



PRESS RELEASE

Listed: TSX
Symbol: DD

FOR IMMEDIATE RELEASE
March 25, 2008

DDS Wireless Reports Fiscal 2007 Financial Results *Announces Management Change*

Richmond, BC, March 25, 2008 – DDS Wireless International Inc. (TSX: DD), a world leader in providing wireless data solutions for fleet management for over 20 years, today released financial results for the fourth quarter and year ended December 31, 2007. All financial information is expressed in Canadian ("CDN") dollars and Canadian generally accepted accounting principles ("GAAP").

"2007 represented a watershed year for DDS Wireless. We implemented a strategic diversification plan culminating in the acquisitions of Washington-based StrataGen Systems Inc. and Finland-based Mobisoft Oy and the launch of our mobile media products. These strategic initiatives have accelerated our expansion into markets outside of our core large taxi enterprise business. We reorganized our operations into four market-focused business units to drive growth and diversification into new markets in 2008 and beyond: Taxi, Transit, eFleet and Wireless Devices and Communications," said Vari Ghai, CEO of DDS Wireless. "While our financial results have been impacted by the strengthened Canadian dollar and the investments made to implement our strategic diversification plan, we have built a strong foundation in our core taxi business over the past 20 years and are now leveraging our core competencies to aggressively expand into new vertical and geographic markets."

Highlights:

- ❖ Acquisition of Mobisoft Oy ("Mobisoft"), a Finnish software company specializing in application service provider ("ASP") automated dispatching applications for passenger transport with over 2,000 taxis served in Finland and a growing customer base in UK. This acquisition enables DDS Wireless to expand into the small taxi and transit fleets through Mobisoft's highly advanced IT wireless solutions for multiple passenger transport as well as to further strengthen the Company's European presence.
- ❖ Acquisition of StrataGen Systems Inc. ("StrataGen"), of Kirkland, Washington, U.S., a provider of large transit fleet management software resulting in diversification from the core taxi market.
- ❖ Launched the new iView 8000™ interactive passenger oriented multimedia product to provide back-of-cab passenger entertainment and advertising experience in New York City.
- ❖ Reorganized its business operations into four market-focused business units to drive focused execution of the diversified growth strategy of DDS Wireless International:
 1. **Taxi Business:** Continuing to operate as Digital Dispatch Systems Inc., the Taxi business will integrate existing operations with the acquired MobiSoft ASP business to service the taxi market with end-to-end solutions that include enterprise-wide advanced fleet management, managed dispatch service as well as the new advertising and eCommerce in the back-of-vehicle;

2. **Transit Business:** Operating under the corporate entity StrataGen Systems Inc. this business combines DDS Wireless' existing Transit business with the acquired StrataGen and MobiSoft demand response solutions to serve all sizes of transit fleets;
 3. **eFleet ASP hosted Business:** Operating under the new corporate entity, DDS eFleet Services Inc., this business provides mobile fleet management solutions for the Work Truck and Limousine markets; and
 4. **Mobile Devices and Communications Business:** Operating under the new corporate entity, DW Digital Wireless Inc., this business develops, manufactures and markets mobile data devices and communication infrastructure products to multiple vertical markets directly and as an OEM.
- ❖ Addition of Steven Juliver as President for the Taxi Business Unit. Mr. Juliver joins Digital Dispatch from EOS Technologies Inc., a manufacturer and supplier of electro-optic technology-based sensors, space debris tracking stations, commercial telescopes and remotely-controlled weapons stations to aerospace and defense markets, where he held the position of Executive Vice President. He brings to Digital Dispatch over 25 years of management experience including driving strategic and financial plans, product and business development and operations.
 - ❖ Addition of Mike Nienhuis as President for the Transit Business Unit. Mr. Nienhuis has over 10 years of executive operations and general management experience in high growth, multi-location corporations. He has a Masters of Business Administration degree from the Simon Fraser University and will be based in Kirkland, Washington.
 - ❖ Major new customer additions:
 - Emcom SA (Pty) Ltd., South Africa's most successful radio communications and fleet management company;
 - The Suburban Mobility Authority for Regional Transportation of Michigan ("SMART");
 - Access Services Inc. of Los Angeles, California ("ASI"); and
 - Mumbai, India-based ORIX Auto Infrastructure Services Limited (OAIS), one of the largest multi-fleet operators in India managing seven different transportation business units throughout the country.
 - ❖ Increased momentum in the small taxi fleet market segment with the addition of the following new customers during the quarter: Brampton Kwik Cab of Ontario, Somali Taxi of San Diego, California, STITA in Seattle, and other small taxi companies in North America.
 - ❖ Changed name to DDS Wireless International Inc. from Digital Dispatch Systems Inc.

