



News Release

WebTech Wireless Reports 50% Revenue Growth for the Quarter Ended June 30, 2009

VANCOUVER, BRITISH COLUMBIA – August 13, 2009 – WebTech Wireless Inc. (TSX: WEW), a leading supplier of location-based and fleet Telematics services, today reported revenue of \$7.2 million for the three month fiscal quarter ended June 30, 2009, and \$13.9 million for the six months then ended. These revenue figures represent increases of 50% and 28% over the prior comparable figures respectively. The Company broke even for the three and six months, and has generated cash of \$1,679 since its last year end.

WebTech Wireless is comparing its results for the quarter ended June 30, 2009, to its results for the quarter ended July 31, 2008 as it has changed its fiscal year end from July 31 to December 31, and July 31, 2008 represents the nearest prior year reporting date to June 30.

Highlights for the quarter include:

- Revenue of \$7.2 million
- Break even on net income
- Increase in cash balances of \$1.7 million since December 31, 2008 including \$1.1 million generated from operations
- Gross profit margins of 62% reflecting the recognition of a very high margin software license

Revenues at \$7.2 million were driven by US sales and the recognition of a one-time software license sale, which was accepted by the client in the quarter.

Profit margins at 62% were above target and historical levels due to continuing economies of scale as well as a one time contribution from the license sale.

Net loss for the three months was \$169,000 (\$nil per common share) and was caused primarily by a foreign exchange loss of \$341,000– largely contributed by a strong Canadian dollar in the month of May and one time legal fees related to the Company's successful appeal of a judgment against it in Brazil. Year to date the Company has lost \$54,000 – due again to a foreign exchange loss, and the aforementioned one time legal charges.

Expenses for the quarter of \$4.3 million were approximately 8% below prior year, and year to date expenses of \$8.4 million are approximately 6% below prior year, including a one time non cash stock based compensation charge of \$260,000.

As of June 30, 2009, the Company reported total assets of \$27 million (December 31, 2008: \$25.4 million) and working capital of \$19.4 million (December 31, 2008: \$17 million). The increase in working capital was the result of cash generated from operations and funds drawn against the credit facility secured by the MAVII notes.

"This was a milestone quarter for WebTech as we delivered on and recognized our first enterprise license and this is reflected in our revenue and gross margin figures," said Scott Edmonds, Chief Financial Officer, WebTech Wireless Inc. "Our strategy of operating in multiple verticals and multiple territories has protected us from the vagaries of the current recession and our large customer strategy has contributed significantly to this years growth."

A reminder that the Financial Results Conference Call will be held today, August 13th, at 5:00 pm Eastern Time (2:00 pm Pacific Time). Interested parties may participate in the call by dialing 1-800-941-1366 or (212) 231-2904 (for international callers). The conference call will be archived on the Company's website at: www.webtechwireless.com.

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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 thousands of Canadian dollars)

	<i>30-Jun-09</i>	<i>31-Dec-08</i>
	<i>(Unaudited)</i>	<i>(audited)</i>
ASSETS		
Current		
Cash and cash equivalents	\$ 5,568	\$ 3,889
Accounts receivable, net of allowance	7,847	7,769
Inventory, net of allowance	8,120	8,629
Prepaid expenses and deposits	725	452
	22,260	20,739
Property and equipment <i>(Note 5)</i>	1,511	1,624
Long term investments <i>(Note 6)</i>	3,000	3,000
	\$ 26,771	\$ 25,363
LIABILITIES		
Current		
Bank indebtedness <i>(Note 7)</i>	\$ -	\$ 1,000
Accounts payable and accrued liabilities	2,186	1,991
Current portion of deferred revenue	655	685
	2,841	3,676
Long term		
Deferred lease inducement	824	642
Deferred revenue	258	274
Long term debt secured by long term investment <i>(Note 8)</i>	1,710	-
	2,792	916
	5,633	4,592
SHAREHOLDERS' EQUITY		
Share Capital <i>(Note 9)</i>	59,879	59,689
Contributed Surplus <i>(Note 10)</i>	4,362	4,131
Retained Earnings	(43,103)	(43,049)
	21,139	20,771
	\$ 26,771	\$ 25,363

Commitments *(Note 12)*
Subsequent Event *(Note 14)*

APPROVED BY THE DIRECTORS:

"Signed"

Anwar Sukkarie

"Signed"

Peter W. Roberts

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

(Amounts in thousands of Canadian dollars except Gross margin and per share amounts)
(Unaudited)

