commercial Real Estate Services	Residential Property Management	Property Services	Corporate	Consolidated
Nine months ended December 31					
2008					
Revenues	**$ 578,192**	**$ 475,251**	**$ 269,114**	**$ 123**	**$ 1,322,680**
EBITDA	**35,417**	**44,251**	**41,973**	**(6,765)**	**114,876**
Stock-based compensation					**2,551**
Cost containment	**6,934**				**6,934**
	42,351				**124,361**
Operating earnings	**17,442**	**36,436**	**36,278**	**(7,026)**	**83,130**
2007					
Revenues	$ 619,184	$ 404,452	$ 156,664	$ 282	$ 1,180,582
EBITDA	54,411	40,216	35,295	(13,136)	116,786
Stock-based compensation					6,444
					123,230
Operating earnings	39,070	32,837	31,367	(13,349)	89,925