2007 Financial Results

Total revenues for the year ended December 31, 2007 were \$20.6 million compared to \$23.6 million in the prior year ended December 31, 2006. The decrease in 2007 revenue over the prior year is primarily attributable to the foreign exchange impact from the strengthened Canadian dollar against the U.S. dollar, Euros and British Pounds Sterling in which the majority of the Company's revenues are generated, and a lower sales volume in the Company's core taxi market offset in part by the inclusion of the financial results of the Mobisoft and StrataGen acquisitions from their respective acquisition dates of October 8, 2007, and December 7, 2007. The Company posted a gross margin of 48% for the year ended December 31, 2007 which is lower than the 52% gross margin achieved in the prior year due to the impact of the strengthened Canadian dollar and the launch of its New York City Taxi Limousine Commission ("TLC") mobile media initiative which was in the start up phase during 2007. Gross profit for the year ended December 31, 2007 (defined as total revenues less cost of sales) was \$9.9 million compared to \$12.3 million in the prior year.

Total operating expenses (excluding amortization and stock compensation) increased in the year ended December 31, 2007 to \$11.9 million from \$9.9 million in prior year which is primarily attributable to the addition of the acquisitions of Mobisoft and StrataGen in addition to the investment in the Company's new mobile media business initiative. The Company incurred a loss before interest, stock compensation expense, taxes, foreign exchange, and amortization of

(\$1.9) million for the year ended December 31, 2007 compared to earnings before interest, stock compensation expense, taxes, foreign exchange, depreciation and amortization of \$2.4 million for the prior year.

During the year ended December 31, 2007, the Company incurred a foreign exchange loss of (\$1.7) million due to the weakening of foreign-denominated currencies against the Canadian dollar compared to a foreign exchange gain of \$371,000 in the prior year in addition to the amortization of acquired intangibles of \$448,000 in 2007 attributable to Mobisoft and StrataGen. The combination of the Company's operating results, the foreign exchange loss and acquisition related amortization resulted in a net loss of \$3.4 million or (\$0.28) loss per share for the year ended December 31, 2007 compared to net income of \$2.3 million or \$0.19 earnings per share in the prior year.

As at December 31, 2007, the Company had cash and cash equivalents of \$1.1 million compared to \$11.1 million in cash and short term investments as at December 31, 2006. In addition, the Company obtained a line of credit in 2007 which had a balance payable of \$1.3 million as at December 31, 2007. The decrease in cash experienced in 2007 over the prior year is primarily due to the Company's acquisitions of Mobisoft and StrataGen, the loss generated by operations of the Company and the Company's investment in capital expenditures related to the launch of its TLC mobile media initiative in 2007. As at December 31, 2007, the Company had 13,143,191 shares outstanding compared to 11,863,201 as at December 31, 2006, the difference being the shares issued to acquire Mobisoft.

Fourth Quarter

Revenues for the three months ended December 31, 2007 totaled \$7.3 million representing an increase of 43% over the prior quarter ended September 30, 2007, and an increase 20% from the same quarter in 2006 of \$6.1 million. The increase in revenue is attributable to higher sales volume by the Company compared to the same period in the prior year in conjunction with the impact of the acquisitions of Mobisoft and StrataGen which have been included in the financial results of the Company from their respective acquisition dates. Gross margin for the three months ended December 31, 2007, was 44% which is lower than the same period in the prior year of 49% due the strengthened Canadian dollar, lower utilization of project staff and the launch of the Company's TLC mobile media initiative in New York City during the period.

