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News Release

FOR IMMEDIATE RELEASE

HOSTOPIA CEO NAMED RECIPIENT AT ERNST & YOUNG ENTREPRENEUR OF THE YEAR® 2005 AWARDS CEREMONY

**Bill Campbell awarded prestigious accolade for achievement in Information
Technology business category.**

TORONTO, ON and FT. LAUDERDALE, FL – October 7, 2005 – Hostopia is pleased to announce that its CEO, Bill Campbell was named Ernst & Young Entrepreneur of the Year® 2005 for the Information Technology business category. The award ceremony, held in Toronto last night, named distinguished entrepreneurs from eleven categories, representing Ontario's most successful entrepreneurs in this regional level of Ernst and Young's prestigious global competition.

"I was very surprised to be singled out for this honor," says Bill Campbell. "Hostopia's team members are the real winners, and my partners John Nemanic, Colin Campbell, and Franc Nemanic deserve a huge share of this recognition. We've come a very long way from an upstart challenger in 1999 to the global leader in our business category today. Our team of dedicated staff and management in Toronto, Ft. Lauderdale, and Nikolaev (Ukraine) is the reason for our amazing success."

Hostopia is the #1 private-label wholesale provider of Web hosting, email, and online applications. The company provides fully-managed Internet applications for small business that are sold by leading service providers around the world. Hostopia's revenues have grown over 13,000 percent in five years, as global leaders in communications services including TELUS Communications, Verizon Communications, Cinergy Communications and others have engaged Hostopia's services.

In recent weeks, Hostopia has been recognized in several prestigious awards, including the Deloitte Technology Fast 50 Companies-To-Watch Award, the Ontario Global Traders Award 2004 for Market Expansion (Service), Best Internet-Based Technology Company by the South Florida Business Journal, and the number one spot on the 17th annual PROFIT 100 ranking of Canada's Fastest-Growing Companies by PROFIT Magazine.

Campbell notes, "This remarkable string of accomplishments and industry recognition has made this an exceptional year for Hostopia. We have a staff and management team that competes and wins on a world stage. Our growing base of loyal customers gives us great satisfaction while their innovation and demands keep us at the leading edge of our industry."

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The Entrepreneur Of The Year awards honor entrepreneurs who have demonstrated excellence and extraordinary success in areas such as innovation, risk taking, company development, financial performance, and personal commitment to their businesses and communities. Submissions are reviewed by an independent judging panel, which is composed of several distinguished Canadian business leaders and previous award recipients. The Entrepreneur Of The Year program was founded by Ernst & Young to celebrate great entrepreneurs and heighten awareness of the economic impact of entrepreneurial ventures.

About Hostopia

Hostopia provides wholesale private-label hosting, managed email, and application services to North America and Europe's most demanding and successful Telco's, ISPs, cable companies, hosting providers, and domain registrars.

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

Hostopia currently services over 500,000 domain-based customers and manages over 2 million business-class email accounts.

About Ernst & Young

Ernst & Young, a global leader in professional services, is committed to restoring the public's trust in professional services firms and in the quality of financial reporting. Its 106,000 people in 140 countries pursue the highest levels of integrity, quality, and professionalism in providing a range of sophisticated services centered on our core competencies of auditing, accounting, tax and transactions. Further information about Ernst & Young and its approach to a variety of business issues can be found at ey.com/perspectives. Ernst & Young refers to all the members of the global Ernst & Young organization.

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