



## UBS REPORTS THIRD QUARTER 2010 RESULTS

**Toronto, Canada (July 28, 2010)** – Unique Broadband Systems, Inc. (“UBS”) (TSX Venture: UBS) today reported its operating and financial results for the third quarter of fiscal 2010, ended May 31, 2010.

### **Financial and operating highlights for the quarter included the following:**

- During May 2010, debenture-holders of Look Communications Inc. (“Look”) converted \$916,000 of debentures into 6,106,661 Multiple Voting Shares and 6,106,661 Subordinate Voting Shares of Look and Look redeemed the remaining \$3.2 million of debentures, including \$3 million held by UBS, for cash. As a result, effective May 25, 2010, UBS now holds a 39.2 per cent economic interest and a 37.6 per cent voting interest in Look’s issued and outstanding shares;
- As UBS no longer has a controlling interest in Look, UBS will, with effect from May 25, 2010, no longer be consolidating the results of Look but will be accounting for its investment in Look using the equity method;
- Cash and cash equivalents of UBS at May 31, 2010 totalled \$5.5 million, which represents an increase of \$2.4 million from August 31, 2009. This increase is due mainly to the redemption of Look’s debenture of \$3 million;
- Net loss for the quarter was \$1.8 million, or a basic loss per share of \$0.02 compared with net earnings of \$39.1 million or basic income per share of \$0.38 a year ago;
- UBS has three full-time equivalent employees.

Look continues to pursue opportunities with interested parties to maximize the value of its remaining non-cash assets consisting of approximately \$360 million of tax attributes and the Milton facility and related infrastructure.

### **About Unique Broadband Systems, Inc.**

*UBS is a publicly listed Canadian company that has a 39.2 per cent fully diluted economic interest in Look Communications Inc. and other assets. The Company's website may be found at [www.uniquebroadband.com](http://www.uniquebroadband.com).*

### **About Look Communications Inc.**

*Look's shares are listed on the TSX Venture Exchange under the symbols "LOK" for Multiple Voting Shares and "LOK.A" for Subordinate Voting Shares. Look's website may be found at [www.look.ca](http://www.look.ca).*

### **Forward looking statements**

*The corporate information contained in this release includes forward-looking statements regarding future events and the future performance of the Company that involve risks and uncertainties that could cause actual results to differ materially. Assumptions used in the preparation of such information, although considered reasonable by the Company, at the time of preparation, may prove to be incorrect. The actual results achieved may vary from the information provided herein and the variations may be material. Consequently, there is no representation by the Company that actual results achieved will be the same in whole or in part as those forecasts.*

*Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*

***This press release should be read in conjunction with Look's press release of July 20, 2010 announcing its results for the third quarter of fiscal 2010.***

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**Unique Broadband Systems, Inc.**  
**INTERIM UNAUDITED CONSOLIDATED CONDENSED BALANCE SHEETS**  
(in thousands of dollars)

as at

	May 31, 2010	August 31, 2009
<b>ASSETS</b>		
Total current assets	\$ 5,683	\$ 68,091
Restricted cash	50	430
Property and equipment	-	1,995
Investment in Look	13,107	-
	<b>\$ 18,840</b>	<b>\$ 70,516</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Total current liabilities	\$ 8,914	\$ 32,805
Liability component of convertible debentures	-	917
Total liabilities	8,914	33,722
Non-controlling interest	-	21,940
Shareholders' equity		
Share capital	58,139	58,139
Contributed surplus	3,237	3,459
Deficit	(51,450)	(46,744)
Total shareholders' equity	9,926	14,854
	<b>\$ 18,840</b>	<b>\$ 70,516</b>

## INTERIM UNAUDITED CONSOLIDATED CONDENSED STATEMENTS OF OPERATIONS AND DEFICIT

(in thousands, except per share amounts)