	<i>Three months ended</i>		<i>Six months ended</i>	
	<u>30-Jun-09</u>	<u>31-Jul-08</u>	<u>30-Jun-09</u>	<u>31-Jul-08</u>
Revenue	\$ 7,249	\$ 4,834	\$ 13,918	\$ 10,890
Cost of goods sold	<u>2,733</u>	<u>2,742</u>	<u>5,671</u>	<u>5,683</u>
Gross profit	<u>4,516</u>	<u>2,092</u>	<u>8,247</u>	<u>5,207</u>
Gross margin	62.30%	43.28%	59.25%	47.81%
Expenses				
Sales and marketing	2,109	1,910	4,044	4,016
Research and development	1,227	1,124	2,495	2,189
General and administrative	848	1,537	1,606	2,530
Amortization	<u>156</u>	<u>137</u>	<u>303</u>	<u>248</u>
	4,340	4,708	8,448	8,984
Gain/(loss) before other items	<u>176</u>	<u>(2,616)</u>	<u>(201)</u>	<u>(3,777)</u>
Other items				
Interest and other (expenses)/income	(5)	47	81	134
Foreign exchange (loss)/gain	(341)	159	(143)	114
Loss in the fair value of long term investments (Note 6)	-	-	-	(831)
Gain on restructuring of long term investments (Note 6)	-	-	207	-
Net loss and comprehensive loss for the period	<u>\$ (169)</u>	<u>\$ (2,410)</u>	<u>\$ (54)</u>	<u>\$ (4,360)</u>
Deficit, beginning of period	(42,934)	(35,050)	(43,049)	(32,654)
Loss for the period	(169)	(2,410)	(54)	(4,360)
Shares repurchased - excess of purchase price over carrying value	-	-	-	(446)
Deficit, end of period	<u>\$ (43,103)</u>	<u>\$ (37,460)</u>	<u>\$ (43,103)</u>	<u>\$ (37,460)</u>
Accumulated other comprehensive earnings				
Balance - beginning and end of period	\$ -	\$ -	\$ -	\$ -
Basic and fully diluted loss per share	\$ (0.00)	\$ (0.04)	\$ (0.00)	\$ (0.08)
Weighted average number of shares outstanding during the period	58,178,161	57,746,204	58,080,133	57,842,843

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

WEBTECH WIRELESS INC.
CONSOLIDATED STATEMENT OF CASH FLOWS

(Amounts in thousands of Canadian dollars)

(Unaudited)

	<i>Three months ended</i>		<i>Six months ended</i>	
	<i>30-Jun-09</i>	<i>31-Jul-08</i>	<i>30-Jun-09</i>	<i>31-Jul-08</i>
Operating Activities				
Net loss for the period	\$ (169)	\$ (2,410)	\$ (54)	\$ (4,360)
Add items not affecting cash:				
Amortization	156	137	303	248
Stock based compensation	90	93	386	530
Amortization of leasehold inducement	(28)	(25)	(62)	(42)
Loss in the fair value of long term investments	-	-	-	831
	49	(2,205)	573	(2,793)
Changes in non-cash working capital items related to operations:				
Accounts receivable	(1,005)	1,241	(78)	474
Inventory	201	(1,534)	509	(1,657)
Prepaid expense and deposits	(205)	(149)	(273)	(267)
Accounts payable and accrued liabilities	(50)	1,506	195	(1,057)
Deferred Revenue	(349)	(57)	(46)	3
Deferred lease inducement	-	3	244	473
	(1,359)	(1,195)	1,124	(4,824)
Financing Activities				
Common shares issued, net of costs	4	53	35	80
Shares repurchased	-	-	-	(671)
Repayment of bank loan	(1,000)	-	(1,000)	-
Borrowing - against long term investments	290	-	1,710	-
	(706)	53	745	(591)
Investing Activities				
Purchase of property and equipment	(48)	(184)	(190)	(367)
	(48)	(184)	(190)	(367)
Net (decrease) increase in cash during the period	(2,113)	(1,327)	1,679	(5,782)
Cash and cash equivalents, beginning of period	7,681	8,573	3,889	13,028
Cash and cash equivalents, end of period	\$ 5,568	\$ 7,246	\$ 5,568	\$ 7,246
Cash and cash equivalents consist of:				
Cash	\$ 5,568	\$ 7,246	\$ 5,568	\$ 7,246
Supplemental cash flow information				
Interest paid	\$ 8	\$ 2	\$ 18	\$ 2
Income taxes paid	-	-	-	-

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