



**April 24, 2008 – 8:30 AM EDT**

## **American TonerServ Announces Letter of Intent To Acquire Pendl Companies**

Santa Rosa, CA – April 24, 2008 – American TonerServ Corp. (OTCBB: ASVP) (“ATS”), a strategic consolidator in the more than \$6.0 billion highly fragmented independent segment of the printer supplies and services industry, announced today that the Company has entered into a non-binding letter of intent (“LOI”) to purchase certain assets representing the retail business of Pendl Companies, Inc. (“Pendl”), headquartered in Brookfield, Wisconsin. Pendl has been providing printer supplies and service to national and regional business customers since 1988.

According to unaudited financial information provided to ATS by Pendl, the retail segment of the business generated approximately \$5 million in revenue in 2007. Consideration for the purchase would be determined based on a due diligence review of Pendl’s financial statements and other factors.

Dan Brinker, CEO of ATS, said “We are pleased to announce what we expect to be our sixth acquisition and will pursue completing the transaction to add Pendl to the ATS family of companies. Our objective is to expand the ATS footprint with strong regional partners like Pendl, and to bring to these businesses opportunities for cost savings and greater operational efficiency. Pendl impressed us with their focus on quality and service, including their network of more than 200 national service providers. We hope to leverage this network to support other ATS customers around the country.”

Gary Pendl, CEO and one of the founders of the Pendl Companies, will continue to run and build the business. Mr. Pendl said, “We like the ATS model and their experienced leadership team. ATS’s goals are in alignment with our goals, to continue to provide excellent customer service and grow our sales. We look forward to joining their company.”

“ATS has established access to the newest technology and has built strong back office capabilities,” said Mr. Brinker. “With these resources in place, we believe Pendl will see increased profitability and the ability to grow the business more quickly than before.”

The acquisition is subject to the completion of due diligence, negotiation and execution of a definitive purchase agreement, the completion of an audit of Pendl’s financial statements, as well as customary closing conditions. Additional information related to this transaction will be disclosed upon the execution of a definitive purchase agreement. The LOI provides that the parties will endeavor to complete the transaction within the next 90 days.

Mr. Brinker continued, “ATS is actively identifying and evaluating additional acquisition targets. At the same time, we are strengthening our ability to provide cost-effective printer supplies and maximizing operational infrastructure to support our rapidly growing business.”

About American TonerServ:

American TonerServ Corp. ("ATS") is building a nationwide organization to efficiently serve the printing needs of small-and medium-sized businesses by consolidating leading independent operators in the \$6 billion recycled printer cartridge and printer services industry, offering top-quality, environmentally-friendly products and local service teams. Please see [www.AmericanTonerServ.com](http://www.AmericanTonerServ.com) for more information.

#### Forward-Looking Statements

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.  
Phone: 800-736-3515

Jordan Goldstein  
Stakeholder Communications  
Phone: 415-369-9000  
E-mail: [ir@AmericanTonerServ.com](mailto:ir@AmericanTonerServ.com)