

7 November 2007

MTI Wireless Edge Limited
Restatement of Warrant Treatment

MTI Wireless Edge Ltd., (ticker: MWE) (“MTI” or “the Company”), a market leader in the manufacture of flat panel antennas for fixed wireless broadband, today announces that following advice from its auditors, Ziv Haft BDO member firm, it will change how it accounts for its treatment of Warrants in its financial statements for the periods from 31 March 2006 to 30 June 2007 inclusive, and will restate those statements.

The restatement relates to the 3,730,631 warrants (the “Warrants”) provided to certain investors. These Warrants contain an option to be exercised on a “cashless” basis (allowing the investors to get less shares but with no payment for the exercise, resulting in a lower dilution to existing shareholders). Our auditors have advised us that according to IAS-32 and IAS-39 these Warrants should be recorded at their fair value as a liability instead of Company’s equity on the IPO date, and thereafter in each financial reporting statement be marked to market by adjusting the liability against financial income or expenses as applicable.

It is important to note that this restatement does not have any effect on the Company’s cash flow.

The influence of the restatement on:

The Company’s Balance Sheet – Upon registration of the Warrants the Company should have included a liability of USD 1.4m against a decrease in its equity. As of 30 June 2006, 31 December 2006 and 30 June 2007 the liability should be recorded at USD 1.1m, USD 1.25m and USD 0.9m, respectively.

Company’s Profit and Loss statement – restatement of financial income of USD 0.3m, USD 0.17m and USD 0.34m in the profit and loss statement for the six months ended 30 June 2006, the year ended 31 December 2006 and the six months ended 30 June 2007 respectively.

The Company intends to release its financial statements for the third quarter of 2007 on 19 November 2007, and will release restated figures for June 2006, December 2007 and June 2007 at that time.

In its future financial reports the Company intends to identify the influence of the Warrants registration separately on its profit and loss statement as the accounting treatment of these Warrants does not affect the underlying trading, earnings, prospects and financial position of the Company.

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