



PRESS RELEASE

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Digital Dispatch Reports 2007 Q3 Operating Results

Richmond, BC, November 14, 2007 – Digital Dispatch Systems Inc. (TSX: DD), a leading provider of mobile data solutions, today released unaudited financial results for the third quarter and nine months ended September 30, 2007. (All financial information is expressed in CDN dollars and Canadian GAAP.)

Total revenues for the three months ended September 30, 2007, were \$5.1 million compared with total revenues of \$4.3 million for the three months ended June 30, 2007, and \$6.0 million for the same period in the prior year. The decrease from the prior year is primarily attributable to the significant increase in the Canadian dollar relative to the US dollar, Euro and British Pounds Sterling in which the large majority of revenue is generated, lower sales volume in the Company's primary taxi market and due to the nature of the major deals awarded to the Company during the quarter which required fulfillment extending beyond the quarter.

"While our revenues have been impacted by the strengthened Canadian dollar and the timing of customer orders, we have made strong progress in executing our strategic diversification plan which is expected to make a positive impact commencing in 2008," said Vari Ghai, CEO and President for Digital Dispatch. "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. The acquisition of MobiSoft based in Finland further strengthens our presence in Europe while enabling Digital Dispatch to commence addressing the sizable small taxi and transit fleet markets. Our pending acquisition of StrataGen will result in a complete offering to the large fleet transit market diversifying Digital Dispatch from our core taxi business."

The Company experienced overall gross margin of 51% for the three months ended September 30, 2007 compared with a gross margin of 50% and 53% for the three months ended June 30, 2007 and September 30, 2006, respectively. Total operating expenses were \$2.6 million for the three months ended September 30, 2007, compared to \$2.8 million for the three months ended June 30, 2007, and \$2.3 million for the same period last year. This increase from the same period in the previous year is due to the significant investment in development and implementation expenses for the Company's new business initiatives such as the mobile advertising and eCommerce offerings and also due to increased sales and marketing efforts in international markets. For the three months ended September 30, 2007, the Company reported a net loss of \$0.6 million or (\$0.05) per share compared to a net loss of \$1.2 million or (\$0.10) per share and net earnings of \$0.6 million or \$0.05 per share for the three months ended June 30, 2007 and September 30, 2006 respectively.

Total revenues for the nine months ended September 30, 2007 were \$13.3 million compared to \$17.5 million for the same period last year. The Company experienced overall gross margin of 51% for the nine

months ended September 30, 2007 compared to a gross margin of 53% for the same period last year. Total operating expenses were \$7.9 million for the nine months ended September 30, 2007 compared to \$7.2 million for the same period of the previous year. For the nine months ended September 30, 2007, the Company reported a net loss of \$2.4 million or (\$0.20) per share compared to net earnings of \$1.1 million or \$0.09 per share for the same period last year.

The Company had \$8.0 million in cash and short-term investments and 11,863,201 shares outstanding as at September 30, 2007. The majority of the Company's cash as at September 30, 2007 is to be utilized for its acquisitions, Mobisoft and StrataGen.

"2007 represented a year of investment by Digital Dispatch as we developed the mobile media products and implemented our diversification strategy by acquiring two software companies which is expected to result in strong revenue growth in 2008 and beyond. After a slow start in 2007, our recent deal activity has increased considerably with significant deals with G7 Taxis, Paris, Emcom SA (Pty) Ltd., South Africa, Suburban Mobility Authority for Regional Transportation of Michigan ("SMART"), Access Services Inc. of Los Angeles, California, STITA, Seattle and several small taxi companies which provide significant customer backlog after 2007" added Mr. Ghai.

Highlights

- Acquisition of Mobisoft Oy ("Mobisoft"), an international Finnish software company specializing in application service provider (ASP) oriented automated dispatching and wireless data transfer applications for passenger transport with over 2,000 taxis served in Finland and a growing customer base in UK, effective October 1, 2007 for €5.17 million of which €3.0 million is payable in cash consideration with the balance payable in 1.28 million Digital Dispatch shares issued from treasury. This acquisition enables Digital Dispatch to expand into the small taxi and transit fleets through Mobisoft's highly advanced IT wireless solutions for multiple passenger transport as well as further strengthen the Company's European presence.
- On October 2, 2007, the Company signed a binding letter of intent to acquire all of the shares of StrataGen™ Systems Inc. of Kirkland, Washington, U.S. ("StrataGen") for US\$6.0 million and payment by StrataGen to the departing shareholders up to a maximum of US\$2.3 million for services to be rendered.
- Addition of Emcom SA (Pty) Ltd., South Africa's most successful radio communications and fleet management company as its customer who executed a purchase contract with the Company. Under this agreement, Emcom will purchase Vector 530™ mobile data terminals from Digital Dispatch for its client Eskom, South Africa's primary electricity supplier, which could result in significant additional orders for Eskom's fleet.
- The Suburban Mobility Authority for Regional Transportation of Michigan ("SMART") selected the Company as the primary contractor to equip part of its fleet with a complete paratransit management solution worth approximately CDN\$2.2 million.
- The Board of Access Services Inc. of Los Angeles, California ("ASI") chose Digital Dispatch as the primary solutions provider for ASI's paratransit fleet. resulting in a contract to Digital Dispatch worth approximately \$3.32 million, inclusive of a five year service agreement, for project management services requiring the integration of Adept software from StrataGen with voice recognition software from Unified Dispatch LLC of Altadena, California.