Three and nine months ended May 31, 2010 and 2009

	Three months ended		Nine months ended	
	May 31,		May 31,	
	2010	2009 (Restated)	2010	2009 (Restated)
Service and sales revenue	\$ 39	\$ 3,096	\$ 473	\$ 10,011
Carrier charges and cost of sales	-	2,470	425	6,224
Gross margin from continuing operations	39	626	48	3,787
Operating expenses	2,093	7,366	7,252	17,116
Loss from continuing operations before the under noted	(2,054)	(6,740)	(7,204)	(13,329)
Accretion on liability component of convertible debentures	(90)	(29)	(232)	(87)
Net interest expense	47	(50)	32	(87)
Gain on sale of other property and equipment	5	-	10	2
Gain on settlement of Inukshuk litigation	-	4,000	-	4,000
Gain (loss) on sale of spectrum and broadcast licence	-	78,243	(61)	78,243
Loss on settlement of Bell litigation	-	(5,817)	-	(5,817)
Equity interest in Look's losses	(39)	-	(39)	-
Dilution loss due to change in shareholding in Look	(677)	-	(677)	-
Income (loss) for the period from continuing operations before income taxes	(2,808)	69,607	(8,171)	62,925
Income taxes	-	-	-	-
Income (loss) for the period from continuing operations before non-controlling interest	(2,808)	69,607	(8,171)	62,925
Non-controlling interest	975	(30,466)	3,425	(30,401)
Income (loss) for the period from continuing operations	(1,833)	39,141	(4,746)	32,524
Income for the period from discontinued operations	-	-	40	4,531
Income (loss) and comprehensive income (loss) for the period	(1,833)	39,141	(4,706)	37,055
Deficit, beginning of period	(49,617)	(69,566)	(46,744)	(67,480)
<b>Deficit, end of period</b>	<b>\$ (51,450)</b>	<b>\$ (30,425)</b>	<b>\$ (51,450)</b>	<b>\$ (30,425)</b>
Continuing operations:				
Basic income (loss) per share	\$ (0.02)	\$ 0.38	\$ (0.05)	\$ 0.32
Diluted income (loss) per share	(0.02)	0.36	(0.05)	0.31
Discontinued operations:				
Basic income per share	0.00	0.00	0.00	0.04
Diluted income per share	0.00	0.00	0.00	0.04
Income (loss) per share:				
Basic	\$ (0.02)	\$ 0.38	\$ (0.05)	\$ 0.36
Diluted	\$ (0.02)	\$ 0.36	\$ (0.05)	0.35
Weighted average of number of shares outstanding:				
Basic	102,748	102,748	102,748	102,748
Diluted	102,748	108,172	102,748	104,556

## Unique Broadband Systems, Inc.

### INTERIM UNAUDITED CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS

(in thousands of dollars)

Three and nine months ended May 31, 2010 and 2009

	Three months ended May 31,		Nine months ended May 31,	
	2010	2009 (Restated)	2010	2009 (Restated)
<b>OPERATING ACTIVITIES</b>				
Income (loss) for the period	<b>\$ (1,833)</b>	\$ 39,141	<b>\$ (4,706)</b>	\$ 37,055
Less: Income from discontinued operations for the period	-	-	<b>(40)</b>	(4,531)
Items not affecting cash	<b>(141)</b>	(38,062)	<b>(2,248)</b>	(35,745)
Change in non-cash operating assets and liabilities	<b>(170)</b>	3,116	<b>(23,170)</b>	3,245
Cash provided by (used in) continuing operations	<b>(2,144)</b>	4,195	<b>(30,164)</b>	24
Cash provided by discontinued operations	-	12	<b>78</b>	507
Cash provided by (used in) operating activities	<b>(2,144)</b>	4,207	<b>(30,086)</b>	531
<b>FINANCING ACTIVITIES</b>				
Cash used in financing activities	<b>(274)</b>	-	<b>(2,115)</b>	-
<b>INVESTING ACTIVITIES</b>				
Cash provided by continuing operations	<b>3,351</b>	12,273	<b>20,308</b>	12,261
Cash provided by (used in) discontinued operations	-	(12)	-	3,381
Cash provided by investing activities	<b>3,351</b>	12,261	<b>20,308</b>	15,642
Net cash provided by (used in) continuing operations	<b>933</b>	16,468	<b>(11,971)</b>	12,285
Net cash provided by discontinued operations	-	-	<b>78</b>	3,888
Increase (decrease) in cash and cash equivalents	<b>933</b>	16,468	<b>(11,893)</b>	16,173
Cash and cash equivalents, beginning of period	<b>4,563</b>	4,873	<b>17,389</b>	5,168
<b>Cash and cash equivalents, end of period</b>	<b>\$ 5,496</b>	\$ 21,341	<b>\$ 5,496</b>	\$ 21,341