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### **CSI REPORTS RECORD RESULTS FOR FOURTH QUARTER AND FISCAL YEAR 2008**

PADUCAH, Ky. (May 2, 2008) – Computer Services, Inc. (CSI) (OTCQX: CSVI) today reported record revenues and net income for the fourth quarter and fiscal year ended February 29, 2008.

Fourth quarter revenues rose 13.8% to \$40 million in fiscal 2008 compared with \$35.1 million in the fourth quarter of fiscal 2007. Net income rose 17.8% to \$6 million, and net income per diluted share increased 19.7% to \$0.73 compared with the prior year.

CSI's revenues for fiscal 2008 were a record \$145.6 million and rose 17% compared with \$124.5 million in fiscal 2007. Net income for fiscal 2008 was a record \$18.1 million, or \$2.20 per diluted share, a 16% increase compared with fiscal 2007 income of \$15.6 million, or \$1.89 per diluted share.

“Our record results in 2008 benefited from sales growth across all CSI business segments and affiliates,” stated President and Chief Executive Officer Steven A. Powless. “Our acquisition strategy has been an important part of expanding our markets and diversifying our revenue base. Companies acquired over the past five years contributed 25% of our fiscal 2008 revenues and to the growth in our customer base from 400 customers in 2003 to over 4,600 today.

“Sales at McCoy Myers, Summit Financial Solutions and ATTUS Technologies were significant contributors to our double-digit growth since last year. Our revenue growth also benefited from the cross-sales of Summit, ATTUS and Heartland products and services to CSI and McCoy Myers core bank customers.

“CSI increased its cash dividend 16% to \$ 0.58 per share in fiscal 2008 compared with the prior year. This marked our 19<sup>th</sup> consecutive year of dividend increases, highlighting our record performance, strong balance sheet and excellent cash flow. We believe our excellent performance highlights the success of our growth strategy,” continued Mr. Powless.

#### ***Fiscal 2008 Results***

Consolidated revenues for fiscal 2008 rose 17% to \$145.6 million compared with \$124.5 million in fiscal 2007. The increase in revenues was attributable to all CSI business segments. Processing revenues rose 5.5% to \$101.9 million and accounted for 70.0% of 2008 total revenues compared with \$96.6 million, or 77.6% of total revenues, in fiscal 2007. Growth in processing revenues benefited from sales to new customers, cross-sales to existing customers and increases in transaction volumes. Other revenues rose 56.4% to \$43.7 million compared with fiscal 2007 on the strength of higher revenue from Summit and Heartland, higher software license and royalty revenues, equipment sales, and growth in network monitoring services and eBusiness group revenues.

Operating income rose 15.2% to \$29.2 million for fiscal 2008 compared with \$25.4 million for last year. Operating margin for the fiscal 2008 period was 20.1% compared with 20.4% in 2007. The decline in margin was primarily due to operating losses at Heartland. Operating expenses increased 17.4% in fiscal 2008 to \$116.4 million compared with \$99.1 million in fiscal 2007, largely due to the addition of McCoy Myers, Heartland and Summit.

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Net income for fiscal 2008 rose 16% to a record \$18.1 million compared with \$15.6 million in fiscal 2007. Net income per diluted share increased 16.4% to \$2.20 for fiscal 2008 compared with \$1.89 in fiscal 2007. Net income for 2008 included \$427,000 minority interest related to the 67% interest in Heartland compared with \$284,000 for fiscal 2007.

“CSI’s acquisitions completed over the past few years have been major contributors to our growth,” stated Mr. Powless. “We remain positive about the outlook for CSI’s growth in the coming year.”

#### ***Fourth Quarter Results***

Fourth quarter consolidated revenues rose 13.8% to \$40 million compared with \$35.1 million for the fourth quarter ended February 28, 2007. Processing revenues increased 4.0% to \$25.6 million compared with \$24.6 million in the fourth quarter of last year. Other revenues rose 36.5% to \$14.4 million in the fourth quarter of fiscal 2008 compared with \$10.6 million in the same quarter of fiscal 2007.

Fourth quarter operating income rose 20.8% to \$9.5 million compared with \$7.9 million in the fourth quarter of the prior year. Operating margin for the fourth quarter was 23.8% compared with 22.4% in the fourth quarter of fiscal 2007.

Net income rose 17.8% to \$6 million in the fourth quarter of fiscal 2008 compared with \$5.1 million in the prior-year period. Net income per fully diluted share increased 19.7% to \$0.73 compared with \$0.61 in the same quarter last year. Net income for 2008 included \$286,000 minority interest related to the 67% interest in Heartland.

At the end of the fourth quarter, CSI had long-term debt of \$10 million associated with the bank line of credit to fund the Summit acquisition. At year end, CSI had \$2.2 million in cash and cash equivalents, down from \$3.9 million at fiscal year-end 2007.