- Launched the new iView interactive passenger oriented multimedia product offering with the New York City Taxi and Limousine Commission to provide back-of-cab passenger entertainment experience in New York City.
- Gained 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, Yale University in Connecticut and other small taxi companies in Canada and US.

Line of Credit Facility

To ensure that the Company is sufficiently capitalized to fund the growth anticipated in its new business initiatives and the integration of its acquisitions of Mobisoft and StrataGen, the Company has entered into a new line of credit facility in the amount of \$4.0 million with the Royal Bank of Canada.

For a more detailed analysis, please refer to Management's Discussion and Analysis of Financial Conditions and Results of Operations, which is available on the Company's website (www.digital-dispatch.com) and on SEDAR.

Outlook

Based on the Company's current outstanding customer orders and anticipated future sales opportunities, the Company projects total 2007 annual revenues to be approximately \$22.0 million inclusive of the anticipated impact of the Mobisoft and pending StrataGen acquisitions. The Company expects positive earnings before interest, depreciation and amortization (EBITDA) for the year ending December 31, 2007 excluding the impact of the significantly strengthened Canadian dollar relative to other foreign currencies inclusive of US\$, Euro and UK pounds sterling. EBITDA is a non-GAAP measure and is provided for performance measurement. EBITDA is not defined under GAAP and may not be comparable between organizations. The Company expects to achieve significant growth in 2008 due to its strategic diversification initiatives inclusive of the acquisition of Mobisoft and the pending acquisition of StrataGen, in addition to new recurring revenue and transaction based business initiatives such as payment transaction processing fees, in-vehicle advertising and eFleet ASP. Based on the customer opportunities available and outstanding customer orders and backlog, the Company expects to achieve total revenues in the range of \$38 million to \$40 million for the year ending December 31, 2008. This preliminary fiscal 2008 guidance is subject to fluctuations in the exchange rates, the timing of closing of the StrataGen transaction and implementation of the integration plans for both MobiSoft and StrataGen and will be updated when the Company announces its annual financial results next year.

Announcement of Director Departure

The Company announces the departure of Mr. Geoff Belsher from its Board of Directors. "Unfortunately due to other commitments, I must end my longstanding tenure as Director of Digital Dispatch," stated Mr. Belsher. "I believe DDS is riding a wave of momentum that is greater than any time since I joined the Board. While the Company is facing some challenges, such as the severe downturn in the U.S. dollar, DDS appears to have built a strong management team to deal and cope with these matters. Accordingly, I believe the Company has a bright future and look forward to continuing to follow the Company's successes."

"Geoff is not only a personal friend but also a guiding light in governance, security, compliance & legal matters. He will be missed on the Board and we wish him every success," stated Vari Ghai, CEO and President. "We wish him the best in future and thank him for his efforts on behalf of Digital Dispatch."

Conference Call

The Company will host a conference call at 5:00 PM EST (2:00 PM PST) on November 14, 2007, 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 November 21, 2007, by dialing 416-695-5800 or 1-800-408-3053 and entering access code 3241375.

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 completion of the StrataGen transaction; 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 Digital Dispatch's 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 Digital Dispatch's reports filed on Sedar, including its Annual Information Form and financial report for the year ended December 31, 2006. 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 Digital Dispatch Systems Inc.

Digital Dispatch Systems Inc. is a worldwide provider of mobile data solutions for fleet and mobile workforce management. Founded in 1987, we have an installed base of 75,000 wireless mobile data devices and nearly 200 wireless data systems in four continents. We offer products and services to manage vehicle fleets and mobile workforces, including dispatch software, wireless communication infrastructure and a range of in-vehicle mobile devices. Visit www.digital-dispatch.com for more information.

For further information, please contact

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SEE ATTACHED FINANCIAL STATEMENTS

DIGITAL DISPATCH SYSTEMS INC.

