



ATTENTION BUSINESS EDITORS:
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SMTC Regains Compliance with Nasdaq Stock Market Listing Requirements

Nasdaq: SMTX

Toronto Stock Exchange: SMX

TORONTO, Sept. 27 /CNW/ - SMTC Corporation (Nasdaq: SMTX, TSX: SMX), a global provider of electronics manufacturing services, reported it has received notice from The Nasdaq Stock Market that it has regained compliance with Nasdaq's Marketplace Rules since the closing bid price of the Company's common stock has exceeded \$1.00 per share for a minimum of ten consecutive business days.

"We remain committed to driving shareholder value through improved performance," said Jane Todd, Senior Vice President, Finance and Chief Financial Officer of the Company. "We are pleased that capital markets have responded positively to our second quarter results returning SMTC to profitability, sequential revenue growth, cash generation, improved working capital and debt reduction."

About the Company: SMTC Corporation is a global provider of advanced electronic manufacturing services. The Company's electronics manufacturing, technology and design centers are located in Appleton, Wisconsin; Boston, Massachusetts; San Jose, California; Toronto, Canada; and Chihuahua, Mexico with a third party facility in Chang An, China. SMTC offers technology companies and electronics OEMs a full range of value-added services. SMTC supports the needs of a growing, diversified OEM customer base primarily within the industrial, networking, communications and computing markets. 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. Visit SMTC's web site, www.smtc.com, for more information about the Company.

Note for Investors: The statements contained in this release that are not purely historical 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.

For further information:

Jane Todd

Senior Vice President Finance and Chief Financial Officer

(905) 416-1810

jane.todd@smtc.com