

PRESS RELEASE

For Immediate Release

Aastra Reports First Quarter Financial Results

TORONTO, ONTARIO (April 24, 2007) -- Aastra Technologies Limited - (TSX: "AAH") today announced its unaudited financial results for the first quarter ended March 31, 2007. Sales for the three months ended March 31, 2007 were \$153.3 million compared to sales of \$145.7 million for the same period of 2006, an increase of 5.2%. Sales in the European Enterprise Communication segment increased 6.9% from \$120.4 million in the three months ended March 31, 2006 to \$128.7 million in the same period of 2007. Sales in this segment were positively impacted by the decline in the Canadian dollar to the Euro and Swiss Franc compared with the first quarter last year. Sales in the North American Enterprise Communication segment were \$24.6 million in the three months ended March 31, 2007 from \$25.3 million in the same period of 2006 primarily as a result of weakness in U.S. sales during the first quarter.

Gross margin was 42% of sales for the three months ended March 31, 2007, consistent with the same period last year. Research and development expenses in the first quarter of 2007 were \$14.4 million or 9.4% of sales, compared to \$14.9 million or 10.2% of sales in the same quarter of 2006. The reduction in research and development expenses reflects the impact of restructuring efforts taken in Europe subsequent to the first quarter of 2006. Selling, general and administrative ("SG&A") expenses were \$37.5 million or 24.5% of sales in the quarter compared to \$33.4 million or 22.9% of sales in the first quarter of 2006. The increase in SG&A expenses was driven by higher sales and marketing expenses as well as the impact of foreign exchange.

Gains from foreign exchange were \$1.2 million in the first quarter of 2007 compared with only \$0.2 million in the same period last year as the Canadian dollar weakened against the Euro, the Swiss Franc and the U.S. dollar. The Company recorded investment income of \$1.1 million in the first quarter of 2007 compared to \$0.6 million for the first quarter of 2006 mainly as a result of comparatively higher average cash balances. Income tax expense was \$2.7 million in the first quarter or 24.5% of pre-tax profits compared to \$1.9 million or 19.8% of pre-tax profits in the first quarter of 2006. In addition, the Company recorded a loss of \$0.1 million net of tax, in the first quarter of 2007 as a result of a post closing adjustment related to the May 2006 sale of the Digital Video business.

As a result, net earnings for the three months ended March 31, 2007 were \$8.2 million or \$0.50 diluted earnings per share compared to \$7.6 million or \$0.42 diluted earnings per share in the same period last year.

On March 31, 2007, Aastra's balance of cash and short-term investments was \$122.8 million compared to \$115.7 million on December 31, 2006. Cash flow from operations for the three months ended March 31, 2007 was \$10.5 million compared to \$7.6 million for the same period of 2006. In addition, the Company used \$1.6 million to repurchase 50,000 common shares during the first quarter of 2007 under its on-going Normal Course Issuer Bid.

About Aastra Technologies Limited

Aastra Technologies Limited (TSX: "AAH"), is a global company at the forefront of the Enterprise Communication market. Headquartered in Concord, Ontario, Canada, Aastra develops and delivers innovative and integrated solutions that address the communication needs of businesses small and large around the world. Aastra enables Enterprises to communicate and collaborate more efficiently and effectively by offering customers a full range of open standard IP-based and traditional communications networking products, including terminals, systems, and applications. For additional information on Aastra, visit our website at <http://www.aastra.com>.

From time to time, we make written or oral forward-looking statements within the meaning of applicable Canadian securities legislation. We may make such statements in this press release, in other filings with Canadian regulators in reports to shareholders or in other communications. These forward-looking statements include, among others, statements with respect to our medium-term and 2007 objectives, and strategies to achieve our objectives, as well as statements with respect to our beliefs, outlooks, plans, objectives, expectations, anticipations, estimates and intentions. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and words and expressions of similar import are intended to identify forward-looking statements. By their very nature, forward-looking statements involve numerous factors and assumptions, and are subject to inherent risks and uncertainties, both general and specific, which give rise to the possibility that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution readers not to place undue reliance on these statements as a number of important factors could cause our actual results to differ materially from the expectations expressed in such forward-looking statements.

