

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

Current Report
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) August 2, 2005

RELM Wireless Corporation

(Exact name of registrant as specified in its charter)

Nevada

(State or other jurisdiction of incorporation)

000-07336

(Commission File Number)

59-34862971

(IRS Employer Identification No.)

7100 Technology Drive, West Melbourne, FL

(Address of principal executive offices)

32904

(Zip Code)

Registrant's telephone number, including area code (321) 984-1414

N/A

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02 Results of Operations and Financial Condition.

On August 2, 2005, the Company issued a press release announcing its results of operations for the second quarter ended June 30, 2005. A copy of the press release is attached hereto as Exhibit 99.1 and incorporated herein by reference.

The information furnished pursuant to Item 2.02 (including Exhibit 99.1), shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, or incorporated by reference into any filing of the Company under the Securities Act of 1933 or the Securities Exchange Act.

Item 9.01 Financial Statements and Exhibits.

(c) Exhibits.

Exhibit Number	Description
99.1	Press Release issued by the Company on August 2, 2005

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

RELM WIRELESS CORPORATION

(Registrant)

By: _____

William P. Kelly
Executive Vice President and
Chief Financial Officer

Date: August 3, 2005

Exhibit Index

Exhibit Number	Description
99.1	Press Release issued by the Company on August 2, 2005

Press Release

RELM Wireless Announces Second Quarter Results

WEST MELBOURNE, FL, August 2, 2005 - RELM Wireless Corporation (OTC Bulletin Board: RELM - News) today announced its operating results for the second quarter and year-to-date ended June 30, 2005.

RELM's sales for the second quarter ended June 30, 2005 increased approximately 29.5 percent (\$1.5 million) to \$6.4 million, compared to \$4.9 million for the same quarter last year. Second quarter pre-tax income increased approximately 83.5 percent (\$0.4 million) to \$0.8 million, up from \$0.4 million for the same quarter last year. Net income for the quarter was approximately \$0.5 million, or \$0.04 per diluted share, compared to net income of \$0.4 million, or \$0.03 per diluted share, for the same quarter last year, as the Company recognized non-cash deferred tax expense for the quarter of approximately \$0.3 million. No tax expense or benefit was recognized for the same period last year.

Sales for the year-to-date ended June 30, 2005 increased approximately 20.5 percent (\$2.0 million) to \$11.9 million, compared to \$9.9 million for the same period last year. Year-to-date pre-tax income increased approximately 78.5 percent (\$0.6 million) to \$1.3 million, up from \$0.7 million for the same period last year. Year-to-date net income was approximately \$0.8 million, or \$0.06 per diluted share, compared to net income of \$0.7 million, or \$0.07 per diluted share, for the same period last year, as the Company recognized non-cash deferred tax expense for the period of approximately \$0.5 million. No tax expense or benefit was recognized for the same period last year.

Sales growth for the quarter and year-to-date was driven primarily by new product introductions and sales from new contracts. This includes sales of the Company's new BK Radio GPH-CMD portable radio custom-designed for the California Department of Forestry (CDF), which was specified in the contract awarded by the CDF during the first quarter. The Company's digital APCO Project 25 radios, with new encryption capabilities introduced in the first quarter 2005, also contributed to sales for the quarter and year-to-date. Improved sales were realized from the Company's expanded line of Relm/BK RP-Series products, many of which were introduced during the first quarter 2005, targeting commercial, industrial and municipal applications.

Gross profit margins for the second quarter increased to 51.0 percent from 47.2 percent for the same period last year, while year-to-date gross margins increased to 47.7 percent from 44.7 percent for the same period last year. Production efficiencies have improved and material, labor and manufacturing support expenses have been reduced. In addition, increased sales volumes have enabled the Company to utilize more fully its base of manufacturing support expenses. Sales of newer high-specification digital and analog products, incorporating recent, more cost-effective product designs, comprised a greater portion of total sales in the first six months of 2005 compared to the same period last year, further contributing to improved margins.

SG&A expenses for the three months ended June 30, 2005 totaled approximately \$2.4 million (37.8 percent of sales) compared to approximately \$1.9 million (37.9 percent of sales) for the same period last year. Year-to-date SG&A expenses totaled approximately \$4.4 million (36.6 percent of sales) compared to approximately \$3.6 million (35.9 percent of sales) for the same period last year. The overall increase in SG&A expenses is attributable primarily to expanded product development as well as selling and marketing initiatives.

For the quarter and year-to-date ended June 30, 2005, the Company recognized non-cash deferred income tax expense of approximately \$0.3 million and \$0.5 million, respectively, and reduced its current net deferred tax asset by a corresponding amount, reflecting the tax effect of income for the quarter. No tax

expense or benefit was recognized for the same period last year. This is a non-cash expense derived from the valuation of the Company's net deferred tax asset, which is comprised primarily of net operating loss carryforwards (NOLs). The Company cannot presently estimate what, if any, changes to the valuation of its deferred tax asset may be made in the future. Future losses or income may make it necessary for the Company to decrease or increase its net deferred net tax asset recognized as of June 30, 2005.

