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## MITEC TELECOM REPORTS THIRD QUARTER 2009 RESULTS

**Montreal, March 5, 2009** - Mitec Telecom Inc. ("Mitec") (TSX: MTM), a leading designer and manufacturer of mobile wireless, fixed wireless, broadcast and satellite components, today announced its results for the third quarter of fiscal 2009, the three month period ended January 31, 2009.

Revenue for the quarter was \$7.9 million compared with \$9.8 million for the third quarter of fiscal 2008. Revenue on a year to date basis was \$33.4 million, compared with \$25.4 million in the same period in fiscal 2008, a significant growth of 32%.

For the third quarter of fiscal 2009, the loss from operations was \$361,000 or nil per share, compared with a loss of \$1,351,000, or \$0.01 per share in the third quarter of fiscal 2008. Mitec's earnings before interest, taxes, depreciation and amortization (EBITDA) was \$64,000, compared with \$198,000 in the same period in fiscal 2008.

Gross profit for the quarter was approximately 24%, compared with 20% in the same period in fiscal 2008, an increase of 20%. Mitec continues to monitor its operations to ensure that it is able to operate as efficiently as practical, especially during this period of economic uncertainty.

"Mitec's results for the quarter showed the company's resilience as its senior management team deals with today's global challenges," said Jeffrey Mandel, Chairman of Mitec Telecom Inc. "They are further proof that Mitec's corporate strategy – to develop a profitable business that services specific customer needs as a global supplier of telecom and satcom components – delivers acceptable returns to shareholders even in challenging times."

### **About Mitec Telecom Inc.**

Mitec is a leading designer and provider of radio frequency (RF) products for the telecommunications and satellite communications industries, as well as a variety of other sectors. Mitec sells its products worldwide to network providers for incorporation into high-performing wireless networks used in voice and data/internet communications. Headquartered in Montreal, Canada, Mitec also operates facilities in California and China. Mitec Telecom Inc. is listed on the Toronto Stock Exchange under the symbol MTM. On-line information about Mitec is available at [www.mitectelecom.com](http://www.mitectelecom.com).

Certain statements in this release, including statements regarding future results and performance, are forward-looking statements based on current expectations. The accuracy of such statements is subject to a number of risks, uncertainties and assumptions that may cause actual results to differ materially from those projected, including, but not limited to, the effect of general economic conditions, decreases in demand for Mitec's products, fluctuations in selling prices and adverse changes in general market and industry conditions and other factors listed in Mitec's public filings with the appropriate securities regulatory authorities.

**MITEC TELECOM INC.**  
**INTERIM CONSOLIDATED BALANCE SHEETS**

(In thousands of Canadian dollars)

	As at January 31, 2009	As at April 30, 2008
	\$	\$
	Unaudited	Audited
<b>ASSETS</b>		
<b>Current</b>		
Cash and cash equivalents	3,861	4,784
Short-term investments	179	77
Trade receivables	7,678	10,036
Other receivables	1,203	630
Income tax recoverable	586	839
Inventories	9,122	8,759
Prepaid expenses	668	580
<b>Total current assets</b>	<b>23,297</b>	<b>25,705</b>
Property, plant and equipment	5,801	6,110
Intangible assets	3,523	4,284
Goodwill	3,598	3,598
Investments	25	25
Deferred charges	—	321
	<b>36,244</b>	<b>40,043</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	7,446	11,373
Current portion of long-term debt	1,116	382
<b>Total current liabilities</b>	<b>8,562</b>	<b>11,755</b>
Long-term debt	—	742
Future income tax liabilities	398	515
	<b>8,960</b>	<b>13,012</b>
<b>Shareholders' equity</b>		
Common shares	132,122	132,097
Warrants	1,925	1,931
Equity component of convertible debentures	23	46
Contributed surplus	9,791	9,223
Deficit	(116,872)	(115,372)
Accumulated other comprehensive gain (loss)	295	(894)
<b>Total shareholders' equity</b>	<b>27,284</b>	<b>27,031</b>
	<b>36,244</b>	<b>40,043</b>

**MITEC TELECOM INC.****INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME**

(In thousands of Canadian dollars, except per share data and number of shares)

