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MITEC TELECOM REPORTS IMPROVED THIRD QUARTER 2011 RESULTS

Montreal, March 9, 2011- 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 2011, the three month period ended January 31, 2011.

Revenue for the quarter was \$6.0 million compared with \$5.2 million for the third quarter of fiscal 2010. For the third quarter of fiscal 2011, the loss from operations was \$924,000 or \$nil per share, compared with a loss of \$2.3 million, or \$.01 per share in the third quarter of fiscal 2010, a 58% improvement.

Mitec's loss before interest, taxes, depreciation and amortization, on an adjusted basis, ("Adjusted EBITDA") was \$392,000 compared with a loss of \$1.2 million in the same period in fiscal 2010, an improvement almost threefold. Gross profit for the quarter was approximately \$1.3 million or 21%, an improvement of 47% compared with gross profit of \$861,000 or 17% for the same period in fiscal 2010.

The Telecom segment, which contributed \$2.6 million of total revenue, increased by \$1.5 million or 130%, during the third quarter as compared with the same period in the previous year, however gross margin for this sector continued to be pressured by the competitiveness in that market, generating a 6% return to Mitec compared with negative margins in the third quarter of fiscal 2010.

Satcom segment shipments contributed \$3.4 million of total revenue, a decrease of \$0.7 million, or 16%, compared to the third quarter of fiscal 2010. This division is expected to improve over the balance of 2011 as the Corporation continues to focus on both new and existing customer opportunities presenting themselves. Most importantly, gross margins continued to improve, generating 34% returns to Mitec, compared with 25% in the third quarter of fiscal 2010. The Keragis division demonstrated outstanding results generating gross margins in excess of 40% as this division begins to gain traction with a growing and military customer base comprised of some of the largest US government integrators.

"The third quarter results and associated financial performance figures demonstrate an upward trend as market penetration of our new products in VSAT and military sectors take hold. We are also receiving very strong demand for our legacy, flexible waveguide product and have recently upgraded our production in our Quebec facility which is now working at full capacity with a strong backlog", commented Daniel Piergentili, Mitec's President and CEO.

"The wireless sector financial performance further justifies the successful divestiture of Mitec's RF conditioning unit and China based assets, announced on February 28, in favor of an outsourced volume manufacturing model which is now in place", Piergentili continued. "Our coverage solutions product line

continues to achieve milestones in ongoing qualification programs and we are working on several other large project initiatives that could generate significant revenues in future quarters", he said.

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 a facility in California. Mitec is listed on the Toronto Stock Exchange under the symbol MTM. On-line information about Mitec is available at www.mitectelecom.com.

Due to confidentiality provisions, Mitec is generally not able to disclose the names of its major customers or the financial data related to sales transactions. 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, 2011	As at April 30, 2010
	\$ Unaudited	\$ Audited
ASSETS		
Current		
Cash	525	1,886
Short-term investments	182	181
Trade receivables	6,361	5,732
Other receivables	159	288
Income tax recoverable	44	380
Inventories	5,725	5,447
Prepaid expenses and other assets	393	493
Total current assets	13,389	14,407
Property, plant and equipment	4,113	4,510
Intangible assets	1,498	1,762
Investments	25	25
	19,025	20,704
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Credit facility	537	733
Accounts payable and accrued liabilities	5,310	6,061
Deferred liabilities	600	—
Current portion of the long-term debt	1,910	—
Total current liabilities	8,357	6,794
Long-term debt	—	1,157
Total liabilities	8,357	7,951
Shareholders' equity		
Common shares	132,885	132,142
Warrants	—	1,152
Equity component of convertible debentures	777	768
Contributed surplus	12,036	10,802
Deficit	(134,434)	(131,427)
Accumulated other comprehensive loss	(596)	(684)
Total shareholders' equity	10,668	12,753
	19,025	20,704

