



HDX Announces Revised Financial Results for the Second Quarter 2010 Resulting in Net Loss Decreasing by \$156,041

Toronto – August 27th, 2010 – Hosted Data Transaction Solutions Inc. (“HDX”) announced today it is restating its financial results for the three-month period ending June 30, 2010. The financial statements are being restated to more properly reflect the impact of certain accounting policies related to acquisitions made by HDX in the period. The restatement results from review work performed by HDX’s auditor. The re-assessment of the impact of accounting policies as applied to acquisitions by HDX during the quarter resulted in a reduction of the write-off of goodwill and closing consideration recognized in respect of the acquisitions and reflects an improvement to the net loss of \$156,041 for the second quarter of 2010.

Additionally, the Company announced that it has filed an amended business acquisition report dated August 26, 2010 (the “Amended Business Acquisition Report”), relating to the acquisition of Posera Inc. by HDX. The Amended Business Acquisition Report replaces and supersedes the previous business acquisition report of HDX filed on August 4, 2010 (the “Previous Business Acquisition Report”). Following the date of the Previous Business Acquisition Report, HDX’s auditors performed a review of its quarterly financial statements, which resulted in the Company updating the valuation information with respect to Posera Inc., which has been utilized in the preparation of the Amended Business Acquisition Report. The inclusion of this information has been reflected in the Amended Business Acquisition Report by updating the information for Posera.

HDX is listed on the TSX under the symbol “HDX”.

Paul Howell, CEO reports:

While achieving commendable sales and service revenues, the Company completed the acquisition of two established point of sale solution companies in the second quarter of 2010. The acquisition of A&A Point of Sale Solutions Inc. (“A&A”) was completed on April 5th 2010 and the acquisition of Posera Inc. (“Posera”) was completed on May 5th 2010.

Integration efforts are well underway and complimentary business activities have already resulted in new revenue opportunities for the combined entity. The company operated as a combined entity for 56 days in the quarter and total combined revenue for the quarter was \$3,620,892.

In Q2 2010, HDX incurred one-time expenses and non-cash expenses such as accounting costs associated with the acquisitions and prospectus, amortization of equipment, amortization of intangibles, impairment to intangibles and goodwill, and legal costs associated with acquisitions. These items negatively impacted net income by a total of \$704,900. Without these items, the Company would have had a net income of \$216,488.

Michel Cote, formerly General Manager of Posera Inc., has been named President of the Company and at the Company’s annual general meeting held on June 24th 2010, shareholders approved changing the name of the Company to Posera-HDX Inc.

Highlights and Summary for the Quarter

- HDX acquired A&A Point of Sale Solutions Inc. (“A&A”) in April, 2010 and Posera in May, 2010. Revenues for the combined entity for the three-month period ending June 30, 2010 included three full months for A&A and two full months for Posera Inc (“Posera”). Total revenue was \$3,620,892, up 34% from \$2,691,473 for the quarter ending June 30, 2009. Revenue for HDX not including the above-mentioned acquisitions was \$2,212,071 for the three-months ended June 30, 2010, down 17.8% from \$2,691,473 for the three-months ended June 30, 2009;

- Gross margin was \$2,558,098 for the three-months ended June 30, 2010, up 56% from \$1,633,494 for the three-months ended June 30, 2009. Gross margin for HDX not including the above-mentioned acquisitions was \$1,369,899 for the three-months ended June 30, 2010, down 17% from \$1,633,494 for the three-months ended June 30, 2009;
- Deferred revenue, which represents annual recurring revenues that have not yet been recognized as revenue, was \$1,483,983 as at June 30, 2010 compared to \$1,213,698 as at December 31, 2010;
- EBITDA loss (earnings before interest taxes depreciation and amortization) for the three-months ended June 30, 2010, was \$147,492 compared to a gain of \$251,449 for the three-months ended June 30, 2009;
- HDX's cash, cash equivalents and short term investments totaled \$1,862,187 which is offset by bank indebtedness of \$143,363 as at June 30, 2010; and
- Net loss, which includes non-cash expenses such as amortization and stock-based compensation charges was \$608,612 for the three-months ended June 30, 2010, compared to income of \$166,600 for the three-months ended June 30, 2009.

Additional information on HDX second quarter 2009 financial results will be available in the financial reports filed by the Company with Sedar at www.sedar.com and posted to the Investor Relations section of the Company's website at www.dexit.com.

About the Company

HDX is in the business of managing merchant transactions with consumers and facilitating payment. HDX develops and deploys touch screen POS system software and associated enterprise management tools and has developed and deployed numerous POS applications. HDX also provides system hardware integration services, merchant staff training, system installation services, and post sale software and hardware support services.

HDX leading edge technology also includes prepaid stored value payments solutions, customer self serve kiosks and "line buster" mobile point of sale terminals. These products have been designed to dramatically enhance customer throughput and drastically reduce customer queues. These technologies are especially effective in high foot traffic environments that have limited cash register counter space, limited retail square footage, and the absence of a drive through.

As previously announced, on May 5th, 2010 the company completed the acquisition of Posera Inc., of Seattle Washington. Posera Inc. develops, deploys, and supports a restaurant point-of-sale software know as "Maitre'D" which has been deployed in over 20,000 locations worldwide in eight different languages. Posera sells and services its clients directly, as well as through a network of approximately 140 value added reseller partners in 25 countries with approximately 1,100 representatives selling, supporting & installing its software. The Posera transaction provides HDX with technology, relationships, and revenue that is designed to facilitate further growth through acquisition. Posera employs approximately 70 people in offices in Seattle, Montreal, Glasgow (U.K.) and Paris (France).

HDX Post-Transaction:

On a pro-forma basis, assuming HDX, A&A and Posera had merged already, based on each of their most recently completed fiscal year-ends, the combined entity would have had revenue of approximately \$18.1 million and breakeven EBITDA.

Forward-Looking Statements

This discussion includes certain forward-looking statements that are based upon current expectations, which involve risks and uncertainties associated with our business and the environment in which the business operates. Any statements contained herein that are not statements of historical facts may be deemed to be forward-looking, including those identified by the expressions "anticipate", "believe", "plan", "estimate", "expect", "intend", and similar expressions to the extent they relate to the Company or its management. The forward-looking statements are not historical facts, but reflect HDX's current expectations regarding future results or events. These forward-looking statements are subject to a number

of risks and uncertainties that could cause actual results or events to differ materially from current expectations, including the matters discussed under “Risks and Uncertainties” in the Annual Information Form to be filed on March 31st 2010 with the regulatory authorities. HDX assumes no obligation to update the forward-looking statements, or to update the reasons why actual results could differ from those reflected in the forward-looking statements.

For further information, please contact:

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