

Vecima 6 Month Revenue Increases 24%

VICTORIA – (Feb 14, 2008) – Vecima Networks Inc. ("Vecima") (TSX:VCM), the Last Mile Solution® for broadband wired and wireless networks, today announced that its fiscal 2008 interim second quarter financial statements and management's discussion and analysis for the three months and six months ended December 31, 2007 have been filed on SEDAR. The highlights provided in this press release should be read in conjunction with the Company's unaudited interim consolidated financial statements and accompanying notes for the three months and six months ended December 31, 2007.

Our unaudited interim consolidated financial statements and accompanying notes for the three months and six months ended December 31, 2007 are available at: http://www.vecima.com/financials_ir.php

The fiscal 2008 second quarter earnings call webcast is available at:

http://www.vecima.com/events_ir.php

All dollar amounts are in Canadian dollars.

"Vecima delivered another solid quarter of record sales in Q2, demonstrating our continued ability to significantly grow revenue and maintain gross margin in spite of the rapid appreciation of the Canadian dollar," said Dr. Surinder Kumar, Chairman and CEO. "Vecima's ability to understand market transitions, whether technology or business model-based, continues to be a key contributing factor to our long-term success."

Kumar continued, "As we enter the second half of the fiscal year, our innovation pipeline is in excellent shape, our strong product momentum across both our Converged Wired Solutions and Broadband Wireless segments continues to be solid, and execution against our long-term strategy remains unwavering. We are highly confident that Vecima will meet our announced sales growth expectation of 20% to 30% for the 2008 fiscal year."

FINANCIAL HIGHLIGHTS

- Sales in the three months ended December 31, 2007 were \$27.4 million, the highest quarterly sales ever achieved by Vecima, representing an increase of 18% over sales in the second quarter of the previous fiscal year. For the first half of our 2008 fiscal year, sales increased by \$10.5 million, or 24%, to \$53.8 million, up from \$43.3 million for the six months ended December 31, 2006.
- New product introductions, business acquisitions and growing demand for existing products have allowed us to maintain a strong compound annual growth rate of 26% over the past five fiscal years in spite of the rapid appreciation of the Canadian dollar relative to the United States dollar. Without the strengthening of the Canadian dollar, Vecima's sales for the second quarter would have been \$30.8 million, representing a growth rate of 33% over the same period last year. Without the fall in the U.S. dollar over the past five years, Vecima's compound annual growth rate would have been in the order of 35%.
- Shareholders' equity increased \$4.0 million, or 4%, to \$113.9 million at December 31, 2007 compared to \$109.9 million at June 30, 2007 as a result of operating profits.
- Despite the appreciation of the Canadian dollar by 48 basis points during the quarter ended December 31, 2007, Vecima was able to maintain gross margin at 40%, providing a gross profit of \$11.0 million. In the second quarter last year, our gross margin was 39% providing a gross profit of \$9.1 million. An increase in manufacturing efficiencies and mix of software defined radio products helped offset the effects of the strong Canadian dollar. Gross margin for the six months ended December 31, 2007 was also 40%, compared to 37% for the same period a year earlier.
- Net income for the fiscal 2008 second quarter was \$2.0 million, or \$0.09 per share, compared to \$2.2 million, or \$0.10 per share for the same period a year earlier. Net income for the six months ended December 31, 2007 was \$4.3 million, or \$0.18 per share, compared to \$3.9 million, or \$0.17 per share, excluding extraordinary items, for the same period a year earlier.

OPERATIONAL HIGHLIGHTS

- In December of 2007, Vecima's VistaMAX™ series of WiMAX solutions began certification testing under Wave 2 of the WiMAX forum's certification process. The Company is making good progress towards achieving WiMAX Forum Certified™ status.
- In December of 2007, a major US MSO began testing and technical certification of Vecima's HyperQAM Universal EdgeQAM for switched digital video applications. The HyperQAM was also delivered to a South Korean partner for technical evaluation aimed at South Korean providers nearing deployment of pre-DOCSIS 3.0 Wideband™ for channel bonded DOCSIS services.
- On October 4, 2007, Vecima announced it had been selected by Cybersurf Corp. ("Cybersurf") to supply its VistaMAX™ solution of base stations and customer premise equipment (CPE) for WiMAX deployments. The first phase of the commercial deployment will occur in Edmonton, Alberta. Cybersurf will not only be utilizing Vecima's world-class hardware for the deployment but will also be leasing licensed spectrum, which is owned by Vecima. Vecima, through its subsidiary YourLink, owns spectrum in the 3.5GHz and 2.3GHz bands across Canada. As an equipment manufacturer, Vecima wants to provide customers with all the tools necessary for a successful deployment and licensed spectrum is often a key to success.
- Vecima announced a rapid ramp-up in orders for the Company's reverse path demodulator product on October 22, 2007 and shipped more than \$6 million in the second quarter.
- On October 17, 2007, Vecima announced it had been selected by Red Helio S.L. and a number of its service provision partners ("Red Helio") to supply a customized 5.25-5.80 GHz Broadband Wireless Internet Network ("BWIN") solution of base stations and CPEs for deployment covering the county of Murcia, Spain. Red Helio expects to extend the network of Vecima-branded BWIN systems to cover their entire subscriber base in Spain, a network of approximately 70,000 homes and businesses. This initial contract announcement calls for 2,200 CPEs and 30 base stations representing only a fractional portion of the entire rollout.
- Spectrum Signal Processing by Vecima, a provider of software defined radio (SDR) technology, announced on October 31, 2007 that an international defence prime contractor will be using SDR-4000 technology in their next program. The contract calls for an immediate initial delivery of two SDR-4000 Tactical MILCOM Rapid Deployment Platforms (TMRDP), which provide an RF-to-Ethernet software defined radio solution. Subsequent deliveries include

