



ENABLENCE TECHNOLOGIES PROVIDES PRELIMINARY FINANCIAL INFORMATION FOR THE THREE MONTHS ENDED DECEMBER 31, 2010

Toronto, Canada – January 10, 2011 Enablence Technologies Inc. (“Enablence” or the “Company”) (TSX: ENA-V), a leading supplier of fiber-to-the-home (“FTTH”) equipment and multi-services access platform for triple-play residential and business services and optical components and subsystems for access, metro and long-haul markets , today provided preliminary financial information for the Company’s quarter ended December 31, 2010. The Company expects to report results for the three and eight months ending December 31, 2010 after the market closes on February 8, 2011, followed by a conference call on February 9, 2011.

Revenues for the three months ending December 31, 2010 are expected to be approximately \$34-35 million, as compared to \$12.3 million in the three months ending January 31, 2010 and \$28.1 million in the three months ending September 30, 2010. While the current quarter revenues are expected to be a record quarter for the Company, it is below the forward looking guidance for revenues of \$40-45 million provided by management on November 9, 2010.

The shortfall in revenues from management’s expectations was largely due to delays in certain orders that were anticipated to be recognized as revenue in December. Specifically, two orders for approximately \$6 million were not realized in the quarter, and are expected to be closed and recognized as revenue in the quarter ending March 31, 2011.

As a result of the lower than expected revenues, the Company expects to report negative Adjusted EBITDA^[1] (as defined below) of approximately \$1 to \$2 million, while management had guided to positive Adjusted EBITDA.

"While the preliminary results failed to meet our revenue and profitability targets for the period, they also contain several important positive developments", said Tim Thorsteinson, Chief Executive Officer of Enablence. "The global fiber optic network market remains robust and Enablence's products and technology continue to be validated against strong competition"

"The initiatives instituted by management to accelerate profitability are reflected in improved margins and Adjusted EBITDA", Mr. Thorsteinson added. "We are reviewing our cost structure for further opportunities to quickly lower the revenue threshold at which we move to positive Adjusted EBITDA".

The Company will provide further details on its financial and operating results for the quarter ended December 31, 2010, and expects to update guidance for the full fiscal year when it reports its results in February.

About Enablence Technologies Inc.

Enablence Technologies Inc., (TSX: ENA-V) designs, manufactures and sells optical components, subsystems and systems to a global customer base.

Enablence's Systems Division has an expanding fiber-to-the-premise (FTTP) product portfolio featuring a variety of architectural options. It enables service providers to evolve their access networks from traditional copper-based networks to advanced optical communications access networks that are based on state-of-the-art IP and Ethernet standards, for triple-play voice, video and data services including HDTV, IP Telephony and ultrafast internet access.

Enablence's Optical Components and Subsystems Division is a global leader in applying Planar Lightwave Circuit ("PLC") technology to integrate multiple components into a single optical chip to reduce footprint and costs. Network and equipment designers around the world turn to Enablence for a variety of components and subsystems for access, metro and long-haul including transceivers, splitters, waveguides, optical channel monitors, multiplexers, ROADMs, switches, tuneable dispersion compensators, and photodiodes.

Forward-looking Statements

This press release may contain forward-looking statements that are made as of the date hereof and are based on current expectations, forecasts and assumptions which involve risks and uncertainties associated with our business and the economic environment in which the business operates. All such statements are made pursuant to the 'safe harbour' provisions of, and are intended to be forward-looking statements under, applicable Canadian securities legislation. Any statements contained herein that are statements of historical facts may be deemed to be forward-looking statements. By their nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties. We caution our readers of this press release not to place undue reliance on our forward looking statements as a number of factors could cause actual results or conditions to differ materially from current expectations. Please refer to the risks set forth in the Company's continuous disclosure documents that can be found on SEDAR www.sedar.com. Enablence does not intend, and disclaims any obligation, except as required by law, to update or revise any forward looking statements whether as a result of new information, future events or otherwise.

- (1) Adjusted EBITDA is a non-GAAP financial measure. Adjusted EBITDA comprises:
Net loss excluding the following – interest income and expense, income tax recovery and expense, depreciation and amortization, asset impairment charges, stock-based compensation expense and restructuring charges.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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