Interim Consolidated Balance Sheets
(Unaudited)

	September 30, 2007	December 31, 2006
Assets		
Current assets:		
Cash and cash equivalents	\$ 2,083,456	\$ 6,712,786
Short-term investments	5,965,303	4,381,016
Accounts receivable	6,756,939	7,627,088
Income taxes receivable	-	777,629
Future income taxes	84,259	81,087
Inventories	3,585,106	3,465,262
Prepaid expenses	391,638	387,893
Current portion of leases receivable	634,007	968,708
	19,500,708	24,401,469
Plant and equipment	1,847,648	491,180
Long-term leases receivable	1,808,777	1,940,441
Deferred acquisition costs	85,720	-
Future income taxes	3,185,737	1,903,985
	\$ 26,428,590	\$ 28,737,075
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 2,283,167	\$ 2,604,899
Income taxes payable	8,616	-
Future income taxes	663,958	521,900
Deferred revenue	705,520	562,296
Deferred gain	191,076	191,076
	3,852,337	3,880,171
Long-term portion of deferred gain	-	143,308
Shareholders' equity:		
Share capital	19,764,711	19,764,711
Contributed surplus	603,069	378,069
Retained earnings	3,105,087	5,467,430
Accumulated other comprehensive loss	(896,614)	(896,614)
	22,576,253	24,713,596
	\$ 26,428,590	\$ 28,737,075

DIGITAL DISPATCH SYSTEMS INC.

Interim Consolidated Statements of Operations, Comprehensive income (loss), and Retained Earnings
Three and nine months ended September 30, 2007 and 2006
(Unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2007	2006	2007	2006
Revenue	\$ 5,096,077	\$ 6,047,441	\$13,280,652	\$17,542,527
Cost of sales	2,485,987	2,830,366	6,523,610	8,254,123
	2,610,090	3,217,075	6,757,042	9,288,404
Operations expenses (excluding amortization and stock-based compensation):				
Research and development	918,861	871,207	2,846,883	2,779,270
Sales and marketing	831,079	692,609	2,869,504	2,143,074
General and administrative	817,620	743,491	2,176,845	2,228,724
	2,567,560	2,307,307	7,893,232	7,151,068
Earnings (loss) before undernoted	42,530	909,768	(1,136,190)	2,137,336
Other (income) expense:				
Amortization of plant and equipment	78,403	78,398	221,348	236,269
Foreign exchange loss (gain)	730,733	(84,452)	1,825,622	330,518
Stock compensation	75,000	81,247	225,000	146,049
Other	(47,412)	(47,769)	(131,796)	(143,307)
	836,724	27,424	2,140,174	569,529
(Loss) Earnings before income taxes	(794,194)	882,344	(3,276,364)	1,567,807
Income taxes				
Current	30,086	90,724	(409,583)	270,915
Future	(231,801)	177,271	(504,438)	199,427
	(201,715)	267,995	(914,021)	470,342
Net (loss) earnings & comprehensive income	(592,479)	614,349	(2,362,343)	1,097,465
Retained earnings, beginning of period	3,697,566	11,276,627	5,467,430	11,614,206
Dividend declared		(7,141,549)		(7,141,549)
Excess paid on share repurchase	-	(445,904)	-	(1,266,599)
Retained earnings, end of period	\$ 3,105,087	\$4,303,523	\$ 3,105,087	\$ 4,303,523
Basic & diluted (loss) earnings per share	(\$0.05)	\$ 0.05	(\$0.20)	\$0.09

DIGITAL DISPATCH SYSTEMS NC.

Interim Consolidated Statements of Cash Flows
 Three and nine months ended September 30, 2007 and 2006
 (Unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2007	2006	2007	2006
Cash provided by (used in):				
Operations:				
Net (loss) earnings	(\$592,479)	\$ 614,349	(\$2,362,343)	\$ 1,097,465
Items not involving cash:				
Amortization of plant and equipment	78,403	78,398	221,348	236,269
Future income taxes	(231,801)	177,271	(504,438)	199,427
Amortization of gain on disposition of property	(47,769)	(47,769)	(143,307)	(143,307)
Stock-based compensation	75,000	81,247	225,000	146,049
Loss on asset disposal	-	-	10,892	-
Unrealized foreign exchange loss	905,150	-	1,210,355	-
	186,504	903,496	(1,342,493)	1,535,903
Change in non-cash operating working capital:	(356,358)	6,628,632	157,903	8,735,041
	(169,854)	7,532,128	(1,184,591)	10,270,944
Investing:				
Decrease (increase) in short-term investments	1,226,240	1,653,543	(1,584,287)	2,040,208
Purchase of plant and equipment	(1,267,466)	(36,060)	(1,593,027)	(174,160)
Acquisition Costs	(85,720)	-	(85,720)	-
Repayments of lease receivables	267,186	302,922	870,883	766,651
	140,240	1,920,405	(2,392,151)	2,632,699
Financing:				
Cash paid on repurchase of share capital	-	(814,424)	-	(2,366,636)
Dividend	-	(7,141,549)	-	(7,141,549)
	-	(7,955,973)	-	(9,508,185)
Effect of foreign currency exchange rates on cash & cash equivalents	(423,866)	(33,454)	(1,052,589)	(111,961)
(Decrease) increase in cash and cash equivalents	(453,480)	1,463,106	(4,629,330)	3,283,497
Cash and cash equivalents, beginning of period	2,536,936	8,591,380	6,712,786	6,770,989
Cash and cash equivalents, end of period	\$2,083,456	\$10,054,486	\$ 2,083,456	\$10,054,486