Total operating expenses (excluding amortization and stock compensation) increased to \$4.0 million for the three months ended December 31, 2007, representing an increase over the quarter ended December 31, 2006 of \$2.8 million which is primarily due to the impact of the Mobisoft and StrataGen acquisitions. Loss before interest, stock compensation expense, taxes, foreign exchange, and amortization was (\$803,000) for the three months ended December 31, 2007 compared to earnings before interest, stock compensation expense, taxes, foreign exchange, and amortization of \$214,000 for 2006. Net loss after tax was (\$1.0) million or (\$0.08) loss per share for the three months ended December 31, 2007, including the amortization of acquired intangible assets of \$448,000 attributable to the Mobisoft and StrataGen acquisitions compared with \$1.2 million net income after tax or \$0.10 earnings per share in the prior year.

Outlook

Based on the Company's current outstanding customer orders and anticipated future sales opportunities, the Company projects total 2008 annual revenues to be approximately \$36.0 million to \$38 million. This reduction in the Company's forecast from the preliminary guidance provided is solely due to the revenue attributable to a large portion of an outstanding customer contract being recognized prior to the acquisition by StrataGen as opposed to being recognized in 2008. The Company expects to have positive earnings before interest, stock compensation, taxes, foreign exchange, and amortization for the year ending December 31, 2008. The Company expects to achieve significant growth after 2008 due to its strategic diversification initiatives and reorganization into new market oriented business units in addition

to new recurring revenue and transaction based business initiatives such as payment transaction processing fees, in-vehicle advertising and eFleet ASP.

Conference Call

The Company will host a conference call at 5:00 PM EST (2:00 PM PST) on March 26, 2008, to discuss the financial results. Please call 416-641-6142 or 1-866-300-7687 to participate in the call. A replay of this conference call will be available until April 3, 2008, by dialing 416-695-5800 or 1-800-408-3053 and entering access code 3253430.

Management Change

The Company announced that George Reznik, Chief Financial Officer, will be leaving the Company on April 14, 2008 to pursue other interests.

"As a Company Director and Chairman of the Audit Committee, I have had an opportunity to work closely with George during his tenure at DDS Wireless and want to take this opportunity to thank him for the significant contribution he has made to DDS Wireless" stated Erik Dysthe. "We have had a great working relationship and on behalf of the Board and the DDS Wireless management team. I want to wish George all the very best with his future endeavors."

Forward-Looking Statements

This press release contains statements which, to the extent that they are not recitations of historical fact, may constitute forward-looking information. Factors that could cause actual events or results to differ materially from those suggested by these forward-looking statements include, but are not limited to: the ability to successfully integrate Mobisoft Oy and StrataGen Systems Inc. the need to develop, integrate and deploy applications to meet our customer's requirements; the possibility of development or deployment difficulties or delays; the dependence on our customer's satisfaction with DDS Wireless' products; the timing of entering into significant contracts; our customers' continued commitment to the deployment of our solutions; the risks involved in developing integrated software and hardware solutions and integrating them with third-party communication and other services; the performance of the global economy and growth in software industry sales; market acceptance of the Company's products and services; customer and industry analyst perception of the Company and its technology vision and future prospects; the success of certain business combinations engaged in by the Company or by its competitors; political unrest or acts of war; possible disruptive effects of organizational or personnel changes; technological change, new products and standards; risks related to acquisitions and international expansion; reliance on large customers; concentration of sales; international operations and sales; management of growth and expansion; dependence upon key personnel and hiring; reliance on a limited number of suppliers; industry growth; competition; intellectual property; product defects and product liability; currency exchange rate risk; concentration of ownership; and including but not limited to other factors described in DDS Wireless' reports filed on Sedar, including its Annual Information Form and financial report for the year ended December 31, 2007. In drawing a conclusion or making a forecast or projection set out in the forward-looking information, the Company takes into account the following material factors and assumptions in addition to the above factors: the Company's ability to execute on its business plan; the acceptance of the Company's products and services by its customers; the timing of execution of outstanding or potential customer contracts by the Company; the sales opportunities available to the Company; the Company's subjective assessment of the likelihood of success of a sales lead or opportunity; the Company's historic ability to generate sales leads or opportunities; and that sales will be completed at or above the Company's estimated margins. This list is not exhaustive of the factors that may affect our forward-looking information. These and other factors should be considered carefully and readers should not place undue reliance on such forward-looking information. All forward-looking statements made in this press release are qualified by this cautionary statement and there can be no assurance that actual results or developments anticipated by the Company will be realized. The Company disclaims any intention or obligation to update or revise forward-looking information, whether as a result of new information, future events or otherwise.

