



PRESS RELEASE

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FOR IMMEDIATE RELEASE
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DDS Wireless Reports Cash Positive First Quarter Results

Richmond, BC, May 14, 2008 – DDS Wireless International Inc. (TSX: DD), a global leader in providing application software and solutions for wireless fleet management to multiple markets, today released unaudited financial results for the first quarter ended March 31, 2008. All financial information is expressed in Canadian dollars and in accordance with Canadian generally accepted accounting principles ("GAAP") except where noted specifically.

EBITDAS is a non-GAAP financial measure and the Company defines it as Earnings before interest, taxes, depreciation which includes depreciation of fixed assets charged to Cost of Sales ("COS"), amortization and stock compensation expenses. EBITDAS for this quarter was \$33,000. Due to the acquisitions of MobiSoft and StrataGen in 2007 there is \$633,000 of amortization pertaining to acquired intellectual property (or approximately \$2.5 million on an annualized basis) and therefore EBITDAS is being provided to evaluate the Company cash earnings. EBITDAS for the fourth and first quarters of 2007 were (\$602,000) and (\$639,000) respectively.

Total revenues for the three months ended March 31, 2008, were \$7.0 million compared with total revenues of \$7.3 million in the three months ended December 31, 2007, and \$3.9 million for the same period last year. The Company experienced overall gross margin of 45% compared with a gross margin of 44% and 52% for the three months ended December 31, 2007, and March 31, 2007, respectively. Gross margin before amortization of fixed assets charged to COS was 47% for the three months ended March 31, 2008. Total operating expenses were \$3.5 million for the three months ended March 31, 2008, compared with \$4.0 million for the three months ended December 31, 2007, and \$2.5 million in the same period last year. For the three months ended March 31, 2008, the Company reported a net loss of \$646,000 or (\$0.05) per share compared to a net loss of \$1.0 million or (\$0.08) per share and a net loss of \$574,000 or (\$0.05) per share for the three months ended December 31, 2007, and March 31, 2007, respectively. The comparative data should be reviewed carefully as 2007 Q1 had no acquisitions included and 2007 Q4 had all of MobiSoft Oy revenue included for that quarter but only 21 days of StrataGen Systems Inc. revenue included in that quarter. The Company acquired Mobisoft on October 1, 2007, and StrataGen on December 7, 2007. The financial results for the first quarter of 2008 include both acquisitions. Traditionally due to seasonality, the first quarter is not as strong as the last quarter of a fiscal year.

Quarter Ending In Millions of C\$ except per share amount	March 31 st 2008	Dec 31 st 2007	March 31 st 2007
Revenue	\$7.0	\$7.3	\$3.9
Gross margin w/o sales related amortization	47%	45%	52%
Gross margin with sales related amortization	45%	44%	52%
Expenses (G&A, Sales R&D)	\$3.5	\$4.0	\$2.5
Net (Loss)	(\$0.6)	(\$1.0)	(\$0.6)
Net (Loss) per share ⁽¹⁾	(\$0.05)	(\$0.08)	(\$0.05)

Notes:

(1) Based on weighted average common shares of 13,164,506, 13,143,191 and 11,863,201 for the quarters ending in March 31, 2008, December 31, 2007 and March 31, 2007 respectively.

As of March 31, 2008, the Company had \$0.7 million in cash with \$0.3 million having been drawn on its \$4.2 million line of credit facility. The Company had 13,789,746 shares outstanding as at March 31, 2008. The increase in shares from December 31, 2007, resulted from the Company issuing 646,555 shares from treasury to the vendors of StrataGen on March 28, 2008. The Company's guidance provided for revenues for its 2008 fiscal year of \$36 to \$38 million remains unchanged.

"We expect 2008 to be a break out year for DDS Wireless leveraging our new multi-business unit structure to drive increased growth in our various target markets," stated Vari Ghai, CEO for DDS Wireless. "We have significantly strengthened our leadership team with the addition of Steven Juliver and Michael Nienhuis as respective Presidents for our global Taxi and Transit businesses. We have a strong outstanding customer backlog coming into 2008 in addition to several significant short-term opportunities for each of our business units."

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 website (www.ddswireless.com) and on SEDAR.

Conference Call

The Company will host a conference call at 5:00 PM EST (2:00 PM PST) on May 14, 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 May 21, 2008, by dialing 416-695-5800 or 1-800-408-3053 and entering access code 3260464.

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. Such forward-looking statements may include financial and other projections as well as statements regarding the Company's future plans, market opportunities, objectives, performance, revenues, growth, profits, operating expenses or the Company's underlying assumptions. 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 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 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.

The Toronto Stock Exchange has neither approved nor disapproved the contents of this press release.

About DDS Wireless International Inc.

DDS Wireless International Inc. is a global leader in providing application software and solutions for wireless fleet management to multiple vertical markets. The Company specializes in transit routing and scheduling, real-time dispatching, vehicle location and tracking software applications, communications infrastructure as well as in-vehicle wireless devices. DDS Wireless operates four businesses dedicated for Transit, Taxi, Work Trucks and Limousines, and Wireless Devices and Communication Infrastructure. The Company supports its customers worldwide through its offices in Canada, Finland, Singapore, Sweden, U.K. and U.S.A.

Visit www.ddswireless.com for more information.

For further information, please contact:

Vari Ghai
CEO, DDS Wireless International Inc.
investors@ddswireless.com
(604) 241-1441

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SEE ATTACHED FINANCIAL STATEMENTS

DDS WIRELESS INTERNATIONAL INC.

