



NEWSrelease

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FOR IMMEDIATE RELEASE
Monday, March 31, 2008

SMTC Announces Strategic Relationship with Mediatrix

**SMTC Selected to Provide Full Product Manufacturing for
Advanced VoIP Access Devices and Enterprise Gateways**

TORONTO – March 31, 2008-- SMTC Corporation (Nasdaq: SMTX, TSX: SMX) (“SMTC”), a global electronics manufacturing services provider, announced today a new strategic outsourcing relationship with Mediatrix Telecom - a division of Media5 Corporation.

SMTC began manufacturing activities in the fourth quarter of 2007 for Mediatrix Telecom, a provider of award winning advanced Voice over Internet Protocol (VoIP) access devices and gateways for the enterprise, SOHO, and IP markets. SMTC will provide full product manufacturing for the company’s complete line of VoIP access devices and gateways. New customer introduction activities will continue through the first quarter of 2008 with volume production being supported out of the SMTC Mexico (Chihuahua) facility.

“SMTC was selected as our primary EMS provider after an in-depth assessment of various contract manufacturers worldwide,” said Serge Beaudoin, President and CEO, Mediatrix Telecom. “For the last 10 years, Mediatrix has positioned itself as an industry innovator in the VoIP marketplace. SMTC clearly demonstrates a comprehensive understanding of our market, our business requirements and the unique challenges and opportunities ahead.”

“SMTC was very responsive to our particular demands and needs. They represent the best EMS for our growing product portfolio,” said Denis Paradis, Director of Operations, Mediatrix Telecom.

Mediatrix products target all segments of the Telecom/IT marketplace and are distributed through its extensive network of OEM partners, Carriers and Service Providers, System Integrators, Stocking Distributors and Value-Added Resellers.

“We’re delighted to welcome Mediatrix to SMTC,” said John Caldwell, President and Chief Executive Officer, SMTC Corporation. “SMTC applies a partnership approach that delivers tangible, bottom line benefits through committing expertise and resources towards customer goals. We look forward to a strong and collaborative relationship with Mediatrix.”

About SMTC: SMTC Corporation, founded in 1985, is a mid-size provider of end-to-end electronics manufacturing services (EMS) including PCBA production, systems integration and comprehensive testing services, enclosure fabrication, as well as product design, sustaining engineering and supply chain management services. SMTC facilities span a broad footprint in the United States, Canada, Mexico, and China, with over 1300 full-time employees. SMTC services extend over the entire electronic product life cycle from the development and introduction of new products through to the growth, maturity and end-of-life phases. SMTC offers fully integrated contract manufacturing services with a distinctive approach to global original equipment manufacturers (OEMs) and emerging technology companies primarily within industrial, computing and communication market segments.

SMTC is a public company incorporated in Delaware with its shares traded on the Nasdaq National Market System under the symbol SMTX and on the Toronto Stock Exchange under the symbol SMX. For further information on SMTC Corporation, please visit our website at www.smtc.com (<http://www.smtc.com>)

About Mediatrix Telecom: Mediatrix develops and markets advanced VoIP access devices, gateways, routers, and value-added software enhancements for the enterprise, SOHO, and residential markets. Its products provide an ideal migration path for end users wishing to protect their current CPE investment (analog/digital phones, fax machines, PBX and Key Systems) while migrating to a converged IP network. Mediatrix products and solutions are widely interoperable and have received commercial endorsement from some of the world's leading manufacturers of telecommunications equipment as well as from large telecommunication carriers. Mediatrix is a wholly owned division of Media5 Corporation, a high technology holding company based in the Montreal area, in Canada. Media5 Corporation also owns M5T, a software provider focused on delivering the latest in SIP software technologies and security solutions to companies developing applications for real-time multimedia communications over IP. Mediatrix has corporate offices in the Sherbrooke area, in Canada and regional offices in the United States, Europe, Latin America and Asia. For more information, please visit www.mediatrix.com.

Note for Investors: The statements contained in this release that are not purely historical, including our expectations regarding continued revenue and earnings growth in 2007, are forward-looking statements which involve risk and uncertainties that could cause actual results to differ materially from those expressed in the forward-looking statements. These statements may be identified by their use of forward-looking terminology such as "believes", "expect", "may", "should", "would", "will", "intends", "plans", "estimates", "anticipates" and similar words, and include, but are not limited to, statements regarding the expectations, intentions or strategies of SMTC Corporation. For these statements, we claim the protection of the safe harbor for forward-looking statements provisions contained in the Private Securities Litigation Reform Act of 1995. Risks and uncertainties that may cause future results to differ from forward-looking statements include the challenges of managing quickly expanding operations and integrating acquired companies, fluctuations in demand for customers' products and changes in customers' product sources, competition in the EMS industry, component shortages, and others discussed in the Company's most recent filings with

securities regulators in the United States and Canada. The forward-looking statements contained in this release are made as of the date hereof and the Company assumes no obligation to update the forward-looking statements, or to update the reasons why actual results could differ materially from those projected in the forward-looking statements.

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