

News Release

IMMEDIATE RELEASE

HOSTOPIA FILES FINAL PROSPECTUS

HOSTOPIA announces filing its final Canadian and US Prospectuses.

MISSISSAUGA, ON – November 7, 2006 – Hostopia.com Inc. is pleased to announce that it has filed a final prospectus with the U.S. Securities and Exchange Commission and the securities regulatory authorities in each of the provinces and territories of Canada in connection with an initial public offering of 4.2 million shares of common stock, at a price of C\$6.00 per share, for gross proceeds of C\$25.2 million.

RBC Capital Markets is acting as lead underwriter of a syndicate that includes TD Securities, GMP Securities, and Haywood Securities.

In connection with the offering, the Company has granted the underwriting syndicate an option to purchase up to 630,000 additional common shares at a price of C\$6.00 per share. The option is exercisable, in whole or in part, for a period of 30 days following the closing of the initial public offering, to cover over-allotments, if any. If the option is exercised in full, gross proceeds to the Company will be approximately C\$29 million.

Closing of the initial public offering is expected to occur on Friday, November 10, 2006. The TSX has conditionally approved the listing of the Company's common stock under the symbol "H."

A final prospectus has been filed with applicable Canadian securities authorities and is available on www.sedar.com. A registration statement relating to these securities has been filed with, and declared effective by, the United States Securities and Exchange Commission. This announcement shall not constitute an offer to sell or the solicitation of an offer to buy the common stock of Hostopia.com, nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction. Copies of the final prospectus may be obtained by US residents by submitting a written request by facsimile to RBC Capital Markets at (212) 428-6260.

For more information please contact:

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