As described in detail under the heading "Risk Factors" in our Annual Information Form filed on www.sedar.com, the material factors that could cause our actual results to differ materially from the forward-looking statements in this press release include: integration of our recent acquisitions and continued demand for our products; exchange rate fluctuation of the Canadian dollar against other currencies, particularly with respect to the Swiss Franc, Euro and US Dollar; product concentration and limited range of products; geographic market concentration in Europe; reliance on third party manufacturers and component suppliers; longer credit terms to customers; continued implementation of our enterprise resource planning system; potential fluctuations in quarterly financial results, particularly as a result of seasonality and geographic market concentration; risks associated with product returns and defects; intellectual proprietary protection; security; competition and rapid technological change in our market; and the risk of third party claims for infringement.

We caution that the foregoing list of important factors that may affect future results is not exhaustive. When relying on our forward-looking statements to make decisions with respect to us, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Additional information about these factors that may affect future results can be found under the "Risk Factors" section and in our 2006 Annual Information Form. We do not undertake to update any forward-looking statement, whether written or oral, that may be made from time to time by us or on our behalf.

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AASTRA TECHNOLOGIES LIMITED

CONSOLIDATED STATEMENTS OF EARNINGS (UNAUDITED)

Stated in thousands of Canadian dollars except per share data

	1 st QUARTER Three months ended March 31 st	
	2007	2006
Sales	\$ 153,251	\$ 145,673
Cost of goods sold	88,983	84,291
	64,268	61,382
Expenses (income):		
Selling, general and administrative	37,535	33,408
Research and development	14,373	14,918
Amortization	3,622	4,435
Foreign exchange gain	(1,168)	(231)
Investment income	(1,092)	(554)
Earnings from continuing operations before income taxes	10,998	9,406
Income taxes	2,698	1,863
Net earnings from continuing operations	8,300	7,543
(Loss) earnings from discontinued operations, net of income taxes	(141)	84
Net earnings for the period	\$ 8,159	\$ 7,627
Earnings per share from continuing operations:		
Basic	\$ 0.52	\$ 0.44
Diluted	\$ 0.51	\$ 0.42
Earnings per share:		
Basic	\$ 0.51	\$ 0.44
Diluted	\$ 0.50	\$ 0.42
* Actual common shares outstanding as at March 31, 2007 – 16,000,073 (2006 – 17,586,209)		
** Weighted average common shares outstanding for the three months ended March 31, 2007 – 16,030,273 (2006 – 17,531,246)		

The interim consolidated financial statements for the three months ended March 31, 2007 have not been reviewed by an auditor.

AASTRA TECHNOLOGIES LIMITED

CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

Stated in thousands of Canadian dollars

	1 st QUARTER Three months ended March 31 st	
	2007	2006
Cash and cash equivalents provided by (used in):		
Operations:		
Net earnings for the period	\$ 8,159	\$ 7,627
Net loss (earnings) from discontinued operations	141	(84)
Amortization of capital assets	2,876	3,780
Amortization of intangible assets	1,665	2,104
Future income taxes	(1,215)	2,261
Stock-based compensation expense	471	277
Loss on short-term investments	118	250
Loss (gain) on sale of capital assets	42	(33)
Other	-	193
Change in non-cash operating working capital	(1,797)	(8,736)
	10,460	7,639
Discontinued operations :	(141)	243
Financing:		
Increase (decrease) in pension liabilities	(303)	236
Issuance of common shares on exercise of options	634	1,152
Repurchase of shares	(1,610)	-
Receipt of acquired lease receivables	2,794	9,559
Payment of loan payable to Seller	(2,794)	(9,742)
Bank indebtedness	(50)	(2,734)
	(1,329)	(1,529)
Investments:		
Maturity of short-term investments	17,424	29,381
Purchase of short-term investments	(3,000)	-
Proceeds on disposal of capital assets	36	195
Purchase of capital assets	(2,064)	(3,570)
	12,396	26,006
Foreign exchange on cash held in foreign currency	16	(382)
Increase in cash and cash equivalents	21,402	31,977
Cash and cash equivalents, beginning of period	57,713	54,140
Cash and cash equivalents, end of period	\$ 79,115	\$ 86,117

The interim consolidated financial statements for the three months ended March 31, 2007 have not been reviewed by an auditor.

