



UBS ANNOUNCES THIRD QUARTER RESULTS

Toronto, Canada (July 22, 2005) – Unique Broadband Systems, Inc. (TSX Venture: UBS) today reported its results for the third quarter of fiscal 2005, which ended May 31, 2005. As previously announced, UBS changed its year-end to August 31 in order to standardize financial reporting periods with its subsidiary Look Communications Inc.

Revenue for the three months ended May 31, 2005 was \$9.2 million and gross margin was \$4.6 million. For the three months ended May 31, 2004, revenue was \$11.4 million and gross margin was \$6.1 million. The decline in revenue and gross margin is largely due to lower Dial-Up Internet subscribers. Revenue for the nine months ended May 31, 2005 was \$28.9 million and gross margin was \$14.2 million. For the nine months ended May 31, 2004, which only consolidates Look's results for six months, revenue was \$23.4 million and gross margin was \$12.6 million.

The net loss for the quarter was \$1.0 million, or \$0.01 per common share, compared with a net loss of \$0.5 million, or \$0.01 per common share in the quarter ended May 31, 2004. The net loss for the nine months ended May 31, 2005 was \$3.7 million, or \$0.04 per common share, compared with a net loss of \$8.9 million, or \$0.09 per common share in the nine months ended May 31, 2004. This improvement was a result of various restructuring actions, particularly the divestiture of the engineering and manufacturing business in October 2003.

Look has made adjustments to certain of the comparative figures as at August 31, 2004 to conform with the presentation adopted in the interim consolidated financial statements. Specifically, \$984,000 incurred to prepare network equipment for use and to develop software for internal use was adjusted from prepaid expenses and other amounts receivable to capital assets. Additionally, inventory of \$221,000 previously included in capital assets was adjusted as inventory, and is now presented separately within total current assets. The net impact of the prior period adjustments as at August 31, 2004 was to decrease current assets and increase capital asset by \$763,000, and increase the previously-reported working capital deficiency of \$396,000 as at August 31, 2004 by \$763,000. These prior period adjustments have no impact on earnings, trends in earnings, segmented earnings, loss per share or cash flows in any period. These prior period adjustments are disclosed in note 7 of the Company's interim financial statements for the third quarter and nine-month period ended May 31, 2005.

UBS continues to support Look in aggressively pursuing its new business strategy of becoming a Mobile Multi Media Broadband Service Provider. This Mobile Multi Media network is in beta test at present. The Mobile Multi Media network will first be launched in Toronto, then Montreal and eventually will cover the population-dense corridor from Windsor to Quebec City. The Mobile Multi Media network will provide over 80 channels of live video, data carousel broadcasting channels and over 100 channels of digital audio broadcasting. Beta sites will be completed in August 2005 and the service is expected to be launched in 2006.

"We see the transition to mobile broadband as inevitable and services like Mobile TV, Mobile Internet and voice communication are now being tested in single hand held devices throughout North America and actual services are being offered in Korea and in some European cities" said Gerald McGoey Chairman and Chief Executive Officer. "UBS and Look are ideally positioned to offer these exciting new services. Look has the necessary licensed spectrum to deliver Mobile Multi Media services and has a broadcasting license which allows us to provide extensive content in news, sports, finance, weather and other programming. UBS has the technical know-how and experience to develop, design and build networks. Discussions with potential suppliers and distributors are on-going and the Company is confident of having successful arrangements in calendar 2005."

About Unique Broadband Systems, Inc.

UBS is a publicly listed Canadian company that has investments in broadband assets and a 51% equity investment in Look Communications Inc. With its licensed spectrum through its subsidiary, Look, UBS is a Canadian digital television broadcaster and broadband wireless service provider. The Company's web site may be found at www.uniquebroadband.com.

About Look Communications Inc

Look's mission is to be a Mobile Multi Media entertainment and information service provider in Ontario and Québec. The Company is developing a Mobile Multi Media network and currently delivers a full range of communications services, including high-speed and dial-up Internet access, Web applications, digital television distribution and superior customer service to both the business and residential markets across Canada. Look shares are listed on the TSX Venture Exchange under the symbols "lok.sv and lok.mv".

The corporate information contained in this release contains forward-looking statements regarding future events and the future performance of the Company that involve risks and uncertainties that could cause actual results to differ materially. Assumptions used in the preparation of such information, although considered reasonable by the Company at the time of preparation, may prove to be incorrect. The actual results achieved will vary from the information provided herein and the variations may be material. Consequently, there is no representation by UBS that actual results achieved will be the same in whole or in part as those forecasted.

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No stock exchange or regulatory authority has reviewed or accepts responsibility for the adequacy or accuracy of this release.

Readers of this release are referred to the press release, of July 15, 2005, containing the third quarter results of Look.

UNIQUE BROADBAND SYSTEMS, INC.

