



WHERE HIRING DEMAND MEETS LABOR SUPPLY™

**Source:** WANTED Technologies Corporation

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## **WANTED Technologies Reports Positive Cash Flows from Operations and Increased Recurring Revenues (in US\$)**

*WANTED Launches Analytics Apps to Support Further Diversification into New Market Segments.*

- **New agreements with three US States and local governmental agencies and eleven new clients in the staffing sector.**
- **Launch of the new WANTED *Analytics*™ Apps platform to support broader services in the Human Capital marketplace.**
- **Increase of 13% in the recurring revenue base on a US dollar basis from beginning of fiscal 2010.**
- **Revenue of \$1,285,865 for the third quarter, compared to \$1,641,587 in the third quarter of prior year, a 22% decrease.**
- **Net loss of \$147,413, compared to net earnings of \$90,086 in the third quarter of fiscal 2009, a decrease of \$237,499.**
- **Both revenue and profitability negatively affected by a strong Canadian dollar against the US dollar.**

**Quebec City, Quebec – May 18<sup>th</sup>, 2010.** WANTED Technologies (TSX-V: WAN), the leading source of real-time employment market information, reported today a net loss of \$147,413 and revenues of \$1,285,865 for the third quarter of fiscal 2010 ended March 31, 2010. This loss reflects the persistent effects of the recession on the employment services sectors. In addition, 65% of the revenue shortfall from the prior year, approximately \$232,000, results from negative exchange rate variations relative to the US dollar. All amounts are in Canadian dollars, unless otherwise indicated.

“During the quarter, we saw continued momentum in sales to the Government and Staffing sectors,” said Bruce Murray, President and CEO of WANTED. “Both of these sectors

contributed to a 13 percent increase in our base of recurring revenues since the beginning of the current fiscal year.”

“We also saw continued development of our WANTED *Analytics*<sup>TM</sup> *Apps* platform, which we launched on January 11<sup>th</sup> of this year.” said M. Murray. “We have launched two more extensions to the *Analytics Apps* platform in April, further extending our solutions for the Human Capital marketplace.”

WANTED’s investments in *Analytics*<sup>TM</sup> *Apps* are designed to enable the Company to enter the much larger market for corporate human capital services later this year. As the economy recovers and hiring demand picks up, the opportunities for firms that supply employment services improves substantially. WANTED expects its new *Analytics*<sup>TM</sup> *Apps* platform to enable the Company to maximize its participation in the opportunities that accompany employment growth.

WANTED’s revenues for the quarter ended March 31, 2010 decreased by 22 percent to \$1,285,865 compared to \$1,641,587 for the corresponding quarter of the previous year. For the nine-month period ended March 31, 2010, revenue totalled \$3,565,067, compared to \$4,662,767 for the same period in the previous fiscal year, a decrease of 24%. The majority of WANTED’s clients subscribe on an annual basis to the Company’s online platform, *Analytics*<sup>TM</sup>. Recurring revenue contracts with these clients represent approximately 90 percent of WANTED’s total revenues for the third quarter of fiscal 2010, compared to 89 percent for the third quarter of fiscal 2009.

As at March 31, 2010, contracts in hand represented approximately 4.5 million dollars in annualized recurring revenues. This compares with contracts in hand totalling approximately 5.4 million dollars as of March 31, 2009, a decrease of 17 percent. This 17 percent decrease is a direct result of a negative fluctuation in the U.S. dollar versus the Canadian dollar over the last year. The majority of WANTED’s clients are in the US and when viewed in US dollars, the level of recurring revenues as of the end of Q3 is up 13 percent from its low point of 3.9 million dollars at the end of Q4 2009, during the depth of the financial crisis. WANTED’s decision to diversify its client base beyond Media clients has succeeded in replacing some of the lost recurring revenue. Gains have come from the Staffing and Government sectors leading to a more stable recurring revenue base. These two sectors, Staffing and Government, represented together, at the end of the third quarter of fiscal 2010, approximately 26% of the total recurring revenue base compared to 2% a year ago. The Company’s partnership with The Conference Board, who is providing economic indicators to state and local governments, positively contributed to this diversification.

	Three-month periods ended March 31		Nine-month periods ended March 31	
	2010 (unaudited) \$	2009 (unaudited) \$	2010 (unaudited) \$	2009 (unaudited) \$
<b>Revenues</b>	<b>1 285 865</b>	1 641 587	<b>3 565 067</b>	4 662 767
Cost of goods sold	<b>28 697</b>	47 345	<b>30 725</b>	84 537
Gross margin	<b>1 257 168</b>	1 594 242	<b>3 534 342</b>	4 578 230
<b>Expenses</b>				
Research and development, net of tax credits	<b>400 791</b>	411 886	<b>1 133 869</b>	1 139 672
Marketing and selling	<b>599 862</b>	617 947	<b>1 570 958</b>	1 789 841
Administrative	<b>292 049</b>	382 253	<b>817 625</b>	1 056 436
Amortization of intangible assets	<b>40 770</b>	52 311	<b>122 310</b>	156 934
Financial expenses, net amount	<b>19 283</b>	16 466	<b>43 340</b>	35 493
	<b>1 352 755</b>	1 480 863	<b>3 688 102</b>	4 178 376
Earnings (loss) before other revenue (expenses) and income taxes	<b>(95 587)</b>	113 379	<b>(153 760)</b>	399 854
Other revenue (expenses):				
Exchange gain (loss)	<b>(37 548)</b>	573	<b>(120 203)</b>	171 690
Gains on disposal of property , plant and equipment	<b>211</b>	125	<b>211</b>	175
Earnings (loss) before income taxes	<b>(132 924)</b>	114 077	<b>(273 752)</b>	571 719
Income taxes	<b>14 489</b>	23 991	<b>45 812</b>	143 285
<b>Net earnings (loss) and Comprehensive Income</b>	<b>(147 413)</b>	90 086	<b>(319 564)</b>	428 434
Basic and diluted net earnings (loss) per share	<b>(0.006)</b>	0.004	<b>(0.013)</b>	0.018

