

News Release

HOSTOPIA RELEASES 30,000 IMAGES FOR THEIR WEBSITE CREATION LIBRARY

Hostopia expands its library of high-quality web-ready images to 40,000, enhancing small business' ability to design graphically compelling websites.

TORONTO, ON and FT. LAUDERDALE, FL – December 13, 2006 – Today Hostopia announced the release of 30,000 new images to its library of web-ready graphics used within their suite of site design applications and their site design service, Website Experts.

“These images are perfect for the small-business owner or site developer who wants to customize their website with illustrations and/or photos without having to purchase overly-used, royalty-free images,” says Paul D. Engels, Hostopia's Executive Vice President and Chief Marketing Officer. “Hosting providers and customers are legitimately concerned about the recent litigation over the use of royalty-free photography in website templates. Hostopia eliminates this concern as we have unrestricted ownership rights to all the images in our library,” he adds.

Hostopia's image library will be updated with the new images by the end of January, 2007. The images are bundled free of charge in all of Hostopia's hosting plans, which are sold by over 330 hosting providers on Hostopia's network, worldwide. The images are easily accessible from Hostopia's various site creation and promotion applications including, EasySiteWizard™ 6.0, EasySiteWizard™ 7 Professional, Template Gallery, Website Experts, and soon to be released HTML newsletter application. The library features original, royalty-free photos and illustrations indexed by category for easy searching and navigation. Images include popular business and not-for-profit themes including people, landscapes, buildings, electronics, and everyday objects—suitable for business, consumer, or personal websites. The images are all resizable, formatted as GIF files, and a large selection are cropped with transparent backgrounds allowing for seamless integration with other images and website designs.

“These images provide us with exceptional flexibility when creating websites for end-users,” says Chris Seepe, General Manager, Website Experts (a division of a wholly-owned subsidiary of Hostopia.com Inc.). “Our inventory of thousands of professionally designed website templates combined with the library of 40,000 images gives our customers the ability to customize a site that is original and unique to their needs,” he adds.

Website Experts is Hostopia's wholesale provider of site design services, used by hosting providers who require a site building service. Hostopia's 40,000 image library is available to business users and do-it-yourself site designers as well as those who want a site to be built for them by Website Experts.

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About Hostopia

Hostopia provides wholesale private-label hosting, managed email, and application services to telcos, ISPs, cable companies, hosting providers, and domain registrars.

Hostopia's automated provisioning and support systems enable service providers to increase their profits, offer superior features to their end-users, and reduce the risks and challenges of delivering reliable, high-performance web services including; small-business hosting and applications, business-class email, and consumer email.

Forward-Looking Information

This press release includes certain "forward-looking statements" and forward-looking information that are subject to risks, uncertainties and other factors that could cause actual results or outcomes to differ materially from those contemplated by the forward-looking statements. These forward-looking statements and forward-looking information include, but are not limited to, plans, objectives, expectations and intentions and other statements contained in this press release that are not historical facts and statements identified by words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," "estimates" or words of similar meaning. Our actual results could differ materially from those anticipated in these forward-looking statements and forward-looking information upon completion of the review of our third quarter results by our independent registered public accounting firm. These statements are based on our current beliefs or expectations and there are a number of important factors that could cause the actual results or outcomes to differ materially from those indicated by these forward-looking statements, including without limitation, our ability to maintain our sales efficiency, our ability to maintain our existing, and develop new, strategic relationships, the number of our net subscriber additions, our monthly customer turnover and our ability to successfully integrate recently acquired businesses and operations and those risks set forth under the caption "Risk Factors" in Hostopia's Quarterly Report on Form 10-Q for the quarter ended September 30, 2006, as filed with the Securities and Exchange Commission. These filings are available on a Website maintained by the Securities and Exchange Commission at www.sec.gov. Hostopia does not undertake any obligation to update any forward-looking statements contained in this document as a result of new information, future events or otherwise.

For More Information

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