



Towerstream Reports That Miami Market Has Reached EBITDA Profitability

MIDDLETOWN, R.I., Oct 20, 2009 (GlobeNewswire via COMTEX News Network) -- Towerstream (Nasdaq:TWER), a leading wireless Internet service provider, today announced that it has reached EBITDA profitability in its Miami market.

"Miami has been one of our fastest growing markets since its launch in 2007. We plan to use the strategy employed in launching Miami as a model for future market expansion," said Jeff Thompson, CEO of Towerstream. "Seven of our nine markets are now EBITDA profitable. Our continued progress demonstrates the leverage of our business model and the predictability of our revenue stream."

"We are pleased to report that our Miami market has reached EBITDA profitability and is now generating Market Cash Flow," stated Joseph Herson, Chief Financial Officer of Towerstream. "It's important to note that EBITDA profitability and Market Cash Flow are not recognized measures under generally accepted accounting principles. We utilize these metrics to measure the operational performance of our markets, and their respective ability to contribute cash flow to support centralized operating and corporate overhead costs."

Key Operating Metrics and Non-GAAP Financial Measures

The terms "EBITDA" and "Market Cash Flow" are measurements used by Towerstream to monitor business performance and are not recognized measures under generally accepted accounting principles, or "GAAP." Accordingly, investors are cautioned in using or relying upon these measures as alternatives to recognized GAAP measures. Towerstream's method of calculating these measures may differ from other companies and, accordingly, may not be comparable to similar measures presented by other companies. The term "EBITDA" refers to earnings before interest expense, interest income, income taxes, depreciation, amortization and stock-based compensation. "Market Cash Flow" represents the amount of cash generated in a market after deducting a market's direct operating expenses from that market's revenues. Market Cash Flow does not include (i) centralized operating costs which support all markets collectively or (ii) any network related capital expenditures incurred in a market.

Towerstream Service Options

Towerstream offers a variety of bandwidth options from T-1 to 1000Mbps as well as service reliability backed by an industry-leading Service Level Agreement (SLA) and a no-risk, money-back guarantee. Towerstream's wireless broadband network delivers high-speed Internet access supporting VoIP, bandwidth on demand, wireless redundancy, VPNs, disaster recovery, bundled data, and video services. Companies utilizing multiple appliances simultaneously, such as streaming video and VoIP, can prioritize their bandwidth to secure mission-critical activities. In addition to Miami, Towerstream currently serves businesses of all sizes in New York, Chicago, Seattle, Boston, Los Angeles, San Francisco, Dallas-Fort Worth and Providence/Newport. Towerstream also offers a Rapid Installation Program which guarantees installation within 48 hours.

For a map of the regions covered by Towerstream's service, please visit: <http://www.towerstream.com>. For sales inquiries, please call 866-848-5848; or visit: <http://www.towerstream.com/index.asp?ref=support>. Visit Towerstream CEO Jeff Thompson's blog at: <http://blog.towerstream.com/>.

About Towerstream

Towerstream is a leading fixed WiMAX service provider in the U.S., delivering high-speed Internet access to businesses. Founded in 2000, the Company has established networks in nine markets including New York City, Boston, Los Angeles, Chicago, the San Francisco Bay Area, Miami, Seattle, Dallas-Fort Worth, and the greater Providence area where the Company is based. The Company was the first carrier selected to join the WiMAX Forum to assist leading vendors in establishing industry compliance with international broadband wireless access standards and cross-vendor interoperability. Towerstream was awarded two 2008 Telephony Innovation Awards for Most Innovative Broadband Wireless Service and Most Innovative Small Business Service and the Best of WiMAX World 2008 Service Provider Deployment Award for its New York City network.

The Towerstream Corporation logo is available at <http://www.globenewswire.com/newsroom/prs/?pkgid=6570>

Safe Harbor

Certain statements contained in this press release are "forward-looking statements" within the meaning of applicable federal securities laws, including, without limitation, anything relating or referring to future financial results and plans for future business development activities, and are thus prospective. Forward-looking statements are inherently subject to risks and

uncertainties some of which cannot be predicted or quantified based on current expectations. Such risks and uncertainties include, without limitation, the risks and uncertainties set forth from time to time in reports filed by the Company with the Securities and Exchange Commission. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, it can give no assurance that such expectations will prove to be correct. Consequently, future events and actual results could differ materially from those set forth in, contemplated by, or underlying the forward-looking statements contained herein. The Company undertakes no obligation to correct or update any forward-looking statements, whether as a result of new information, future events or otherwise.

This news release was distributed by GlobeNewswire, www.globenewswire.com

SOURCE: Towerstream Corporation

CONTACT: Vision Advisors

Investor Contact:

Terry McGovern

415-902-3001

mcgovern@visionadvisors.net

Dukas Public Relations

Media Contact:

Amanda Lordy

212-704-7385

Amanda@dukaspr.com

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