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TUCOWS FINANCIAL NEWS RELEASE, Q1 2005

Company Achieves Eleventh Consecutive Quarter of Profitability

TORONTO - May 4, 2005 - Tucows Inc. (OTCBB: TCOW) today reported strong results for the first quarter of fiscal 2005, ended March 31, 2005.

Highlights for the first quarter included:

- A 16% year-over-year increase in net revenue to \$11.8 million, the Company's second highest quarterly revenue;
- Income from operations of \$0.2 million;
- Cash flow from operations of \$0.7 million;
- Net income of \$0.4 million, the Company's eleventh consecutive quarter of profitability; and
- A 14% year-over-year increase in deferred revenue to a record \$35.8 million.

"Our strong operational performance in the first quarter of fiscal 2005, highlighted by a record number of domain name registration transactions and non-domain Internet services provided an increased contribution to both revenue and gross margin. The result is our second best quarter ever in terms of revenue, our fourteenth consecutive quarter of positive cash flow from operations and our eleventh consecutive quarter of profitability," said Elliot Noss, President and Chief Executive Officer, Tucows Inc. "Our continued momentum underscores the success of our approach to the Internet services market. By offering a broad range of services to a specific customer set, we forge strong, deep customer relationships. We believe these relationships are a significant competitive advantage for Tucows and a substantial barrier to entry for potential competitors. Looking ahead, with the fundamentals in place and our business performing well, we are focused on maximizing the revenue and profitability derived through our business model."

Summary Financial Results (Numbers in Thousands, Except Per Share Data)

	Three months ended March 31, 2005	Three months ended March 31, 2004
Net Revenue	11,802	10,175
Income from Operations	214	111
Net Income	443	149
Net Income/Share	0.01	0.00
Cash Flow from Operations	655	567

Net revenue for the first quarter of fiscal 2005 increased 16% to \$11.8 million from \$10.2 million for the first quarter of fiscal 2004, the result of both a higher number of domain name registrations and a higher contribution from non-domain Internet services. Income from operations for the first quarter was \$0.2 million (which included a net loss on the value of foreign exchange forward contracts of \$0.1 million). Net income for the first quarter of fiscal 2005 increased to \$0.4 million, or \$0.01 per share from \$0.1 million, or \$0.00 per share, for the first quarter of fiscal 2004.

Deferred revenue at the end of the first quarter of fiscal 2005 was \$35.8 million, an increase of 14% from \$31.4 million at the end of the first quarter of fiscal 2004 and an increase of 8% from \$33.3 million at the end of the fourth quarter of fiscal 2004.

Cash and restricted cash at the end of the first quarter of fiscal 2005 was \$15.0 million compared to \$13.7 million at the end of the first quarter of fiscal 2004 and \$14.4 million at the end of the fourth quarter of fiscal 2004. The increase compared to the fourth quarter of fiscal 2004 is primarily the result of positive cash flow from operations for the first quarter of this year of \$0.7 million.

Conference Call

Tucows will host a conference call on Wednesday, May 4, 2005, at 5:00 p.m. (ET) to discuss the company's first quarter fiscal 2005 results. To access the conference call via the Internet go to www.tucowsinc.com, and click on "Investor Relations."

For those unable to join the conference call at the scheduled time, it will be archived for replay both by telephone and via the Internet beginning approximately one hour following completion of the call. To access the archived conference call by telephone, dial 1-800-408-3053 or 416-695-5800 and enter the pass code 3151037. The telephone replay will be available until Wednesday, May 11, 2005, at midnight. To access the archived conference call via the Internet, go to www.tucowsinc.com and click on "Investor Relations."

Tucows Inc.

Tucows Inc. is a leading provider of wholesale Internet services and back office solutions to a global network of more than 6,000 web

hosting companies, ISPs and other service providers. As the largest ICANN-accredited wholesale domain name registrar, Tucows offers a suite of complementary Internet services including domain name registration and management, digital certificates, email services and web publishing services. Tucows' back office products, including billing, provisioning and customer care solutions, enable service providers to automate and enhance their service offerings. Tucows also distributes software and other digital content through its global network of affiliates offering more than 40,000 software titles. For more information, please visit: www.tucowsinc.com

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This news release contains, in addition to historical information, forward-looking statements that involve risks and uncertainties. These forward-looking statements include statements regarding the continued growth and success of Tucows' business, the ability to further develop and achieve commercial success for the company's business strategy and the deployment of the company's resources. Such statements are based on management's current expectations and are subject to a number of uncertainties and risks that could cause actual results to differ materially from those described in the forward-looking statements. More information about potential factors that could affect Tucows is included in the Risk Factors sections of Tucows' filings with the Securities and Exchange Commission. All forward-looking statements included in this document are based on information available to Tucows as of the date of this document, and Tucows assumes no obligation to update such forward-looking statements.

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