



News Release

WebTech Wireless Reports 36% Growth in Revenue in FY 2008

VANCOUVER, BRITISH COLUMBIA – October 8, 2008 – WebTech Wireless Inc. (TSX: WEW), a leading supplier of location-based and fleet Telematics services, today reported revenue of \$20.8 million for the year ended July 31, 2008 representing a 36% increase year over year.

Revenue grew in all geographic segments lead by Canada with growth of more than 75% year over year. Revenue growth rates in the US, Europe and the Middle East/Asia, were 15%, 34% and 67% respectively. In Latin America revenue grew by 23% as the Company reestablished itself with a new distributor in Brazil and commenced operations in Mexico.

Profit margins at 49% continued to meet the Company's stated sustainable goal of at or near 50% and were down from an unusually high figure of 57% in the prior year.

Net loss for the year was \$7.8 million (\$0.13 per common share) including more than \$3.5 million in one-time charges related to a write-down of the Company's ABCP (\$2.3 million) and litigation related costs (\$1.2 million). The loss for the year compares with a loss of \$26.2 million (\$0.49 per common share) for the prior year.

For the quarter ended July 31, 2007, WebTech reported revenues of \$4.8 million representing an increase of 26% over the prior comparable quarter. Net loss in the quarter of \$2.4 million (\$0.04 per common share) compares with a net loss of \$7.1 million (\$0.12 per common share) in the prior comparable quarter.

At year-end, the Company reported total assets of \$28.2 million (2007: \$36.7 million) and working capital of \$19.2 million (2007: \$31.8 million). The decrease in working capital was largely a result of the build-up of inventory for a large US courier company, deliveries of which commence in Q1 of FY 2009, and due to the Company's share buyback program (\$2.3 million) and reclassification of the Company's ABCP from short to long-term investments combined with the aforementioned write-down of this asset (\$6 million).

"2008 was a year of transition as we closed our first ever Quadrant enterprise deal with our US courier customer, commenced the rollout of our insurance program in Mexico, reestablished our business in Brazil and focused on successfully fighting the LunarEye lawsuit," said Scott Edmonds, Chief Financial Officer, WebTech Wireless Inc. "While we did not return to profitability in Q4 as was our hope, we believe that with our strong balance sheet, well established pipeline and international distribution network, that profitability is an achievable goal in FY 2009."

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About WebTech Wireless Inc.

WebTech Wireless Inc. (TSX:WEW) is a global Telematics, location-based services provider that develops, manufactures, and delivers turnkey wireless solutions designed to improve productivity and profitability. WebTech Wireless products include wireless hardware and software services running on cellular and satellite networks, and include Automatic Vehicle Location, Mapping, Reporting, Vehicle Diagnostics, Driver Status, In-vehicle Telemetry, Messaging, In-vehicle Navigation, and wireless application and Internet connectivity. WebTech Wireless is currently providing devices and services worldwide in eight languages to over forty-one countries covering five continents. WebTech Wireless' scalable solutions are used by a broad range of small, medium and Fortune 500 companies and by governments. For more information, please visit www.webtechwireless.com.

Forward Looking Statements

This press release contains forward-looking statements involving risks and uncertainties pertaining to, but not limited to product plans, timing, content, and pricing of products, market and industry expectations, the wireless communications industry, the mobile fleet industry, and general economic and political conditions. Given the risks and uncertainties inherent in the markets and industries referred to in this press release, WebTech Wireless cannot guarantee that any forward looking statements will be realized.

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WEBTECH WIRELESS INC.
CONSOLIDATED BALANCE SHEET

(Amounts in 000's)

	31-Jul-08	31-Jul-07
ASSETS		
Current		
Cash and cash equivalents	\$ 7,246	\$ 22,344
Accounts receivable, net of allowance	4,345	4,128
Inventory, net of allowance	10,070	7,640
Prepaid expenses and deposits	1,131	1,583
	22,792	35,695
Property and equipment (Note 6)	1,638	1,021
Property under development (Note 6)	86	-
Long term investments (Note 7)	3,669	-
	\$ 28,185	\$ 36,716
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 3,224	\$ 3,533
Current portion of deferred revenue	383	260
	3,607	3,793
Long term		
Deferred lease inducement	534	110
Deferred revenue	93	-
	627	110
	4,234	3,903
SHAREHOLDERS' EQUITY		
Share capital (Note 8)	59,620	60,142
Contributed surplus (Note 9)	1,791	858
Deficit	(37,460)	(28,187)
	23,951	32,813
	\$ 28,185	\$ 36,716

Commitments (Note 14)

APPROVED BY THE DIRECTORS:

"Signed"

Anwar Sukkarie

"Signed"

R.H. (Dick) Pinder

The accompanying notes form an integral part of these financial statements.



