



For Immediate Release
Victoria, British Columbia
April 30, 2002
Trading Symbol: MSM (CDNX)

Municipal Software Corporation Posts Q1 Results For 2002

VICTORIA—Municipal Software Corporation, a leading developer of local government business process automation software and a wholly owned subsidiary of Municipal Solutions Group, Inc. (CDNX: MSM), today announced first quarter financial results for period ending March 31, 2002.

Revenue rose to \$646,856, an increase of 39% over last year's Q1 revenue of \$465,883. Expenses rose slightly to \$800,122, an 8% increase from \$742,772. The loss experienced in the first quarter this year was \$153,266, or about half (55%) of the loss recorded during the same period last year of \$276,889.

First quarter revenue and profit is historically the lowest of all quarters for two main reasons. The fewest number of local government agencies have new budget authorized to be spent between January and March, and increased sales and marketing expenses are realized before increased revenues by at least one quarter.

The loss primarily resulted from a \$178,000 adjustment due to a change in accounting method for recording work-in-progress (WIP) values for incomplete client projects. Management felt that in light of recent circumstances, it was important to move to a more conservative method of recognizing revenue for projects not yet completed. Excluding this one-time adjustment, the company's results were consistent with the budget forecasts prepared by management.

Management confirms that the 12-month forecast will be met. Revenues in 2002 are forecast to be \$6.2m with a \$1.6m gross profit.

All financial results were prepared internally using Generally Accepted Accounting Principles (GAAP) and are expressed in Canadian dollars.

-30-

About Municipal Solutions Group Inc.

Municipal Solutions Group Inc. (www.MunicipalSolutionsInc.com) was formed in January 2002 as the public financing arm for Municipal Software Corporation, to provide the overall strategic leadership and guidance for Municipal Software and to build comprehensive solutions for local government on a global basis.

About Municipal Software Corporation

Municipal Software Corporation (www.MunicipalSoftware.com) provides CityView®, a fully integrated suite of software products that assist municipal administrators and managers with scalable technology solutions for increasing municipal government productivity in order to service citizens and communities more efficiently and effectively. CityView 8.NET™ is powerful automation software that is designed specifically for local government and easily converts paper systems and business processes into a computerized system without costly and time-consuming programming. CityView 8.NET enables E-government. It allows government to automate any business process internally and offer it over an Intranet or the Web with the click of a button. CityView Xpress is designed specifically for out-of-the-box departmental management and comes complete with ready-to-use forms and reports for a variety of municipal functions.

Forward-Looking Statements

Certain statements in this news release are not historical and may constitute forward-looking statements reflecting Municipal Solutions Group Inc.'s current expectation in the local government sector. Investors are cautioned that all forward-looking statements involve certain risks and uncertainties, including, without limitation, changes in market and competition, technological and competitive developments, cooperation and performance of strategic partners, and potential downturns in economic conditions generally. Forward-looking statements are based upon management's estimates, beliefs, and opinions on the date the statements are made. Municipal Solutions Group Inc. assumes no obligation to update forward-looking statements if circumstances of management's estimates, beliefs, or opinions should change. Additional information on these and other potential factors that could affect the Company's financial results are detailed in documents filed from time to time with the British Columbia Securities Commission. The Canadian Venture Exchange (CDNX) has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

If you would like to be included on our regular distribution please email us at: press@MunicipalSoftware.com or fax to (250) 475-6080.

For more information please contact:

Robert Bennett, President

Municipal Software Corporation

Tel: 1-800-665-5647

Email: rbennett@MunicipalSoftware.com