customizations of this platform specific for the customer's program. Approximately \$3.1 million of products and services are expected to be delivered over the next 12 months.

- At the conclusion of the fiscal 2008 second quarter Vecima has shipped WiMAX compliant gear for trial deployment to 51 customers in 21 countries. Building upon the success of its BWIN systems, the Company has continued to invest heavily into research and development and sales and marketing of its WiMAX line and is commercially deploying its market leading WiMAX systems.
- GAAP Research and development expenses for the three months ended December 31, 2007 increased 30% to \$2.7 million, or 10% of revenue, compared to \$2.1 million, or 9% of revenue, for the same period in the prior fiscal year. The increase included \$0.7 million in costs from the acquired Spectrum Signal Processing. Total non-GAAP research and development costs net of deferrals, amortization of deferred development costs and income tax credits for the three months ended December 31, 2007 were \$3.7 million, or 14% of sales, up from \$3.1 million, or 13% of sales, for the three months ending December 31, 2006. This increase was primarily due to inclusion of expenses from Spectrum Signal Processing. Non-GAAP Research and development expenses for the six months ended December 31, 2007 increased 38% to \$7.2 million, or 13% of sales, compared to \$5.2 million, or 12% of sales, for the same period in the prior fiscal year.
- Operating expenses for the three months ended December 31, 2007 increased to \$8.3 million, compared to \$5.8 million for the three months ended December 31, 2006. The increase was caused by significant increases in the investment in research and development as well as sales and marketing between the two periods. Administration expenses also increased due increased staffing, additional facilities and from the acquisition of Spectrum Signal Processing. Operating expenses for the six months ended December 31, 2007 increased to \$16.1 million, or 30% of sales, compared to \$10.8 million, or 25% of sales, for the six months ended December 31, 2006. Increases in operating expenditures resulted from strategic plans to increase Vecima's products, markets and managerial capacity. As expected, these strategic decisions increased the operating expense margin but we expect the ratio of operating expenses to sales to trend downward as the strategic plans deliver increased sales.

Fiscal 2008 Second Quarter Earnings Call

Vecima will hold a conference call and live audio webcast on Thursday, February 14, 2008 at 5 p.m. (ET) to discuss its financial and operational results for the three months and six months ended December 31, 2007.

To participate in the teleconference, dial 1-866-713-8563 or 617-597-5311 and enter the code 32673622. To access the simultaneous live audio webcast, visit:

http://www.vecima.com/events_ir.php

The webcast will also be archived on the web site.

A taped rebroadcast will be available approximately two hours after the conference call. To access the taped rebroadcast, dial 1-888-286-8010 or 617-801-6888 and enter the code 99138988.

About Vecima Networks

Vecima Networks Inc. (TSX:VCM) designs, manufactures and sells products that enable broadband access to cable, wireless and telephony networks. Vecima's hardware products incorporate original embedded software to meet the complex requirements of next-generation, high-speed digital networks. Service providers use Vecima's solutions to deliver services to a converging worldwide broadband market, including what are commonly known as "triple play" (voice, video and data) and "quadruple play" (voice, video, data and wireless) services. Vecima's solutions allow service providers to rapidly and cost-effectively bridge the final network segment that connects the system directly to end users, commonly referred to as "the last mile," by overcoming the bottleneck resulting from insufficient carrying capacity in legacy, last mile infrastructures. Vecima's products are directed at two principal markets: Converged Wired Solutions and Broadband Wireless. The Company has also developed, and continues to focus on developing, products to address emerging markets such as Voice over Internet Protocol, fibre to the home and IP video. www.vecima.com

Forward-Looking Statements

Certain statements in this news release may constitute forward-looking statements, which involve known and unknown risks, uncertainties, and other factors, which may cause the actual results, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. When used in this news release, such statements are generally identified by the use of such words as "may", "will", "expect", "believe", "plan", "intend" and other similar terminology. These statements reflect Vecima's current expectations regarding future events and operating performance and speak only as of the date of this news release. Forward-looking statements involve significant risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not such results will be achieved. A number of

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factors including, but not limited to, the factors discussed under "Risk Factors" in the Company's Annual Information Form dated September 25, 2007 available on SEDAR (www.sedar.com), could cause actual results to differ materially from the results discussed in the forward-looking statements. Although the forward-looking statements contained in this news release are based upon what management of the Company believes are reasonable assumptions, the Company cannot assure investors that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this news release, and the Company assumes no obligation to update or revise them to reflect new events or circumstances.

Vecima Networks

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