MITEC TELECOM INC.
INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

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

Unaudited

	For the three months ended		For the nine months ended	
	2011	January 31, 2010	2011	January 31, 2010
			\$	\$
Sales	5,983	5,161	18,778	19,066
Cost of sales	4,713	4,299	14,904	16,353
Gross profit	1,270	862	3,874	2,713
Expenses				
Research and development	638	1,031	2,072	2,782
Selling and administrative	1,205	1,694	4,099	4,918
Financial expenses	236	161	633	535
Foreign exchange loss	137	279	6	682
Gain on disposal and impairment of property, plant and equipment	—	—	(1)	(25)
Stock-based compensation	8	41	72	149
	2,224	3,206	6,881	9,041
Loss before income taxes	(954)	(2,344)	(3,007)	(6,328)
Income tax recovery	—	(39)	—	(117)
Net loss for the period	(954)	(2,305)	(3,007)	(6,211)
Net change in the unrealized gain (loss) on translating financial statements of self- sustaining foreign operations	30	(32)	88	(383)
Comprehensive loss for the period	(924)	(2,337)	(2,919)	(6,594)
Basic and diluted loss per outstanding common share	(0.00)	(0.01)	(0.01)	(0.03)
Weighted average number of outstanding common shares	267,010,959	220,666,756	236,114,824	220,666,756

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 Loss	Shareholders' equity
	# (000)	\$	# (000)	\$	\$	\$	\$	\$	\$
Balance, April 30, 2009	220,666	132,142	37,829	1,925	14	9,836	(119,980)	(280)	23,657
Issued upon conversion of convertible debentures	—	—	—	—	(14)	28	—	—	14
Issued under a convertible debenture financing	—	—	—	—	747	—	—	—	747
Expired warrants	—	—	(14,226)	(774)	—	774	—	—	—
Stock-based compensation	—	—	—	—	—	149	—	—	149
Other comprehensive loss for the period	—	—	—	—	—	—	—	(383)	(383)
Net loss for the period	—	—	—	—	—	—	(6,211)	—	(6,211)
Balance, January 31, 2010	220,666	132,142	23,603	1,151	747	10,787	(126,191)	(663)	17,973
Balance, April 30, 2010	220,666	132,142	23,603	1,152	768	10,802	(131,427)	(684)	12,753
Issued for cash (net of issue costs of \$94)	55,167	693	—	—	—	—	—	—	693
Issued upon conversion of convertible debentures	834	50	—	—	(21)	10	—	—	39
Issued under a convertible debenture financing	—	—	—	—	30	—	—	—	30
Expired warrants	—	—	(23,603)	(1,152)	—	1,152	—	—	—
Stock-based compensation	—	—	—	—	—	72	—	—	72
Other comprehensive gain for the period	—	—	—	—	—	—	—	88	88
Net loss for the period	—	—	—	—	—	—	(3,007)	—	(3,007)
Balance, January 31, 2011	276,667	132,885	—	—	777	12,036	(134,434)	(596)	10,668

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	
	2011	January 31, 2010	2011	January 31, 2010
			\$	\$
OPERATING ACTIVITIES				
Net loss for the period	(954)	(2,305)	(3,007)	(6,211)
Items not affecting cash				
Amortization	342	420	958	1,309
(Gain) on disposal and impairment of property, plant and equipment	—	—	(1)	(25)
Stock-based compensation	8	41	72	149
Accretion expense	128	93	373	308
Income tax recovery	—	(39)	—	(117)
	(476)	(1,790)	(1,605)	(4,587)
Changes in non-cash working capital balances related to operating activities	164	1,606	(385)	2,198
Cash flows used in operating activities	(312)	(184)	(1,990)	(2,389)
INVESTING ACTIVITIES				
Additions to property, plant and equipment	(26)	(35)	(352)	(361)
Additions to intangible assets	—	(10)	—	(12)
Proceeds on disposal of property, plant and equipment	—	10	37	45
Purchases of short-term investments	—	—	(363)	(181)
Sales of short-term investments	—	—	362	181
Cash flows used in investing activities	(26)	(35)	(316)	(328)
FINANCING ACTIVITIES				
Secured debentures issued	—	(24)	500	1,679
Repayment of secured debentures	(50)	—	(50)	—
Issuance of common shares	693	—	693	—
Repayment of credit facility	(692)	—	(196)	(1,400)
Cash flows generated (used) by financing activities	(49)	(24)	947	279
Gain (loss) on foreign cash and cash equivalents held	4	2	(2)	(11)
Net decrease in cash and cash equivalents for the period	(383)	(241)	(1,361)	(2,449)
Cash, beginning of the period	908	2,277	1 886	4,485
Cash, end of the period	525	2,036	525	2,036