Consolidated Balance Sheets

	March 31, 2008 (Unaudited)	December 31, 2007 (Audited)
Assets		
Current assets:		
Cash and cash equivalents	\$ 686,060	\$ 1,075,203
Accounts receivable	10,129,991	10,799,802
Income taxes receivable	41,346	147,601
Future income taxes	22,479	76,100
Inventories	3,113,141	2,917,686
Prepaid expenses	824,419	620,444
Current portion of leases receivable	384,365	475,377
	<hr/> 15,201,801	<hr/> 16,112,213
Plant and equipment	2,856,624	2,660,921
Long-term leases receivable	1,715,999	1,784,818
Future income taxes	4,428,400	3,933,562
Acquired intangibles	10,378,000	11,011,000
Goodwill	3,329,000	3,329,000
	<hr/> 37,909,824	<hr/> 38,831,514
Liabilities and Shareholders' Equity		
Current liabilities:		
Line of credit	330,000	1,255,954
Deferred acquisition costs payable	2,413,558	4,097,802
Accounts payable and accrued liabilities	3,900,130	4,527,892
Future income taxes	763,655	820,761
Deferred revenue	2,619,559	1,459,894
Deferred gain	95,538	143,308
Current portion of long-term debt	153,196	144,193
	<hr/> 10,275,636	<hr/> 12,449,804
Long-term portion of debt	633,903	506,053
Future income taxes long-term	1,054,213	1,139,849
	<hr/> 11,963,752	<hr/> 14,095,706
Shareholders' equity:		
Share capital	24,608,246	22,836,687
Contributed surplus	693,771	660,231
Retained earnings	1,460,607	2,106,161
Accumulated other comprehensive loss	(816,552)	(867,271)
	<hr/> 25,946,072	<hr/> 24,735,808
	<hr/> \$ 37,909,824	<hr/> \$ 38,831,514

DDS WIRELESS INTERNATIONAL INC.

Consolidated Statements of Operations

	Three months ended March 31, 2008 (Unaudited)		Three months ended March 31, 2007 (Unaudited)	
Revenue	\$	7,001,000	\$	3,855,690
Cost of sales				
Sales related expenses		3,702,031		1,861,068
Amortization of sales related assets		123,549		-
Total cost of sales		3,825,580		1,861,068
Gross margin		3,175,420		1,994,622
Operations expenses:				
Research and development		1,270,447		959,752
Sales and marketing		938,303		910,873
General and administrative		1,277,841		677,562
		3,486,591		2,548,187
Loss before under noted		(311,171)		(553,565)
Other (income) expense:				
Amortization of plant and equipment		143,936		69,490
Amortization of acquired intangibles		633,000		
Foreign exchange		(178,770)		132,622
Stock compensation		33,540		75,000
Other		(41,596)		(47,176)
		590,110		229,936
Loss before income taxes	\$	(901,281)	\$	(783,501)
Income taxes				
Current (recovery)		328,233		(218,657)
Future (recovery)		(583,960)		8,827
		(255,727)		(209,830)
Net loss		(645,554)		(573,671)
Loss earnings per common share:				
Basic	\$	(0.05)	\$	(0.05)
Diluted	\$	(0.05)	\$	(0.05)

DDS WIRELESS INTERNATIONAL INC.

Consolidated Statements of Comprehensive loss

	March 31, 2008 (Unaudited)	March 31, 2007 (Unaudited)
Net loss	\$ (645,554)	(\$573,671)
Other Comprehensive (Loss) Income		
Unrealized gain on translation of self-sustaining foreign operations	50,719	-
Comprehensive (Loss) Income	(594,835)	(\$573,671)

Consolidated Statements of Changes in Retained Earnings and Accumulated Other Comprehensive loss

	Three months ended March 31, 2008 (Unaudited)	Three months ended March 31, 2007 (Unaudited)
Retained Earnings		
Beginning of period	\$ 2,106,161	\$ 5,467,430
Net (loss) earnings	(645,554)	(573,671)
	1,460,607	4,893,759
Accumulated Other Comprehensive Loss on translation of Self-sustaining Foreign Operations		
Beginning of period	(867,271)	(896,614)
Net unrealized gain on translation of self-sustaining foreign operations in the year	50,719	
	(816,552)	(896,614)
Total Retained Earnings and Accumulated Other Comprehensive Loss	\$ 644,055	\$ 3,997,145

DDS WIRELESS INTERNATIONAL INC.

Consolidated Statements of Cash Flows

	Three months ended March 31, 2008 (Unaudited)	Three months ended March 31, 2007 (Unaudited)
Cash provided by (used in):		
Operations:		
Net (loss) earnings	\$ (645,554)	\$ (573,671)
Items not involving cash:		
Amortization of plant and equipment	267,485	69,490
Amortization of acquired intangibles	633,000	-
Future income taxes	(583,960)	8,827
Amortization of gain on disposition property	(47,770)	(47,769)
Stock compensation	33,540	75,000
	<u>(343,259)</u>	<u>(468,123)</u>
Change in non-cash operating working capital	1,096,112	167,914
	<u>752,853</u>	<u>(300,209)</u>
Investing:		
Increase (decrease) due to short-term investment	-	(265,572)
Purchase of plant and equipment	(463,188)	(200,057)
Acquisitions, net of cash and cash equivalents	87,315	-
Repayments of lease receivables	159,831	277,439
	<u>(216,042)</u>	<u>(188,190)</u>
Financing:		
Decrease in line of credit	(925,954)	-
	<u>(925,954)</u>	<u>-</u>
Decrease in cash and cash equivalents	(389,143)	(488,399)
Cash and cash equivalents, beginning of period	1,075,203	6,712,786
Cash and cash equivalents, end of period	<u>\$ 686,060</u>	<u>\$ 6,224,387</u>