



April 30, 2007 – 9:53 AM EDT

American TonerServ Announces Letter of Intent With Tonertype, LLC and/or Tonertype of Florida, LLC

American TonerServ Corp. ("ATS" or the "Company") (OTCBB: ASVP) announced today that the Company has entered into a non-binding letter of intent ("LOI") to purchase the assets of Tonertype, LLC and/or Tonertype of Florida, LLC ("Tonertype"). Tonertype has been engaged in the business of print management, printing supplies and repair service since 1995. According to unaudited financial information provided by Tonertype, the business currently generates approximately \$4.8 million of revenues annually. As part of the proposed acquisition, ATS intends to employ the current Tonertype management team and continue to service Tonertype's customers as they have been in the past.

According to Dan Brinker, CEO of ATS, "We have been focused on expanding this segment of our business, due largely to what we believe are opportunities for consolidation and achieving greater efficiency in the market. Acquiring other companies in the compatible toner cartridge market has been one of our stated goals, and we are gratified to be able to announce this possible addition to our company." David Shaver, founder of Tonertype, stated, "Our team was very impressed with ATS's past success in executing its strategy. We are excited about the prospect of joining ATS and helping them in their efforts to consolidate our industry. Buddy Shaver, co-owner of Tonertype, stated, "We will continue to provide the exceptional quality and superior service our clients have come to know. In addition, ATS will provide Tonertype with software, support and tools so that we can offer total print management solutions to our clients."

As consideration for the purchase of, ATS would pay approximately \$4,000,000 in cash and promissory notes, \$1,000,000 of which will be convertible into stock of ATS. The acquisition is subject to the completion of due diligence, negotiation and execution of a definitive agreement, the completion of an audit of Tonertype's financial statements, as well as customary closing conditions. Additional information related to this transaction will be disclosed upon the execution of a definitive agreement. The LOI provides that the parties will endeavor to complete the transaction within the next 90 days.

As previously reported ATS acquired certain assets of Optima Technologies on April 1, 2007 and purchased a customer list from Brody Enterprises on December 20, 2006. ATS also purchased a customer list from Computech Print Solutions, Inc. on July 5, 2006 and a customer list from Laser Cartridge Recharge Systems, Inc. on August 26, 2006. These companies were distributors of compatible toner cartridges, primarily to business customers. ATS is using the customer lists to solicit sales of compatible toner cartridges to increase ATS's sales of such products.

About American TonerServ:

American TonerServ Corporation has recently entered the public markets after more than a decade in operations providing a range of supplies and services for office equipment. The company's stated mission is to become the nation's leading distributor of compatible toner cartridges. American TonerServ has assembled a strong management team and advisory group to provide experience and direction as the company looks to

expand its existing nationwide service network, and to gain market share in this large but highly fragmented compatible toner market.

Safe Harbor Statement:

Except for historical information contained herein, the matters set forth above may be forward-looking statements that involve certain risks and uncertainties that could cause actual results to differ from those in the forward-looking statements. Words such as "anticipate," "believe," "estimate," "expect," "intend" and similar expressions, as they relate to the Company or its management, identify forward-looking statements. Such forward-looking statements are based on the current beliefs of management, as well as assumptions made by and information currently available to management. Actual results could differ materially from those contemplated by the forward-looking statements as a result of certain factors such as the level of business and consumer spending, the amount of sales of the Company's products, the competitive environment within the industry, the ability of the Company to continue to expand its operations, the level of costs incurred in connection with the Company's expansion efforts, economic conditions in the industry and the financial strength of the Company's customers and suppliers. The Company does not undertake any obligation to update such forward-looking statements. Investors are also directed to consider all other risks and uncertainties.

Contact:

American TonerServ Corp.
475 Aviation Blvd.
Suite 100
Santa Rosa, CA 95403
United States
Phone: 800-736-3515
www.AmericanTonerServ.com

Source: Market Wire (April 30, 2007 - 9:53 AM EDT)

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