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MITEC TELECOM REPORTS IMPROVED THIRD QUARTER RESULTS

- Sales reach \$9.8 million, an increase of 22 per cent quarter-over-quarter,
- EBITDA from continuing operations of \$206,000 is first positive cash flow since 2004
- 100 per cent growth in wireless sales over Q2, 2008

Montreal, March 13, 2008 /CNW Telbec/ - Mitec Telecom (TSX: MTM) today reported its results for the third quarter of fiscal 2008, the three-month period ended January 31, 2008.

Mitec Telecom's sales reached \$9.8 million compared with \$8.5 million reported in the third quarter of fiscal 2007. The Company's net loss for the third quarter was \$1.4 million, or \$0.01 per share-a significant reduction over a net loss of \$2.6 million, or \$0.02 per share, in the third quarter of fiscal 2007. Mitec's earnings before interest, taxes, depreciation and amortization (EBITDA) were \$206,000, marking the first positive cash flow since early 2004.

The Company's gross profit for the quarter was \$2.0 million, compared with \$1.9 million during the same period last year and operating expenses were \$2.6 million versus \$3.3 million reported in the same period last year. Mitec's sales increased 22 per cent when compared with Q2, 2008 results released in mid-December, 2007.

"Mitec continues to deliver on its strategic objectives, which include expanding our existing products into new markets and working with current and potential customers to prove our capabilities as a leading provider of wireless and satellite communications," said Dan Piergentili, Mitec's Chief Executive Officer. "I am pleased with the progress we have made and confident in our ability to achieve the objectives we have set."

To date in 2008, Mitec has expanded its customer base and leveraged its existing technologies by:

- Delivering off-the-shelf amplifiers to a major North American wireless operator. As part of Mitec's sales strategy, telecom operators were targeted as potential new customers.
- Initiating deliveries of our interference mitigation filters to a major Chinese telecom provider
- Having been selected as an ongoing supplier of Very Small Aperture (VSAT) components for build-out of an African cellular network

"The synergies between Mitec's satellite communication and wireless product lines are beneficial to customers. For example, in some emerging markets, satellites have become a preferred link for wireless build-outs," said Bruno Dumais, Mitec's Chief Financial Officer. "As a result, Mitec's Wireless division experienced over 100 per cent sales growth in Q3 over the previous quarter. Our Satcom division, which was able to facilitate some of these orders benefitted as well."

"Mitec is proving our capabilities and finding new and existing customers to generate orders," said Jeffrey Mandel, Director, Investor and Corporate Relations for Mitec Telecom. "With our ability to manufacture some of the components in China and our innovative engineering capabilities, this is a very exciting time for Mitec to grow its global commercialization footprint."

About Mitec Telecom

Mitec Telecom 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. The Company 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, the Company also operates a facility in 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.

Except for historical information provided herein, this press release may contain information and statements of a forward-looking nature concerning the future performance of the Company. These statements are based on suppositions and uncertainties as well as on management's best possible evaluation of future events. Such factors may include, without excluding other considerations, fluctuations in quarterly results, evolution in customer demand for the Company's products and services, the impact of price pressures exerted by competitors, and general market trends or economic changes. As a result, readers are advised that actual results may differ from expected results.

MITEC TELECOM INC.
INTERIM CONSOLIDATED BALANCE SHEETS

(In thousands of Canadian dollars)

Unaudited

	As at January 31, 2008	As at April 30, 2007
	\$	\$
ASSETS		
Current		
Cash and cash equivalents	5,087	6,286
Short-term investments	77	75
Trade receivables	9,102	5,064
Other receivables	638	889
Income tax recoverable	717	1,112
Inventories	7,904	7,672
Prepaid expenses and other	617	757
Total current assets	24,142	21,855
Property, plant and equipment	6,325	7,106
Intangible assets	8,898	2,365
Investments	726	750
Deferred charges	511	1,086
	40,602	33,162
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities	11,000	6,647
Current portion of long-term debt	416	416
Total current liabilities	11,416	7,063
Long-term debt	69	380
Convertible debentures	979	—
	12,464	7,443
Shareholders' equity		
Common shares	131,732	125,631
Warrants	2,063	1,311
Equity component of convertible debentures	79	—
Contributed surplus	8,904	8,645
Deficit	(113,621)	(108,951)
Accumulated other comprehensive income	(1,019)	(917)
Total shareholders' equity	28,413	25,719
	40,602	33,162

