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TUCOWS FINANCIAL NEWS RELEASE, Q2 2009

Tucows Inc. Reports Financial Results For The Second Quarter Of 2009

TORONTO, August 12, 2009 - Tucows Inc., (NYSE AMEX:TCX, TSX:TC) a global provider of domain names, email and other Internet services, today reported its financial results for the second quarter of 2009 ended June 30, 2009. All figures are in U.S. dollars.

"We're pleased that the strong performance of our OpenSRS wholesale business has contributed to another quarter of solid financial results amidst generally weak economic conditions," said Elliot Noss, President and CEO of Tucows. "Even as our industry started to show signs of the economic downturn for the first time, our strong competitive position allowed us to achieve year-over-year growth in domain registrations during the quarter. Our other services are also performing within plan, positioning us well for the remainder of the year."

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

	3 Months Ended Jun. 30, 2009 (unaudited)	3 Months Ended Jun. 30, 2008 (unaudited)	6 Months Ended Jun. 30, 2009 (unaudited)	6 Months Ended Jun. 30, 2008 (unaudited)
Net Revenue	\$20,022	\$20,450	\$40,114	\$39,162
Net Income	4,480	2,209	5,444	1,127
Net Income/Share	0.07	0.03	0.08	0.02
Cash Flow from Operations	2,591	2,580	3,504	2,697

Summary of Revenue and Cost of Revenue before Network Costs
(Numbers in Thousands of US Dollars)

	Revenue		Cost of Revenue	
	3 Months Ended Jun. 30, 2009 (unaudited)	3 Months Ended Jun. 30, 2008 (unaudited)	6 Months Ended Jun. 30, 2009 (unaudited)	6 Months Ended Jun. 30, 2008 (unaudited)
OpenSRS:				
Domain Services (Traditional Domain Registration)	\$14,737	\$13,269	\$11,944	\$10,505
Email Services	874	1,551	153	(24)
Other Services	1,092	1,137	411	415
Total OpenSRS Services	16,703	15,957	12,508	10,896
YummyNames (Domain Portfolio Services)	1,456	1,873	251	181
Hover (Retail Services)	1,259	2,046	475	577
Butterscotch (Content Services)	604	574	1	6
Total	\$20,022	\$20,450	\$13,235	\$11,660

Net revenue for the second quarter of 2009 was \$20.0 million compared with \$20.5 million for the second quarter of 2008. Net income for the second quarter of 2009 was \$4.5 million, or \$0.07 per share, compared with \$2.2 million, or \$0.03 per share, for the second quarter of 2008. Net income for the second quarter of 2009 benefitted from other income of \$2.0 million related to the sale of the Company's equity stake in Afilias and \$0.6 million related to patents that the Company assigned to a third party that continues to commercialize them, while net

income for the second quarter of 2008 benefited from other income of \$1.5 million related to the sale of the Company's retail hosting assets. Net income for the second quarter of 2009 also benefited from a gain on foreign exchange of \$1.6 million (inclusive of a mark to market gain of \$1.9 million) compared to a gain on foreign exchange of \$0.2 million (inclusive of a mark to market gain of \$0.2 million) for the second quarter of 2008. The benefits for the second quarter in 2009 were partially offset by a provision for current income taxes of \$0.8 million, before recognizing a refundable research and development tax credit in Canada of \$0.2 million.

Deferred revenue at the end the second quarter of fiscal 2009 was \$56.9 million, an increase of 4.6% from \$54.4 million at the end of the second quarter of fiscal 2008 and a slight increase from \$56.7 million at the end of the first quarter of fiscal 2009.

Cash and cash equivalents at the end of the second quarter of fiscal 2009 was \$7.4 million compared with \$2.9 million at the end of the second quarter of fiscal 2008 and \$4.0 million at the end of the first quarter of fiscal 2009. This increase in cash compared with the first quarter of 2009 is primarily the result of the generation of cash flow from operations of \$2.6 million and the receipt of an additional \$2.1 million payment from the sale of the Company's equity stake in Afilias last year, which were partially offset by the repayment of \$1.2 million of the Company's bank loan.

Tucows will host a conference call tomorrow, Thursday, August 13, 2009 at 5:00 p.m. ET to discuss the Company's second quarter fiscal 2009 results. To access the conference call via the Internet, go to <http://tucowsinc.com/investors>.

For those unable to participate in 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 416-640-1917 or 1-877-289-8525 and enter the pass code 21311901 followed by the pound key. The telephone replay will be available until Thursday, August 20, 2009 at midnight. To access the archived conference call as an MP3 via the Internet, go to <http://tucowsinc.com/investors>.

About Tucows

Tucows is a global Internet services company. OpenSRS manages over 8 million domain names and millions of email boxes through a reseller network of over 9,000 web hosts and ISPs. Hover is the easiest way for individuals and small businesses to manage their domain names and email addresses. YummyNames owns premium domain names that generate revenue through advertising or resale. Butterscotch.com is an online video network building on the foundation of Tucows.com. More information can be found at <http://tucowsinc.com>.

This news release contains, in addition to historical information, forward-looking statements related to such matters as our business, including statements regarding the expected expiration date, the number of shares to be purchased and the purchase price per share. Such statements are based on management's current expectations and are subject to a number of uncertainties and risks, which could cause actual results to differ materially from those described in the forward-looking statements. Information about potential factors that could affect Tucows' business, results of operations and financial condition 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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