AASTRA TECHNOLOGIES LIMITED

CONSOLIDATED BALANCE SHEETS (UNAUDITED)

Stated in thousands of Canadian dollars

	MARCH 31 st 2007	DECEMBER 31 st 2006	MARCH 31 st 2006
Assets			
Current assets:			
Cash and cash equivalents	\$ 79,115	\$ 57,713	\$ 86,117
Short-term investments	43,668	58,030	18,254
Accounts receivable	144,956	145,350	147,055
Income taxes receivable	-	-	404
Inventories	80,198	73,484	63,695
Net investment in leases	1,477	1,665	1,617
Acquired lease receivables	9,079	9,998	11,016
Prepaid expenses and other assets	6,307	4,401	8,054
Future income tax assets	11,406	11,671	7,274
	376,206	362,312	343,486
Future income tax assets	4,909	3,879	6,091
Net investment in leases	3,237	3,017	2,464
Acquired lease receivables	13,234	15,053	23,201
Capital assets	36,182	37,182	38,847
Goodwill	11,561	11,547	18,723
Intangible assets	30,114	31,742	30,448
Other assets	797	815	694
	\$ 476,240	\$ 465,547	\$ 463,954
Liabilities and Shareholders' Equity			
Current liabilities:			
Indebtedness	\$ 2,543	\$ 2,586	\$ 3,005
Accounts payable and accrued liabilities	120,716	118,002	110,980
Restructuring accruals	2,160	3,668	16,129
Income taxes payable	23,640	20,999	10,852
Deferred revenue	17,139	14,546	18,679
Loan payable	9,079	9,998	10,829
Future income tax liabilities	2,270	364	269
	177,547	170,163	170,743
Contingent consideration payable	3,803	3,822	5,376
Pensions	20,287	20,195	17,188
Loan payable	13,234	15,053	23,201
Future income tax liabilities	8,085	10,380	8,659
Other long-term liabilities	3,330	2,672	804
Restructuring accruals	574	929	2,489
	226,860	223,214	228,460
Shareholders' equity:			
Share capital	97,842	97,513	106,522
Contributed surplus	2,715	2,244	1,387
Accumulated other comprehensive income	(2,271)	(1,549)	(23,351)
Retained earnings	151,094	144,125	150,936
	249,380	242,333	235,494
	\$ 476,240	\$ 465,547	\$ 463,954

The interim consolidated financial statements for the three months ended March 31, 2007 have not been reviewed by an auditor.

AASTRA TECHNOLOGIES LIMITED

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY AND COMPREHENSIVE INCOME

(UNAUDITED)

Stated in thousands of Canadian dollars

	Common Shares	Share Capital	Contributed Surplus	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Total	Comprehensive Income (Loss)
Balance, December 31, 2006	16,009,573	\$ 97,513	\$ 2,244	\$ (1,549)	\$ 144,125	\$ 242,333	\$ -
Cumulative impact of adjusting fair value of short-term investments, net of income taxes of \$65	-	-	-	-	115	115	-
Shares issued on exercise of options	40,500	634	-	-	-	634	-
Stock-based compensation	-	-	471	-	-	471	-
Shares repurchased for cancellation	(50,000)	(305)	-	-	(1,305)	(1,610)	-
Translation of self-sustaining operations	-	-	-	(722)	-	(722)	(722)
Net earnings	-	-	-	-	8,159	8,159	8,159
Balance, March 31, 2007	16,000,073	\$ 97,842	\$ 2,715	\$ (2,271)	\$ 151,094	\$ 249,380	\$ 7,437
	Common Shares	Share Capital	Contributed Surplus	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Total	Comprehensive Income (Loss)
Balance, December 31, 2005	17,473,784	\$ 105,370	\$ 1,110	\$ (25,512)	\$ 143,309	\$ 224,277	\$ -
Shares issued on exercise of options	112,425	1,152	-	-	-	1,152	-
Stock-based compensation	-	-	277	-	-	277	-
Translation of self-sustaining operations	-	-	-	2,161	-	2,161	2,161
Net earnings	-	-	-	-	7,627	7,627	7,627
Balance, March 31, 2006	17,586,209	\$ 106,522	\$ 1,387	\$ (23,351)	\$ 150,936	\$ 235,494	\$ 9,788

The interim consolidated financial statements for the three months ended March 31, 2007 have not been reviewed by an auditor.