About DDS Wireless International Inc.

DDS Wireless International Inc. is a global provider for over 20 years of wireless mobile data solutions to multiple markets using state of the art technologies in real-time dispatching, vehicle location and tracking, as well as computerized routing and scheduling. Its offerings include mobile data computers, fleet management applications, communications infrastructure, project management, long-term customer support as well as multimedia mobile commerce systems for fleets. Previously known as Digital Dispatch Systems Inc., the Company changed its name on March 4, 2008 to re-brand itself after restructuring its operations into four market focused business units to facilitate diversification and growth, as well as to effectively integrate the recently acquired businesses of Finland-based Mobisoft OY and Washington-based StrataGen Systems Inc.

For further information, please contact

George Reznik, CFO
investors@digital-dispatch.com
(604) 241-1441

###

SEE ATTACHED SUMMARY FINANCIAL STATEMENTS

DDS WIRELESS INTERNATIONAL INC.

Consolidated Balance Sheets

December 31, 2007 and 2006

	2007	2006
Assets		
Current assets:		
Cash and cash equivalents	\$ 1,075,203	\$ 6,712,786
Short-term investments	-	4,381,016
Accounts receivable	10,799,802	7,627,088
Income taxes receivable	147,601	777,629
Future income taxes	76,100	81,087
Inventories	2,917,686	3,465,262
Prepaid expenses	620,444	387,893
Current portion of leases receivable	475,377	968,708
	16,112,213	24,401,469
Plant and equipment	2,660,921	491,180
Long-term leases receivable	1,784,818	1,940,441
Future income taxes	3,933,562	1,903,985
Acquired intangibles	11,011,000	-
Goodwill	3,329,000	-
	38,831,514	28,737,075
Liabilities and Shareholders' Equity		
Current liabilities:		
Line of credit	1,255,954	-
Deferred acquisition costs payable	4,097,802	-
Accounts payable and accrued liabilities	4,527,892	2,604,899
Future income taxes	820,761	521,900
Deferred revenue	1,459,894	562,296
Deferred gain	143,308	191,076
Current portion of long-term debt	144,193	-
	12,449,804	3,880,171
Long-term portion of deferred gain	-	143,308
Long-term portion of debt	506,053	-
Future income taxes long-term	1,139,849	-
	14,095,706	4,023,479
Shareholders' equity:		
Share capital	22,836,687	19,764,711
Contributed surplus	660,231	378,069
Retained earnings	2,106,161	5,467,430
Accumulated other comprehensive loss	(867,271)	(896,614)
	24,735,808	24,713,596
	\$ 38,831,514	\$ 28,737,075

DDS WIRELESS INTERNATIONAL INC.