Operating costs went from \$1,480,863 in the third quarter of fiscal 2009 to \$1,352,755 for the third quarter of fiscal 2010, a decrease of 9 percent. For the first nine months of fiscal 2010, operating costs totalled \$3,688,102, compared to \$4,178,376 for the first nine months of the previous fiscal year, a decrease of \$490,274 or 12 percent. These decreases mostly result from decreases in sales and marketing expenses and in administrative expenses. The Company continues to exert prudent levels of control over its expenses. Also contributing to the decreases in operating expenses were decreases of \$11,541 in amortization of intangible assets in the third quarter and \$34,624 in the nine-month period resulting from the non-competition agreements being fully amortized as of June 30, 2009.

Negative EBITDA for the third quarter of fiscal 2010 totalled \$18,541, down \$245,524 from an EBITDA of \$226,983 for the third quarter of fiscal 2009. For the first nine months of fiscal 2010, EBITDA totalled \$39,254, compared to \$893,265 for the first nine months of the previous fiscal year, a decrease of \$854,011 or 96 percent. EBITDA represents the net earnings before net financial expense, income taxes, depreciation and amortization on property, plant and equipment and intangible assets. As generally accepted accounting principles in Canada do not provide a standardized definition for this measure, it may not be comparable to similar measures used by other companies.

Net loss for the quarter ended March 31, 2010 amounted to \$147,413 (loss of \$0.006 per share) compared to net earnings of \$90,086 (\$0.004 per share) for the corresponding quarter of the previous year, a decrease of \$237,499. For the first nine months of fiscal 2010, net loss reached \$319,564, compared to net earnings of \$428,434 for the first nine months of the previous fiscal year, a decrease of \$747,998. These negative variations result from the combination of decreases in earnings before other revenue and expenses and losses recorded on foreign exchange. When compared to the same period for the previous year, earnings before other revenue and expenses decreased \$208,966 and \$553,614 for the respective three-month and nine-month periods ended March 31, 2010. As for foreign exchange, the unfavourable prevailing exchange rates caused the Company to record currency exchange losses of \$37,548 and \$120,203 for the third quarter and the nine-month period ended March 31, 2010, representing respective negative variations of \$38,121 and \$291,893 over the corresponding period of prior year.

Net losses for the three-month and nine-month periods ended March 31, 2010 were however partially offset by lower provisions for income taxes. The Company recorded provisions of \$14,489 and \$45,812 for the third quarter and the nine-month period ended March 31, 2010, compared to provisions of \$23,991 and \$143,285 recorded in the corresponding periods of prior year, representing positive variations of \$9,502 and \$97,473 respectively.

### **Financial position**

As at March 31, 2010, WANTED had a cash position (cash and temporary investments) of \$2,440,552 and a working capital of \$1,851,622. This compares with a cash position of \$2,262,835 and a working capital of \$2,365,848 as at June 30, 2009, representing an increase of \$177,717 and a decrease of \$514,226 respectively. This increase of \$177,717 in the Company's liquidity is mainly the result of cash flows of \$393,430 generated by the operating activities. This increase was however partially offset by negative cash flows of \$33,956 and \$181,757 used for investing and financing activities respectively. The classification, in short term liabilities, of the amount of \$343,068 due in July 2010 on the term loan contributed to the decrease in working capital.

Total assets stood at \$5,940,504 at March 31, 2010, down \$317,592 from \$6,258,096 at June 30, 2009. The decrease in total assets is mainly due to decreases of \$234,233 in short-term assets and \$122,310 in intangible assets, partially offset by an increase of \$38,951 in property, plant and equipment.

Those interested will be able to access the information on the March 31, 2010 unaudited consolidated financial statements, the notes thereto and the management discussion and analysis via the Internet at [www.sedar.com](http://www.sedar.com) and at the Company's website, [www.wantedtech.com](http://www.wantedtech.com), as of Tuesday, May 18<sup>th</sup>, 2010.

## About WANTED Technologies Corporation

WANTED is the leading source of real-time employment market information. The Company provides insight and intelligence via its family of WANTED *Analytics™ Apps* found at [www.wantedanalytics.com](http://www.wantedanalytics.com). Clients in the media, HR/staffing and government sectors use WANTED *Analytics™ Apps* to prioritize sales opportunities, identify economic trends, and analyze competitive market conditions.

WANTED is also the exclusive data provider for The Conference Board's Help-Wanted OnLine Data Series™, the monthly economic indicator of Hiring Demand in the United States.

WANTED Technologies (TSX-V:WAN) was founded in 1999. The Company's headquarters are in Quebec City, Canada, and it maintains a US-based subsidiary with primary offices in New York City. The Company began collecting detailed Hiring Demand data in October 2002, and currently maintains a database of more than 500 million unique job listings. To sample WANTED's services, visit [www.wantedanalytics.com](http://www.wantedanalytics.com).

For more information about how WANTED helps organizations make better decisions and improve sales results, visit [www.wantedtech.com](http://www.wantedtech.com).

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