Consolidated Balance Sheets
(Unaudited) (In thousands of dollars)

	May 31, 2005	August 31, 2004
Assets		
Current assets:		
Cash and cash equivalents	\$ 4,066	\$ 4,920
Short-term investments	1,500	2,510
Restricted cash	725	492
Accounts receivable	2,809	2,809
Inventory	276	274
Prepaid expenses and deposits	838	2,035
	<hr/> 10,214	<hr/> 13,040
Capital assets	22,781	26,864
Deferred charges	286	342
	<hr/> \$ 33,281	<hr/> \$ 40,246
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 12,528	\$ 12,557
Income taxes payable	-	40
Unearned revenue	1,717	1,571
Current portion of long-term debt	68	31
	<hr/> 14,313	<hr/> 14,199
Long-term debt	1,269	1,242
Non-controlling interest	11,460	15,109
Shareholders' equity:		
Share capital	58,139	58,139
Contributed surplus	634	375
Deficit	(52,534)	(48,818)
	<hr/> 6,239	<hr/> 9,696
	<hr/> \$ 33,281	<hr/> \$ 40,246

UNIQUE BROADBAND SYSTEMS, INC.

Consolidated Statements of Operations and Deficit
(Unaudited) (In thousands of dollars, except shares and per share amounts)

	Three months ended		Nine months ended	
	May 31	May 31	May 31	May 31
	2005	2004	2005	2004
Service and sales revenue	\$ 9,179	\$ 11,397	\$ 28,915	\$ 23,386
Carrier charges and cost of sales	4,579	5,257	14,703	10,815
Gross margin	4,600	6,140	14,212	12,571
Expenses:				
Marketing and sales	506	905	2,352	1,270
Customer care	891	1,227	2,933	2,286
Engineering and operations	1,340	1,703	4,140	3,268
General and administration	2,125	2,866	6,870	7,245
Amortization of capital assets	1,646	1,343	4,946	2,822
Amortization of deferred charges	32	61	85	77
	6,540	8,105	21,326	16,968
Equity interest in Look	(1,940)	(1,965)	(7,114)	(4,397)
Interest expense	-	-	-	171
Interest income	89	71	178	122
	43	37	117	161
Loss from continuing operations before income taxes and non-controlling interest	(1,986)	(1,999)	(7,175)	(4,187)
Recovery of (provision for) income taxes	64	(18)	36	(33)
Loss from continuing operations before non-controlling interest	(1,922)	(2,017)	(7,139)	(4,220)
Non-controlling interest	947	1,482	3,423	2,316
Loss from continuing operations	(975)	(535)	(3,716)	(1,904)
Loss from discontinued operations	-	-	-	(7,001)
Loss for the period	(975)	(535)	(3,716)	(8,905)
Deficit, beginning of period	(51,559)	(46,499)	(48,818)	(38,129)
Deficit, end of period	\$ (52,534)	\$ (47,034)	\$ (52,534)	\$ (47,034)
Loss per share from continuing operations:				
Basic and diluted	\$ (0.01)	\$ (0.01)	\$ (0.04)	\$ (0.02)
Loss per share:				
Basic and diluted	\$ (0.01)	\$ (0.01)	\$ (0.04)	\$ (0.09)
Weighted average number of outstanding shares in thousands:				
Basic and diluted	102,748	102,748	102,748	102,748

UNIQUE BROADBAND SYSTEMS, INC.

Consolidated Statements of Cash Flows
(Unaudited) (In thousands of dollars)

	Three months ended		Nine months ended	
	May 31	May 31	May 31	May 31
	2005	2004	2005	2004
Cash flows from operating activities:				
Loss from continuing operations	\$ (975)	\$ (535)	\$ (3,716)	\$ (1,904)
Non-controlling interest	(947)	(1,482)	(3,423)	(2,316)
Equity interest in Look	-	-	-	(171)
Amortization of capital assets	1,646	1,343	4,946	2,822
Amortization of deferred charges	32	61	85	77
Loss on disposal of capital assets	-	-	-	3
Amortization of stock based compensation	159	-	349	-
Change in non-cash working capital	(27)	(577)	1,642	472
Cash flows from/(used in) continued operations	(112)	(1,190)	(117)	(1,017)
Cash flows used in discontinued operations	(49)	499	(653)	(2,681)
Cash flows used in operating activities	(161)	(691)	(770)	(3,698)
Cash flows from financing activities:				
Interest on convertible debentures	(1)	-	(33)	-
Repayment of obligations under capital leases	(17)	-	(38)	(3)
Proceeds from rights offering	-	-	-	5,218
Deferred financing charges	-	-	-	(200)
Proceeds from re-financing term debt	-	-	-	200
Repayment of term loans	-	(37)	-	(173)
Cash flows from/(used in) financing activities	(18)	(37)	(71)	5,042
Cash flows from investing activities:				
Restricted cash	(215)	(15)	(233)	(18)
Net redemption of short-term investments	500	-	1,010	-
Cash acquired on consolidation of Look	-	-	-	1,896
Purchase of capital assets	(94)	(457)	(761)	(1,935)
Deferred charges	(29)	(116)	(29)	(303)
Cash flows from/(used in) investing activities	162	(588)	(13)	(360)
Increase/(decrease) in cash and cash equivalents	(17)	(1,316)	(854)	984
Cash and cash equivalents, beginning of period	4,083	12,653	4,920	10,353
Cash and cash equivalents, end of period	\$ 4,066	\$ 11,337	\$ 4,066	\$ 11,337