Consolidated Statements of Operations

	Three months ended December 31, 2007		Year ended December 31,	
	2007	2006	2007	2006
Revenue	\$ 7,278,156	\$ 6,079,980	\$ 20,558,808	\$ 23,622,507
Cost of sales	4,108,846	3,114,453	10,632,456	11,368,576
	3,169,310	2,965,527	9,926,352	12,253,931
Operations expenses:				
Research and development	1,581,036	824,748	4,427,919	3,604,018
Sales and marketing	972,908	969,673	3,842,412	3,112,747
General and administrative	1,417,994	957,568	3,594,839	3,186,292
	3,971,938	2,751,989	11,865,170	9,903,057
(Loss) earnings before under noted	(802,628)	213,538	(1,938,818)	2,350,874
Other (income) expense:				
Amortization of plant and equipment	92,235	82,175	313,583	318,444
Amortization of acquired intangibles	448,000	-	448,000	-
Foreign exchange	(85,612)	(701,838)	1,740,009	(371,320)
Stock compensation	57,162	36,794	282,162	182,843
Other	(37,485)	142,131	(169,280)	(1,176)
	474,300	(440,738)	2,614,474	128,791
Earnings before income taxes	(1,276,928)	654,276	(4,553,292)	2,222,083
Income taxes				
Current (recovery)	674,703	251,147	265,120	(416,896)
Future (recovery)	(952,705)	(811,790)	(1,457,143)	326,595
	(278,002)	(560,643)	(1,192,023)	(90,301)
Net (Loss) earnings and comprehensive (loss) earnings	(998,926)	1,214,919	(3,361,269)	2,312,384
(Loss) earnings per common share:				
Basic	\$ (0.08)	\$ 0.10	\$ (0.28)	\$ 0.19
Diluted	\$ (0.08)	\$ 0.10	\$ (0.28)	\$ 0.19

DDS WIRELESS INTERNATIONAL INC.

Consolidated Statements of Comprehensive Loss
Years ended December 31, 2007 and 2006

	2007	2006
Net (loss) earnings	\$ (3,361,269)	\$ 2,312,384
Other Comprehensive (Loss) Income		
Unrealized gain on translation of self-sustaining foreign operations	29,343	-
Comprehensive (Loss) Income	(3,331,926)	2,312,384

Consolidated Statements of Changes in Retained Earnings and Accumulated Other Comprehensive loss
Years ended December 31, 2007 and 2006

	2007	2006
Retained Earnings		
Beginning of year	\$ 5,467,430	\$ 11,614,206
Dividend declared	-	(7,141,549)
Excess paid on share repurchase and cancellation	-	(1,317,611)
Net (loss) earnings	(3,361,269)	2,312,384
	<u>2,106,161</u>	<u>5,467,430</u>

Accumulated Other Comprehensive Loss on translation of Self-sustaining Foreign Operations

Beginning of year	(896,614)	(896,614)
Net unrealized gain on translation of self-sustaining foreign operations in the year	29,343	-
	<u>(867,271)</u>	<u>(896,614)</u>

Total Retained Earnings and Accumulated Other Comprehensive Loss \$ 1,238,890 \$ 4,570,816

DIGITAL DISPATCH SYSTEMS INC.

Consolidated Statements of Cash Flows
Years ended December 31, 2007 and 2006

	2007	2006
Cash provided by (used in):		
Operations:		
Net (loss) earnings	\$ (3,361,269)	\$ 2,312,384
Items not involving cash:		
Amortization of plant and equipment	391,802	318,444
Amortization of acquired intangibles	448,000	-
Future income taxes	(1,457,143)	326,595
Unrealized foreign exchange gain	-	(84,285)
Amortization of gain on disposition property	(191,076)	(191,076)
Stock compensation	282,162	182,843
Accretion of interest	3,000	-
	(3,884,524)	2,864,905
Change in non-cash operating working capital	608,194	(1,945,478)
	(3,276,330)	919,427
Investing:		
Increase (decrease) due to short-term investment	4,381,016	7,741,594
Purchase of plant and equipment	(2,393,543)	(260,140)
Acquisitions, net of cash and cash equivalents	(6,662,080)	-
Repayments of lease receivables	1,054,154	1,073,438
	(3,620,453)	8,554,892
Financing:		
Increase in long-term debt	3,246	-
Increase in line of credit	1,255,954	-
Repurchase of share capital	-	(2,475,258)
Dividend paid	-	(7,141,549)
	1,259,200	(9,616,807)
Effect of foreign currency exchange rates on cash & cash equivalents	-	84,285
Decrease in cash and cash equivalents	(5,637,583)	(58,203)
Cash and cash equivalents, beginning of period	6,712,786	6,770,989
Cash and cash equivalents, end of period	\$ 1,075,203	\$ 6,712,786