Unaudited

	For the three months ended		For the nine months ended	
	January 31,		January 31,	
	2009	2008	2009	2008
	\$	\$	\$	\$
<b>Sales</b>	<b>7,922</b>	9,829	<b>33,421</b>	25,410
Cost of sales	<b>6,025</b>	7,870	<b>25,992</b>	19,691
<b>Gross profit</b>	<b>1,897</b>	1,959	<b>7,429</b>	5,719
<b>Expenses</b>				
Research and development	<b>1,039</b>	1,041	<b>3,188</b>	3,177
Selling and administrative	<b>1,430</b>	1,563	<b>4,678</b>	4,652
Amortization of intangible assets	<b>211</b>	413	<b>789</b>	923
Financial expenses	<b>310</b>	320	<b>697</b>	447
Foreign exchange	<b>(786)</b>	(373)	<b>(1,236)</b>	640
Interest income	<b>(9)</b>	(5)	<b>(22)</b>	(11)
Loss and write-down of property, plant and equipment	<b>39</b>	—	<b>390</b>	—
Write-down of investments	—	275	—	275
Stock-based compensation	<b>113</b>	76	<b>562</b>	286
	<b>2,347</b>	3,310	<b>9,046</b>	10,389
Loss before income taxes	<b>(450)</b>	(1,351)	<b>(1,617)</b>	(4,670)
Income tax recovery	<b>(89)</b>	—	<b>(117)</b>	—
<b>Net loss for the period</b>	<b>(361)</b>	(1,351)	<b>(1,500)</b>	(4,670)
Unrealized gain (loss) on translating financial statements of self-sustaining foreign operations	<b>1,167</b>	249	<b>1,189</b>	(102)
<b>Comprehensive gain (loss) for the period</b>	<b>806</b>	(1,102)	<b>(311)</b>	(4,772)
<b>Basic and diluted loss per common share</b>	<b>(0.00)</b>	(0.01)	<b>(0.01)</b>	(0.02)
<b>Weighted average number of outstanding common shares</b>	<b>220,666,756</b>	213,994,982	<b>220,656,485</b>	191,034,050

**MITEC TELECOM INC.**  
**INTERIM CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY**

(In thousands of Canadian dollars, except for number of shares)

Unaudited

	Common shares	Warrants	Equity component of convertible debentures	Contributed surplus	Deficit	Accumulated other comprehensive gain (loss)	Shareholders' equity
	# (000)	\$	\$	\$	\$	\$	\$
Balance, April 30, 2007	174,502	125,631	1,311	—	8,645	(108,951)	25,719
Stock-based compensation	—	—	—	—	286	—	286
Issued for business acquisition	32,841	5,254	—	—	—	—	5,254
Issued under a convertible debentures financing	6,957	787	752	79	—	—	1,618
Issued on exercise of stock options	300	60	—	—	(27)	—	33
Other comprehensive loss for the period	—	—	—	—	—	(102)	(102)
Net loss for the period	—	—	—	—	—	(4,670)	(4,670)
Balance, January 31, 2008	214,600	131,732	2,063	79	8,904	(113,621)	28,138
<b>Balance, April 30, 2008</b>	<b>220,312</b>	<b>132,097</b>	<b>1,931</b>	<b>46</b>	<b>9,223</b>	<b>(115,372)</b>	<b>27,031</b>
Issued upon conversion of convertible debentures	354	25	—	—	—	—	25
Impact of deferred expenses on convertible debentures	—	—	—	(23)	—	—	(23)
Expired warrants	—	—	(6)	—	6	—	—
Stock-based compensation	—	—	—	—	562	—	562
Other comprehensive gain for the period	—	—	—	—	—	1,189	1,189
Net loss for the period	—	—	—	—	—	(1,500)	(1,500)
<b>Balance, January 31, 2009</b>	<b>220,666</b>	<b>132,122</b>	<b>1,925</b>	<b>23</b>	<b>9,791</b>	<b>(116,872)</b>	<b>27,284</b>

**MITEC TELECOM INC.**  
**INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS**

(In thousands of Canadian dollars)

Unaudited	For the three months ended		For the nine months ended	
	2009	January 31, 2008	2009	January 31, 2008
	\$	\$	\$	\$
<b>OPERATING ACTIVITIES</b>				
Net loss	(361)	(1,351)	(1,500)	(4,670)
Add items not affecting cash				
Amortization of property, plant and equipment, intangible assets and deferred charges	476	973	1,849	2,567
Loss and write-down and loss on disposal of property, plant and equipment	39	—	390	—
Write-down of investments	—	275	—	275
Stock-based compensation	113	76	562	286
Accretion expense	287	253	532	304
Income tax recovery	(89)	—	(117)	—
	465	226	1,716	(1,238)
Changes in non-cash working capital balances related to continuing operations	(1,520)	662	(1,811)	870
<b>Cash flows provided (used) in operating activities</b>	<b>(1,055)</b>	<b>888</b>	<b>(95)</b>	<b>(368)</b>
<b>INVESTING ACTIVITIES</b>				
Additions to property, plant and equipment and intangible assets	(48)	37	(349)	(177)
Proceeds on disposal of property, plant and equipment	13	34	13	48
Purchase of short-term investments	(100)	(77)	(179)	(229)
Sale of short-term investments	—	77	77	227
Purchase of investments	—	—	—	(251)
<b>Cash flows provided (used) in investing activities</b>	<b>(135)</b>	<b>71</b>	<b>(438)</b>	<b>(382)</b>
<b>FINANCING ACTIVITIES</b>				
Repayment of long-term debt	(125)	(125)	(390)	(375)
<b>Cash flows used by financing activities</b>	<b>(125)</b>	<b>(125)</b>	<b>(390)</b>	<b>(375)</b>
Effect of exchange rate fluctuations changes on cash and cash equivalents	—	1	—	(74)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(1,315)</b>	<b>835</b>	<b>(923)</b>	<b>(1,199)</b>
Cash and cash equivalents, beginning of the period	5,176	4,252	4,784	6,286
<b>Cash and cash equivalents, end of the period</b>	<b>3,861</b>	<b>5,087</b>	<b>3,861</b>	<b>5,087</b>