

News Release

HOSTOPIA TO ACQUIRE CERTAIN SHARED HOSTING CUSTOMER ASSETS OF TUCOWS RETAIL SERVICE GROUP

**Drives incremental revenue growth for Hostopia as Tucows focuses its retail
operations on email and online identity**

MISSISSAUGA, ON and FT. LAUDERDALE, FL — May 6, 2008 — Hostopia.com, Inc. (TSX: H) and Tucows Inc. (AMEX: TCX, TSX: TC) yesterday signed a definitive agreement for Hostopia to purchase certain of Tucows' shared hosting customer assets including approximately 14,000 Domain Direct, NetIdentity and ItsYourDomain.com (IYD) customer accounts.

Hostopia will pay US\$1.6 million in cash for these assets, with adjustments to be made on closing. This amount is payable 20% on signing of the agreement and 80% upon the closing of the transaction, which is scheduled to occur on May 15, 2008. The companies plan to migrate these accounts to Hostopia's unified web service platform by July 2008.

"We are very pleased to have concluded this transaction. We are already hosting some of the Tucows Retail Service Group's users so the impact on customers should be minimal," said Colin Campbell, CEO, Hostopia. "Our plan is to provide customers with numerous upgrades and additional value-added services to earn their loyalty and continued business. Traditional web hosting is fast evolving to the SaaS (software as a service) model and Hostopia is perfectly positioned to offer these services to these customers."

"I am confident these shared hosting customers will enjoy quality service and support with Hostopia directly," said Elliot Noss, President and CEO, Tucows. "This move is the first part of a strategy to reposition our retail business to help individuals and small businesses build their identities online."

The companies indicated that accounts involved in the transaction will continue to be served under the familiar Domain Direct brand, which will operate as a managed service by Hostopia.

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About Hostopia

Hostopia is a leading provider of web services that enable small- and medium-sized businesses to establish and maintain an Internet presence. The company's customers are communication services providers, including telecommunication carriers, cable companies, Internet service providers, domain registrars, and web hosting service providers. Hostopia's customers purchase their web services on a wholesale basis and resell these services under their own brands to small- and medium-sized businesses. The company provides customers with the technology, infrastructure, and support services to enable them to offer web services, while saving them research and development as well as capital and operating costs typically associated with the design, development, and delivery of web services. Nexthaus, Hostopia's wireless mobility technology unit, is a global leader in data and device synchronization and has developed industry-recognized SyncML solutions that feature wireless interoperability between PC's, handheld devices and mobile phones. For more information, visit www.hostopia.com and www.nexthaus.com.

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 year end 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 or referenced under the caption "Risk Factors" in Hostopia's Annual Report on Form 10-K for the year ended March 31, 2007, 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 and on our corporate website www.hostopia.com under Investor Relations.

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