WEBTECH WIRELESS INC.
CONSOLIDATED STATEMENT OF OPERATIONS, COMPREHENSIVE LOSS AND DEFICIT

(Amounts in 000's except per share amounts)

	<i>31-Jul-08</i>	<i>31-Jul-07</i>
Revenue	\$ 20,810	\$ 15,304
Cost of goods sold	10,610	6,536
Gross profit	10,200	8,768
Expenses		
Marketing and Sales	7,044	4,352
Research and Development	3,935	3,810
General and Administration	4,516	2,914
Amortization	523	674
	16,018	11,750
Loss before other items	(5,818)	(2,982)
Other items		
Interest income	466	873
Foreign exchange loss	(110)	(1,499)
Loss in the fair value of long-term investments (Note 7)	(2,331)	-
Inventory impairment	-	(7,437)
Loss from inventory shipped	-	(7,814)
Impairment of loan receivable	-	(5,251)
Intangible asset impairment (Note 4)	-	(371)
Loss on contract	-	(1,677)
Net loss and comprehensive loss for the year	\$ (7,793)	\$ (26,158)
Deficit, beginning of the year	(28,187)	(1,837)
Change in amortization policy	-	(192)
Loss for the year	(7,793)	(26,158)
Shares repurchased - excess of purchase price over carrying value	(1,480)	-
Deficit, end of year	\$ (37,460)	\$ (28,187)
Accumulated other comprehensive earnings		
Balance - beginning and end of year	\$ -	\$ -
Basic and fully diluted (loss) earnings per share	\$ (0.13)	\$ (0.49)
Weighted average shares outstanding during the year	58,060,842	53,676,990

The accompanying notes form an integral part of these financial statements.



WEBTECH WIRELESS INC.
CONSOLIDATED STATEMENT OF CASH FLOWS

(Amounts in 000's)

	31-Jul-08	31-Jul-07
Operating Activities		
Net loss for the year	\$ (7,793)	\$ (26,158)
Add items not affecting cash:		
Amortization	523	674
Stock-based compensation	1,024	652
Amortization of leasehold inducement	(49)	(5)
Loss in the fair value of long-term investments (Note 7)	2,331	-
Intangible asset impairment	-	371
Loss on inventory shipped	-	7,814
Impairment of loan receivable	-	5,262
Inventory impairment	-	4,063
Loss on contract	-	1,677
	(3,964)	(5,650)
Changes in non-cash working capital items related to operations:		
Accounts receivable	(217)	12
Inventory	(2,430)	(8,854)
Prepaid expense and deposits	452	(783)
Inventory shipped	-	(7,814)
Accounts payable and accrued liabilities	(309)	(543)
Deferred lease inducement	473	115
Deferred revenue	216	167
	(5,779)	(23,350)
Financing Activities		
Common shares issued, net of costs	233	38,669
Shares repurchased (Note 8)	(2,326)	-
Loan receivable	-	(2,387)
	(2,093)	36,282
Investing Activities		
Purchase of intangible assets	-	(129)
Purchase of capital assets	(693)	(1,099)
Purchase of property under development	(533)	-
Increase in long-term investment	(6,000)	-
	(7,226)	(1,228)
Net increase (decrease) in cash during the year	(15,098)	11,704
Cash and cash equivalents, beginning of year	22,344	10,640
Cash and cash equivalents, end of year	\$ 7,246	\$ 22,344
Cash and cash equivalents consist of:		
Cash	\$ 7,246	\$ 22,344
	\$ 7,246	\$ 22,344
Supplemental cash flow information		
Interest paid	\$ 3	\$ 9
Income taxes paid	-	-
Non-cash Transactions		
Transfer of property under development to property and equipment	\$ 448	\$ -
Conversion of accounts receivable to loan receivable	-	2,875

The accompanying notes form an integral part of these financial statements.