NEWS RELEASE

Mitel Reports December Quarter Results

2/23/2017

Mitel® (Nasdaq:MITL) (TSX:MNW), a global leader in enterprise communications, today announced financial results for the fourth quarter ended December 31, 2016.

"In the fourth quarter, Mitel's strong operational execution enabled the company to deliver a solid quarter in a highly competitive market driven by technology migration and vendor consolidation," said Richard McBee, Mitel's Chief Executive Officer. "Mitel continued to gain share with a particularly strong performance across Europe, and executed well against our Cloud strategy driving a 35% increase in hosted seats and 60% increase in total seats year-over-year."

"The pending divestiture of the Mobile Division, expected to close in the first quarter, resulted in a goodwill impairment charge of $213 million, a GAAP loss of $209.2 million and a GAAP loss per share of $1.72. Our non-GAAP earnings per share of $0.25 and adjusted EBITDA of $56 million, which both exclude the impairment charge and other items, exceeded analyst consensus estimates," commented Steve Spooner, Chief Financial Officer. "With continued focus on operational execution we improved our cash position by $27 million from third quarter levels, enabling us to pay down $23 million in debt shortly after the quarter closed."

Financial Highlights from Continuing Operations in millions	Q4 2016	Q4 2015

(except per share data)		Historical Currency	Constant Currency1
GAAP Revenues	$ 259.8	$ 277.0	$ 272.7
Non-GAAP Revenues2	$ 259.8	$ 277.5	$ 273.2
GAAP Net Income (Loss)	$ 13.9	$ 2.5	$ 1.5
Non-GAAP Net Income3	$ 27.3	$ 31.3	$ 30.3
GAAP EPS - basic	$ 0.11	$ 0.02	$ 0.01
Non-GAAP EPS4	$ 0.22	$ 0.25	$ 0.24
Adjusted EBITDA5	$ 42.7	$ 49.3	$ 48.3

Financial Highlights from Continuing and Discontinued Operations in millions (except per share data)	Q4 2016	Q4 2015 Historical Currency	 Constant Currency1
Total Revenues from Continuing and Discontinued Operations6	$ 310.9	$ 342.0	$ 337.0
Non-GAAP Revenues2	$ 310.9	$ 335.7	$ 330.7
GAAP Net Income (Loss)	($ 209.2)	($ 6.3)	($ 7.5)
Non-GAAP Net Income3	$ 32.0	$ 36.3	$ 35.1
GAAP EPS - basic	($ 1.72)	($ 0.05)	($ 0.06)
Non-GAAP EPS4	$ 0.25	$ 0.29	$ 0.28
Adjusted EBITDA5	$ 55.6	$ 62.2	$ 61.0

1 - Constant currency is a non-GAAP measure that adjusts Q4-2015 results by using the same foreign currency exchange rates as in Q4-2016. See "Non-GAAP Financial Measures" below.

2 - Non-GAAP revenues is a non-GAAP measure that excludes the effect of purchase price accounting adjustments. For a Reconciliation of Non-GAAP revenues to GAAP revenues, please refer to the segmented information in this release. See "Non-GAAP Financial Measures" below.

3 - Non-GAAP Net Income is a non-GAAP measure defined as Net Income (Loss), adjusted for items as noted in the table included in this press release under "Reconciliation of Net Income (Loss) to Non-GAAP Net Income". See "Non-GAAP Financial Measurements" below.

4 - Non-GAAP EPS (earnings per share), or Non-GAAP net income per common share, is a non-GAAP measure defined as Non-GAAP Net Income divided by weighted average number of common shares outstanding, fully diluted. See the table included in this press release under "Reconciliation of Net Income (Loss) to Non-GAAP Net Income." See "Non-GAAP Financial Measurements" below.

5 - Adjusted EBITDA is a non-GAAP measure defined as Net Income (Loss), adjusted for items as noted in the table included in this press release under "Reconciliation of Net Income (Loss) to Adjusted EBITDA". See "Non-GAAP Financial Measurements" below.

6 - Total Revenues from Continuing and Discontinued Operations of $310.9 million equal Revenues from Continuing Operations of $259.8 million plus Revenues from Discontinued Operations of $51.1 million.

Business Highlights

- Hosted cloud seats grew by 49,000 during the quarter, up from the 43,000 seats added during Q3-2016 and now stand at 543,000
- Mitel achieved the highest score for satisfying Hybrid UC Requirements among the 16 providers evaluated in

Gartner's Critical Capabilities for Unified Communications as a Service (UCaaS).

- City of Marseille selected Mitel to replace an installed Avaya system in support of their taking initial steps to digitally transform the organization's 300 locations and 7,000 seats. Mitel competed for the business against Cisco, Avaya and Alcatel-Lucent.

Business Outlook

Mitel has set the following financial performance guidance for Continuing Operations for the quarter ending March 31, 2017.

	Q1-2017 Guidance
GAAP Revenues	$210 million to $230 million
GAAP Gross Margin %	52.0% to 54.0%
Adjusted EBITDA %	6.5% to 10.5%
Non-GAAP Net Income	2.0% to 5.0%
Diluted Share count	126,000,000

A reconciliation between the Business Outlook for Q1-2017 on a GAAP and non-GAAP basis is provided in the table entitled "Reconciliation of Guidance-Non-GAAP Net Income and Adjusted EBITDA to GAAP Net Income (Loss), before income taxes" located in the tables at the end of this release.