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

(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,	
	2008	2007	2008	2007
	\$	\$	\$	\$
Sales	9,829	8,536	25,410	26,050
Cost of sales	7,870	6,649	19,691	22,195
Gross profit	1,959	1,887	5,719	3,855
Expenses				
Research and development	1,041	1,405	3,177	5,220
Selling and administrative	1,563	1,852	4,652	5,953
Amortization of intangible assets	413	249	923	1,144
Financial expenses	320	47	447	237
Foreign exchange	(373)	(575)	640	(465)
Interest income	(5)	(10)	(11)	(70)
Stock-based compensation	76	57	286	489
Write-down of investments	275	—	275	—
Write-down of property, plant and equipment	—	85	—	85
Write-down of intangible assets	—	156	—	156
Restructuring and other expenses	—	1,176	—	2,518
	3,310	4,442	10,389	15,267
Loss from continuing operations before income taxes	(1,351)	(2,555)	(4,670)	(11,412)
Income tax expenses (recovery)	—	—	—	(181)
Loss from continuing operations	(1,351)	(2,555)	(4,670)	(11,231)
Loss from discontinued operations	—	—	—	(8)
Net loss for the period	(1,351)	(2,555)	(4,670)	(11,239)
Unrealized gain (loss) on translating financial statements of self-sustaining foreign operations	249	168	(102)	232
Comprehensive loss for the period	(1,102)	(2,387)	(4,772)	(11,007)
Deficit, beginning of the period	(112,270)	(104,364)	(108,951)	(95,680)
Net loss for the period	(1,351)	(2,555)	(4,670)	(11,239)
Deficit, end of the period	(113,621)	(106,919)	(113,621)	(106,919)
Basic and diluted loss per common share from continuing operations	(0.01)	(0.02)	(0.02)	(0.10)
Basic and diluted loss per common share from discontinued operations	(0.00)	(0.00)	(0.00)	(0.00)
Basic and diluted loss per common share	(0.01)	(0.02)	(0.02)	(0.10)
Weighted average number of outstanding common shares	213,994,982	125,344,636	191,034,050	109,031,512

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	
	January 31,		January 31,	
	2008	2007	2008	2007
	\$	\$	\$	\$
OPERATING ACTIVITIES				
Loss from continuing operations	(1,351)	(2,555)	(4,670)	(11,231)
Add items not affecting cash				
Amortization of property, plant and equipment, intangible assets and deferred charges	973	862	2,567	2,991
Loss on disposal of property, plant and equipment	(30)	7	6	9
Write-down of investments	275	—	275	—
Write-down of property, plant and equipment	—	85	—	85
Write-down of intangibles assets	—	156	—	156
Stock-based compensation	76	57	286	489
	(58)	(1,388)	(1,537)	(7,501)
Changes in non-cash working capital balances related to continuing operations	662	104	870	1,810
Cash flows provided (used) in operating activities	604	(1,284)	(667)	(5,691)
INVESTING ACTIVITIES				
Additions to property, plant and equipment	37	(35)	(177)	(241)
Additions to intangible assets	(7)	—	(7,456)	—
Proceeds on disposal of property, plant and equipment	34	23	48	27
Purchase of short-term investment	(77)	—	(229)	(597)
Sale of short-term investments	77	—	227	10,686
Purchase of investment	—	—	(251)	—
Cash flows provided (used) in investing activities	64	(12)	(7,838)	9,875
FINANCING ACTIVITIES				
Increase in bank indebtedness	—	—	—	349
Repayment of bank indebtedness	—	—	—	(6,365)
Repayment of long-term debt	(125)	(472)	(375)	(828)
Conversion of convertible debentures	(782)	—	(782)	—
Issuance of convertible debentures, net of issuance costs	—	—	2,294	—
Issuance of common shares and warrants	787	18	6,074	7,469
Cash flows provided by financing activities	(120)	(454)	7,211	625
Effect of exchange rate fluctuations changes on cash and cash equivalents	287	(137)	95	123
Net increase (decrease) in cash and cash equivalents from continuing operations	835	(1,887)	(1,199)	4,932
Cash provided by (used in) discontinued activities	—	—	—	(36)
Net cash (decrease) in cash and cash equivalents	835	(1,887)	(1,199)	4,896
Cash and cash equivalents, beginning of the period	4,252	8,251	6,286	1,468
Cash and cash equivalents, end of the period	5,087	6,364	5,087	6,364