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TUCOWS FINANCIAL NEWS RELEASE, Q3 2006

Tucows Reports Strong Third Quarter Fiscal 2006 Results

Company Reports Strong Growth in Revenue and Profitability

TORONTO, Canada - November 6, 2006 - Tucows Inc. (AMEX:TCX, TSX:TC), a leading provider of Internet services to web hosting companies, ISPs and other service providers worldwide, today reported its financial results for the third quarter of fiscal 2006 ended September 30, 2006.

Highlights for the third quarter included:

- A 40% year-over-year increase in net revenue to a record \$16.9 million;
- Net income of \$1.9 million;
- A 41% increase in adjusted EBITDA to \$1.5 million;
- A 20% year-over-year increase in deferred revenue to a record \$44.7 million; and
- Acquisition of the Kiko calendaring service.

"Our financial results for the third quarter of fiscal 2006 show increased momentum in our business driven by growth in all our service offerings," said Elliot Noss, President and Chief Executive Officer, Tucows Inc. "Operationally this quarter, we completed the bulk of integration of Net Identity and acquired the Kiko calendaring service, further evidence of our commitment to having the best hosted email service in the world. In addition, we continued to invest in strengthening our operations. This will allow us to better capitalize on the significant leverage inherent in our business model."

Summary Financial Results

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

	Three Months Ended September 30, 2006	Three Months Ended September 30, 2005	Nine Months Ended September 30, 2006	Nine Months Ended September 30, 2005
Net Revenue	16,864	12,055	47,830	35,859
EBITDA	2,944 ¹	938	4,379 ¹	2,199
Adjusted EBITDA	1,518	1,076	4,783	2,894
Net Income	1,935 ¹	788	2,004 ¹	1,739
Net Income/Share	0.03	0.01	0.03	0.03
Cash Flow from Operations	(133)	792	4,921	2,922

¹Includes other income of \$1.9 million related to contingent consideration associated with the sale in 2002 of patents acquired through the reverse takeover of Infonautics in 2001.

Net revenue for the third quarter of fiscal 2006 increased 40% to \$16.9 million from \$12.1 million for the third quarter of fiscal 2005. The increase was the result of growth across all aspects of the Company's business.

Net income for the third quarter of fiscal 2006 was \$1.9 million, or \$0.03 per share, compared with \$0.8 million, or \$0.01 per share, for the third quarter of fiscal 2005. Adjusted EBITDA for the third quarter of fiscal 2006 increased 41% to \$1.5 million, or 9.0% of net revenue, from \$1.1 million, or 8.9% of net revenue, for the corresponding quarter of last year.

Deferred revenue at the end the third quarter of fiscal 2006 was \$44.7 million, an increase of 20% from \$37.3 million at the end of the third quarter of fiscal 2005 and an increase of 4% from \$43.2 million at the end of the second quarter of fiscal 2006.

Cash, short-term investments and restricted cash at the end of the third quarter of fiscal 2006 decreased to \$3.8 million from \$7.0 million at the end of the second quarter of fiscal 2006 and \$18.4 million at the end of the third quarter of fiscal 2005. The decrease compared to the end of the second quarter of fiscal 2006 is primarily the result of cash payments of \$2.1 million to repay one of two promissory notes associated with the acquisition of Mailbank.com Inc. (Net Identity) and investments of \$0.8 million in property and equipment, mostly for Internet services infrastructure.

EBITDA and Adjusted EBITDA

To assist financial statement users in their assessment of the Company's historical performance and to project its future earnings and cash flows, the Company has included earnings before interest, taxes, depreciation and amortization (EBITDA). EBITDA is presented because it is an important supplemental measure of performance frequently used by securities analysts, investors and other interested parties in the

evaluation of companies. Other companies may calculate EBITDA differently. EBITDA is not a measurement of financial performance under generally accepted accounting principles (GAAP) and should not be considered as an alternative to cash flow from operating activities or as a measure of liquidity or an alternative to net income as indicators of operating performance or any other measures of performance derived in accordance with (GAAP). Because EBITDA is calculated before recurring cash charges, including interest expense and taxes, and is not adjusted for capital expenditures or other recurring cash requirements of the business, it should not be considered as a measure of discretionary cash available to invest in the growth of the business. See the Consolidated Statements of Cash Flows included in the attached financial statements.

Adjusted EBITDA represents EBITDA plus the additional adjustments described in the table below. Adjusted EBITDA is presented because it better represents ongoing business performance than EBITDA. The adjustments reflect the material amount of cash collected by the Company for domain registrations and other Internet services paid for the full term at the time of activation and deferred, net of prepaid fees. In addition, adjusted EBITDA reflects earnings and expenses considered as non-representative of ongoing business for the reasons specified below. Adjusted EBITDA is one of the primary measures the Company uses for planning and budgeting purposes and to monitor and evaluate Tucows' financial and operating results. Adjusted EBITDA is not a measurement of financial performance under GAAP and should not be considered as an alternative to cash flow from operating activities or as a measure of liquidity or an alternative to net income as indicators of operating performance or any other measures of performance derived in accordance with generally accepted accounting principles. See the Consolidated Statements of Cash Flows included in the attached financial statements.

Conference Call

Tucows will host a conference call today, Monday, November 6 2006, at 5:00 p.m. (ET) to discuss the Company's third quarter fiscal 2006 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 3202095 followed by the pound key. The telephone replay will be available until Monday, November 13, 2006, 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. (AMEX:TCX, TSX:TC) provides Internet services and download libraries through a global distribution network of 6,000 service providers. This distribution network primarily consists of web hosting companies, ISPs (Internet Service Providers) and other Internet related service companies. These companies use Tucows' provisioned services to offer solutions to their customers: enterprises, small and medium businesses and consumers. Tucows is an accredited registrar with ICANN (the Internet Corporation for Assigned Names and Numbers) and earns most of its revenue from domain name registration services plus hosted email, spam and virus protection, Blogware, website building tools, the Platypus Billing System and digital certificates. For more information, please visit: www.tucowsinc.com

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