Conference Call Information

Mitel will host an investor conference call and live webcast today at 8:30 a.m. ET (5:30 a.m. PT) to discuss its financial results for the fourth quarter ended December 31, 2016. To access the conference call, dial 888-734-0328. Callers outside the U.S. and Canada should dial 678-894-3054. The live webcast will be accessible on Mitel's investor relations website at **www.mitel.com**. It will be archived and available on this site for replay on Thursday, February 23, 2017 after 12:00 p.m. ET. We have also provided a slide deck to help illustrate our financial results. It has been posted on **www.mitel.com**. Our Form 10-K is expected to be filed with the SEC on or before March 1, 2017 and will include our complete financial results for the year ended December 31, 2016.

Investor Analyst Day in New York on March 7th

Mitel will host a meeting for analysts and institutional investors at the Le Parker Meridien Hotel in New York City on Tuesday, March 7, 2017.

Senior members of Mitel's management team will host a series of presentations and be available to answer analyst and investor questions. Product demonstrations will also be a featured part of the presentation program. The

event will begin at 8:00 a.m. ET and conclude by approximately 11:30 a.m. ET. A live audio webcast and replay of the event will be made available on the Investor Relations section of Mitel's website at **www.mitel.com**.

Analysts and institutional investors interested in attending should please contact Michael McCarthy, Vice President - Investor Relations for Mitel at **michael.mccarthy@mitel.com** to confirm their attendance.

Non-GAAP Financial Measurements

This press release includes references to non-GAAP financial measures including Adjusted EBITDA, non-GAAP net income, non-GAAP EPS (earnings per share) or non-GAAP net income per common share, non-GAAP revenues, non-GAAP gross margin and Constant Currency. Non-GAAP financial measures do not have any standardized meaning and are therefore unlikely to be comparable to similar measures presented by other companies. We use these non-GAAP financial measures to assist management and investors in understanding our past financial performance and prospects for the future, including changes in our operating results, trends and marketplace performance, exclusive of unusual events and other factors which do not directly affect what we consider to be our core operating performance. Non-GAAP measures are among the primary indicators management uses as a basis for our planning and forecasting of future periods. Investors are cautioned that non-GAAP financial measures should not be relied upon as a substitute for financial measures prepared in accordance with U.S. generally accepted accounting principles. Please see the reconciliations of non-GAAP financial measures to the most directly comparable U.S. GAAP measure attached to this release.

Mitel completed the acquisition of Mavenir Systems Inc. on April 29, 2015. "As reported" results in this release and the attached tables refer to the U.S. GAAP results of Mitel, which include the results of Mavenir from the date of acquisition. Pro-forma results reflect the results of the company as if it had been fully combined with Mavenir Systems for the full presented period. Non-GAAP Revenues and non-GAAP Gross Margin have been adjusted to exclude the effect of purchase accounting. These adjustments have no impact on Mitel's business or cash flows, but generally adversely affect the Company`s reported revenues and gross margin in the period following an acquisition. For a reconciliation of Mitel's as-reported results to the pro-forma results and non-GAAP results, please see the tables attached to this release as well as the Form 8-K presenting combined historical results of Mitel and Mavenir filed with the SEC on August 6, 2015.

Forward Looking Statements

Some of the statements in this communication are forward-looking statements (or forward-looking information) within the meaning of applicable U.S. and Canadian securities laws. These include statements using the words believe, target, outlook, may, will, should, could, estimate, continue, expect, intend, plan, predict, potential, project and anticipate, and similar statements which do not describe the present or provide information about the past.

There is no guarantee that the expected events or expected results will actually occur. Such statements reflect the current views of management of Mitel and are subject to a number of risks and uncertainties. These statements are based on many assumptions and factors, including general economic and market conditions, industry conditions, operational and other factors. Any changes in these assumptions or other factors could cause actual results to differ materially from current expectations. All forward-looking statements attributable to Mitel, or persons acting on its behalf, are expressly qualified in their entirety by the cautionary statements set forth in this paragraph. Undue reliance should not be placed on such statements. In addition, material risks that could cause actual results to differ from forward-looking statements include: the inherent uncertainty associated with financial or other projections; the ability to recognize the anticipated benefits from the divestment of Mitel's mobile division; the ability to obtain required regulatory approvals for the divestment of the Mobile division and the timing of obtaining such approvals; the risk that the conditions to the divestment of the Mobile division are not satisfied on a timely basis or at all and the failure of the divestment of the Mobile division to close for any other reason; risks associated with the non-cash consideration to be received by Mitel in connection with the divestment of the Mobile division; the impact to Mitel's business that could result from the announcement of the divestment of the Mobile division; the anticipated size of the markets and continued demand for Mitel products and services; access to available financing on a timely basis and on reasonable terms; Mitel's ability to achieve or sustain profitability in the future; fluctuations in quarterly and annual revenues and operating results; fluctuations in foreign exchange rates; current and ongoing global economic instability, political unrest and related sanctions; intense competition; reliance on channel partners for a significant component of sales; dependence upon a small number of outside contract manufacturers to manufacture products; and, Mitel's ability to successfully implement and achieve its business strategies, including its growth of the company through acquisitions and the integration of recently acquired businesses and realization of synergies. Additional risks are described under the heading "Risk Factors" in Mitel's Annual Report on Form 10-K for the year ended December 31, 2015 and in Mitel's Quarterly Report on Form 10-Q for the quarter ended September 30, 2016 filed with the U.S. Securities and Exchange Commission (the "SEC") and Canadian securities regulatory authorities on February 29, 2016 and November 3, 2016, respectively. Forward-looking statements speak only as of the date they are made. Except as required by law, Mitel has no intention or obligation to update or to publicly announce the results of any revisions to any of the forward-looking statements to reflect actual results, future events or developments, changes in assumptions or changes in other factors affecting the forward-looking statements.