

Wi-Tron Inc. Announces Second Quarter Results and Business Outlook for 2006

RARITAN, N.J., August 15, 2006 -- Wi-Tron, Inc. (OTCBB: [WTRO](#), [News](#)), a manufacturer of ultra-linear high power amplifiers, today announced financial and operational results for the second quarter of 2006.

Revenues for the three months ended June 30, 2006 declined by \$73,410 from \$150,785 to \$77,375, or 49% compared to the three months ended June 30, 2005. As a result, the Company incurred net losses of \$409,348 or \$0.01 per share for the quarter ended June 30, 2006 compared with net losses of \$280,292 or \$0.03 per share for the same quarter in 2005. The majority of sales revenue for second quarter was from the Spanish Navy (a repeat customer) for high frequency RF amplifiers.

Revenues for the six months ended June 30, 2006 declined by \$175,848 from \$293,377 to \$117,529, or 60% compared to the six months ended June 30, 2005. As a result, the Company incurred net losses of \$728,505 or \$0.03 per share for the six months ended June 30, 2006 compared with net losses of \$442,583 or \$0.04 per share for the same period in 2005. The majority of sales revenue for the first six months was from a repeat European customer for Wireless Local Loop amplifier products.

The Company has attracted additional funding interest; with net cash proceeds of \$899,000 received for the first six months of 2006, compared to \$464,745 during the first six months of 2005. Selling stock to raise capital and for paying certain debts and for our restructuring program has resulted in significant dilution. As of June 30, 2006 the Company had 32,811,047 shares of common stock issued and outstanding, compared to 17,778,267 on June 30, 2005.

Wi-Tron CEO, Mr. Joe Nordgaard said, "Our strategic turn around has begun, but you can't see it in the numbers yet. We plan to increase sales of our legacy products, while developing cutting edge technological designs to leverage into a growing \$2 billion a year amplifier market for near and long term sales growth."

2006 Business Outlook

Improving near-term sales is based on leveraging our new management team's credentials and sales methods to improve sales with previous customers, who slowed or stopped orders from us over the past few years. We re-established sales discussions with these previous customers, who are quite satisfied with our proven wireless product design portfolio (including a key patent in analog pre-distortion), over 10 years experience in custom designing RF amplifiers and high-tech (military

specification) manufacturing (less than 2% return rate). One example of this is a larger sales order from a repeat customer in Asia for our GSM Low Noise Amplifiers. We anticipate shipping 80 units in 3rd quarter, which is an increase of the 60 units shipped in 1st and 2nd quarter 2006.



GSM Low Noise Amplifier

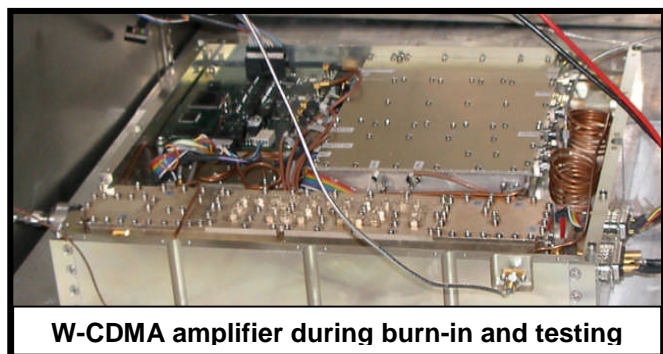
Mr. Nordgaard commented on the Company's future outlook, "The key to Wi-Tron's future growth in the wireless industry is to correctly anticipate the evolution of power amplifier development and to develop key products that support and lead that evolution. We are preparing for opportunities at the cutting edge of advance RF Amplifier design, where both the greatest demand and the greatest opportunity to gain market-share with high margin solutions exist."

Wi-Tron's corporate strategy is focused on three key areas:

- Developing the most advanced amplifier products in the world, which gives us a lead time-to-market advantage against industry leaders;
- Establishing strategic relationships with emerging industry leaders, which gives us greater leverage into new market regions, including China and Latin America;
- Manufacturing in China, which gives us a competitive price advantage.

Wi-Tron's R&D and engineering team is developing a series of product design platforms in RF amplifier technology for second, third and fourth generation wireless telecommunications systems. Our amplifiers and associated support products increase power and frequency efficiency and resolve key issues that are in great demand by wireless service providers and equipment vendors around the world.

The first new product design, a W-CDMA amplifier with DSP control was recently completed and the companion GSM 1800 MHz band amplifier module should be ready by early 4th quarter, 2006. We have submitted our W-CDMA amplifier to a partner in Asia for customer evaluation and will submit the GSM 1800 MHz band amplifier module as soon as it is ready. We are targeting the Chinese Telecom market with these products and plan to develop additional products in 2007.



W-CDMA amplifier during burn-in and testing

In preparation for our growth plans in China, Wi-Tron has made good progress towards establishing a "wholly owned" Wi-Tron subsidiary in China to develop sales opportunities and oversee manufacturing operations. Our plan is to launch the subsidiary once Company sales and manufacturing objectives are met.

Mr. Nordgaard commented, "Our financial results for 2nd quarter were unsatisfactory, but we have made progress in paying down debt, improving sales and business operations

and in developing new products. We will continue to build Wi-Tron into a highly respected and profitable business by exceeding our customers' expectations and focusing on product relevancy and profitability. We are well along in building new strategic relationships to supply a number of telecom vendors in the Chinese, Asian, European and Latin American markets. Through these efforts, we believe we can gain access to the U.S. telecom market as well." As a result of these new product development efforts, the Company has an agreement to manufacture and ship its 30W iDEN amplifier to a repeater manufacturer for trials in the third quarter for the Latin America market.

About Wi-Tron Inc.

Wi-Tron, Inc. designs, manufactures and sells ultra-linear single and multi-channel high power amplifiers to the worldwide wireless telecommunications market. Single and multi-carrier linear power amplifiers are critical components for all wireless system base stations. Amplifiers increase the power of radio frequency and microwave signals with low distortion. Wi-Tron's products are designed and marketed for a wide range of applications across many frequencies, including second and third generation wireless, X-band, and local loop segments of the wireless telecommunications industry.

For additional product information, visit our website at www.Wi-Tron.com

To receive press releases, investor newsletters and corporate updates, please email your request to: info@segue.biz

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