#### ***About Computer Services, Inc.***

Computer Services, Inc. (CSI) delivers core banking, payments processing, Internet, card services, risk assessment, fraud prevention, network management, and regulatory compliance solutions to over 4,600 financial institutions and corporate entities. Technology planning, local account managers and world-class customer service explain why CSI has been known as the nation’s premier provider of banking solutions for over 40 years. CSI’s stock is traded on the OTCQX under the symbol CSVI. For more information about CSI, visit [www.csiweb.com](http://www.csiweb.com).

#### ***Forward-Looking Statements***

All statements except historical statements contained herein constitute “forward-looking statements” as that term is defined in the Private Securities Litigation Reform Act of 1995. These forward-looking statements and other written and oral statements that we make from time to time contain such forward looking statements that set out anticipated results based on management’s plans and assumptions. We have tried wherever possible to identify such statements by using words such as “anticipate,” “estimate,” “expect,” “project,” “intend,” “plan,” “believe,” and words and terms of similar substance in connection with any discussion of future operating or financial performance. Nonetheless, all statements except historical statements contained herein may be deemed to constitute “forward-looking statements.” Forward-looking statements are inherently uncertain and are based only on current expectations and assumptions that are subject to future developments that may cause results to differ materially. Readers should carefully consider: (i) economic, competitive, technological and governmental factors affecting the Company’s operations, customers, markets, services, products and prices; and (ii) other factors discussed in the Company’s Annual Report, Information and Disclosure Statements and other documents posted from time to time on the OTCQX website, including without limitation, the description of the nature of the Company’s business and its management discussion and analysis of financial condition and results of operations for reported periods. The Company undertakes no obligation to update, and is not responsible for updating, the information contained herein beyond the publication date, whether as a result of new information or future events, or to conform the statement to actual results or changes in the Company’s expectations, or otherwise or for changes made to this document by wire services or Internet services.

**COMPUTER SERVICES, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF INCOME**

*(in thousands, except per share data)*

	Three Months Ended		Year Ended	
	February 29, 2008	February 28, 2007	February 29, 2008	February 28, 2007
	<i>(Unaudited)</i>		<i>(Audited)</i>	
Revenues	\$ 39,980	\$ 35,143	\$ 145,618	\$ 124,501
Expenses	<u>30,456</u>	<u>27,257</u>	<u>116,370</u>	<u>99,107</u>
Income before other income (expense)	9,524	7,886	29,248	25,394
Other income (expense), net	<u>(504)</u>	<u>(262)</u>	<u>(1,066)</u>	<u>(573)</u>
Income before taxes & minority interest	9,020	7,624	28,182	24,821
Provision for income taxes	<u>3,344</u>	<u>2,712</u>	<u>10,516</u>	<u>9,513</u>
Income before minority interest	5,676	4,912	17,666	15,308
Minority interest	<u>286</u>	<u>147</u>	<u>427</u>	<u>284</u>
Net income	<u>\$ 5,962</u>	<u>\$ 5,059</u>	<u>\$ 18,093</u>	<u>\$ 15,592</u>
Diluted earnings per share	<u>\$ 0.73</u>	<u>\$ 0.61</u>	<u>\$ 2.20</u>	<u>\$ 1.89</u>
Fully diluted weighted average common shares outstanding	8,152	8,249	8,217	8,257

**CONSOLIDATED BALANCE SHEETS**

*(in thousands, except share data)*

	<u>2/29/2008</u>	<u>2/28/2007</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 2,249	\$ 3,850
Other current assets	20,083	18,110
Property and equipment, net	30,005	31,376
Software and software licenses, net	14,690	12,439
Goodwill	31,982	31,797
Intangible assets	2,291	2,892
Other assets	<u>5,413</u>	<u>4,481</u>
Total assets	<u>\$ 106,713</u>	<u>\$ 104,945</u>
<b>LIABILITIES &amp; SHAREHOLDERS' EQUITY</b>		
Current liabilities	\$ 12,882	\$ 13,779
Other liabilities	2,015	3,319
Long-term debt	<u>9,990</u>	<u>12,787</u>
Total liabilities	24,887	29,885
Minority Interest	437	864
Shareholders' equity	<u>81,389</u>	<u>74,196</u>
Total liabilities and shareholders' equity	<u>\$ 106,713</u>	<u>\$ 104,945</u>

Certain amounts in the February 28, 2007 consolidated balance sheet have been reclassified to conform to the February 29, 2008 presentation. The reclassifications were related to the presentation of the minority interest in Heartland Communications Internet Services, Inc., and had the effect of increasing assets by approximately \$1,971,000, liabilities by \$337,000, minority interest by \$864,000, and shareholders' equity by \$770,000. The reclassifications had no impact on the Company's net income for the year ended February 28, 2007.