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MITEC TELECOM REPORTS FISCAL 2010 Q2 RESULTS

Montreal, December 8, 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 second quarter of fiscal 2010, the three-month period ended October 31, 2009.

Revenue was \$7.2 million for the quarter and the Corporation recorded a net loss of \$1.8 million, or \$0.01 per share. This compares to sales of \$10.6 million and a net loss of \$1.2 million or \$0.01 per share in the second quarter of fiscal 2009. Revenue increased by 7 % over the previous quarter, while the net loss improved by over 10 %.

EBITDA from operating activities (earnings before interest, income taxes, depreciation and amortization) was negative \$1.4 million compared to negative \$172,000 during the second quarter of fiscal 2009. EBITDA increased by almost 12 % over the previous quarter.

"We are seeing signs that the global demand for wireless infrastructure components is generating opportunities as customers are asking for speed, capacity, bandwidth and reliability for their wireless devices. We have positioned ourselves to benefit from this demand and continue to work with both network providers and operators to deliver this connectivity", said Dan Piergentili, Mitec's President and CEO.

"We are also very pleased with the growth of our military based business which is being led by the Keragis high power amplifier line. These products deliver enhanced communication capacity demanded by military applications and while the qualification process is lengthy, once the sales cycle begins, it generates predictable revenue at favourable gross margins", said Piergentili.

Mitec completed a private placement in late October to replace its existing convertible debt which had come due in mid-October. Mitec's Management and its Board of Directors continue to monitor and initiate cost containment measures.

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 is listed on the Toronto Stock Exchange under the symbol MTM. On-line information about Mitec is available at 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 October 31, 2009 \$	As at April 30, 2009 \$
	Unaudited	Audited
ASSETS		
Current		
Cash and cash equivalents	2,277	4,485
Short-term investments	181	181
Trade receivables	6,147	5,592
Other receivables	579	126
Income tax recoverable	551	323
Inventories	6,121	8,088
Prepaid expenses and other	669	629
Total current assets	16,525	19,424
Property, plant and equipment	4,982	5,493
Intangible assets	2,860	3,263
Goodwill	1,991	1,991
Investments	25	25
Future income tax	202	125
	26,585	30,321
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities	5,349	5,449
Current portion of long-term debt	—	1,215
Total current liabilities	5,349	6,664
Long-term debt	955	—
	6,304	6,664
Shareholders' equity		
Common shares	132,142	132,142
Warrants	1,151	1,925
Equity component of convertible debentures	758	14
Contributed surplus	10,747	9,836
Deficit	(123,886)	(119,980)
Accumulated other comprehensive loss	(631)	(280)
Total shareholders' equity	20,281	23,657
	26,585	30,321

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 six months ended	
	October 31,		October 31,	
	2009	2008	2009	2008
	\$	\$	\$	\$
Sales	7,198	10,568	13,905	25,499
Cost of sales	6,381	8,202	12,053	19,967
Gross profit	817	2,366	1,852	5,532
Expenses				
Research and development	678	1,136	1,742	2,149
Selling and administrative	1,647	1,714	2,857	3,248
Amortization of intangible assets	154	273	374	578
Financial expenses	222	196	376	375
Foreign exchange	(8)	(342)	403	(450)
Impairment of property, plant and equipment	(50)	351	(25)	351
Stock-based compensation	50	247	109	449
	2,693	3,575	5,836	6,700
Loss before income taxes	(1,876)	(1,209)	(3,984)	(1,168)
Income tax recovery	(39)	(14)	(78)	(28)
Net loss for the period	(1,837)	(1,195)	(3,906)	(1,140)
Unrealized gain (loss) on translating financial statements of self-sustaining foreign operations	(7)	233	(351)	255
Comprehensive loss for the period	(1,844)	(962)	(4,257)	(885)
Basic and diluted loss per common share	(0.01)	(0.01)	(0.02)	(0.01)
Weighted average number of outstanding common shares	220,666,776	220,666 776	220,666,776	220,651 370

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
	# (000s)	\$	# (000s)	\$	\$	\$	\$	\$	\$
Balance, April 30, 2008	220,312	132,097	38,016	1,931	46	9,223	(115,372)	(894)	27,031
Issued under conversion of convertible debentures	354	61	—	—	(10)	14	—	—	65
Expired warrants	—	—	(187)	(6)	—	6	—	—	—
Stock-based compensation	—	—	—	—	—	449	—	—	449
Other comprehensive gain the period	—	—	—	—	—	—	—	255	255
Net loss for the period	—	—	—	—	—	—	(1,140)	—	(1,140)
Balance, October 31, 2008	220,666	132,158	37,829	1,925	36	9,692	(116,512)	(639)	26,660
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 debentures financing	—	—	—	—	758	—	—	—	758
Expired warrants	—	—	(14,226)	(774)	—	774	—	—	—
Stock-based compensation	—	—	—	—	—	109	—	—	109
Other comprehensive loss the period	—	—	—	—	—	—	—	(351)	(351)
Net loss for the period	—	—	—	—	—	—	(3,906)	—	(3,906)
Balance, October 31, 2009	220,666	132,142	23,603	1,151	758	10,747	(123,886)	(631)	20,281

MITEC TELECOM INC.
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands of Canadian dollars)

Unaudited

	For the three months ended		For the six months ended	
	2009	October 31, 2008	2009	October 31, 2008
	\$	\$	\$	\$
OPERATING ACTIVITIES				
Net loss for the period	(1,837)	(1,195)	(3,906)	(1,140)
Add items not affecting cash				
Amortization of property, plant and equipment, intangible assets and deferred charges	420	619	889	1,373
Impairment of property, plant and equipment	(50)	351	(25)	351
Stock-based compensation	50	247	109	449
Accretion expense	105	118	215	246
Income tax recovery	(39)	(14)	(78)	(28)
	(1,351)	126	(2,796)	1,251
Changes in non-cash working capital balances related to operating activities	(85)	2,113	591	(306)
Cash flows provided (used) in operating activities	(1,436)	2,239	(2,205)	945
INVESTING ACTIVITIES				
Additions to property, plant and equipment and intangible assets	(73)	(152)	(290)	(301)
Purchase of short-term investments	(181)	—	(181)	(79)
Sale of short-term investments	181	—	181	77
Cash flows used in investing activities	(73)	(152)	(290)	(303)
FINANCING ACTIVITIES				
Convertible debentures issued	1,702	—	1,702	—
Repayment of long-term debt	(1,400)	(156)	(1,400)	(250)
Cash flows used by financing activities	(302)	(156)	(302)	(250)
Loss on foreign cash and cash equivalents held	(6)	—	(15)	—
Net increase (decrease) in cash and cash equivalents for the period	(1,067)	1,931	(2,208)	392
Cash and cash equivalents, beginning of the period	3,344	3,245	4,485	4,784
Cash and cash equivalents, end of the period	2,277	5,176	2,277	5,176