RELM President and Chief Executive Officer Dave Storey commented, "We are pleased with our continuing trend of improved operating results. Sales, gross margins and pretax income all improved compared to the same periods last year, reflecting the momentum we are gaining from new products and contracts. More recently, our new Project 25 digital mobile radio received FCC type acceptance, and we were awarded a contract from the U.S. Postal Service. Both of these items, we believe, will contribute to future growth. We remain focused on expanding our addressable markets with new products, capitalizing on a theme of superior value."

About RELM

For nearly six decades, RELM Wireless Corp. has manufactured and marketed high-specification two-way communications equipment for use by public safety professionals and government agencies, as well as radios for use in a wide range of commercial and industrial applications, including disaster recovery. Revolutionary advances include new low-cost digital portable two-way radios compliant with APCO Project 25 technical specifications. Products are manufactured and distributed worldwide under the BK Radio, RELM/BK and RELM brand names. The company maintains its headquarters in West Melbourne, Florida and can be contacted through its web site at <http://www.relm.com> or directly at 1-800-821-2900.

This press release contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act Of 1995. These forward-looking statements concern the Company's operations, economic performance and financial condition and are based largely on the Company's beliefs and expectations. These statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors and risks include, among others, the following: reliance on contract manufacturers; heavy reliance on sales to the U.S. Government; federal, state and local budget deficits and spending limitations; limitations in available radio spectrum for use by land mobile radios; general economic and business conditions; changes in customer preferences; competition; changes in technology; changes in business strategy; the debt and inventory levels of the Company; quality of management, business abilities and judgment of the Company's personnel; and the availability, terms and deployment of capital. Certain of these factors and risks, as well as other risks and uncertainties are stated in more detail in the Company's Annual Report on Form 10-K for the year ended December 31, 2004 and in the Company's subsequent filings with the SEC. These forward-looking statements are made as of the date of this press release, and the Company assumes no obligation to update the forward-looking statements or to update the reasons why actual results could differ from those projected in the forward-looking statements.

RELM WIRELESS CORPORATION				
Condensed Consolidated Statements of Income				
<i>(In Thousands Except Per Share Amounts)</i>				
	Three Months Ended		Six Months Ended	
	<i>(Unaudited)</i>		<i>(Unaudited)</i>	
	6/30/2005	6/30/2004	6/30/2005	6/30/2004
Sales	\$ 6,408	\$ 4,947	\$ 11,948	\$ 9,918
Costs & Expenses:				
Cost of Sales	3,142	2,612	6,242	5,484
Selling, General and Administrative Expenses	<u>2,422</u>	<u>1,875</u>	<u>4,372</u>	<u>3,565</u>
Total Costs & Expenses	5,564	4,487	10,614	9,049
Operating Income	844	460	1,334	869
Other Income (Expense):				
Interest Expense	(9)	(67)	(14)	(145)
Other Income	<u>(16)</u>	<u>8</u>	<u>4</u>	<u>17</u>
Pretax Income	819	401	1,324	741
Deferred Income Tax Expense **	<u>308</u>	<u>0</u>	<u>481</u>	<u>0</u>
Net Income	<u>\$ 511</u>	<u>\$ 401</u>	<u>\$ 843</u>	<u>\$ 741</u>
Earnings per share - basic	<u>\$ 0.04</u>	<u>\$ 0.04</u>	<u>\$ 0.06</u>	<u>\$ 0.07</u>
Earnings per share - diluted	<u>\$ 0.04</u>	<u>\$ 0.03</u>	<u>\$ 0.06</u>	<u>\$ 0.07</u>
Weighted Average Common Shares Outstanding, Basic	13,034	11,050	13,031	10,150
Weighted Average Common Shares Outstanding, Diluted	13,506	11,786	13,513	10,875

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RELM WIRELESS CORPORATION			
Condensed Consolidated Balance Sheets			
<i>(In Thousands Except Share Data) (Unaudited)</i>			
		June 30	December 31
		2005	2004
ASSETS			
Current Assets:			
	Cash & Cash Equivalents	\$ 3,684	\$ 3,140
	Trade Accounts Receivable, Net	3,601	3,651
	Inventories, Net	5,868	4,735
	Deferred tax assets, net **	868	1,338
	Prepaid Expenses & Other Current Assets	306	326
	Total Current Assets	14,327	13,190
	Property, Plant and Equipment, Net	1,305	1,291
	Deferred tax assets, net	4,924	4,924
	Other Assets	274	288
	Total Assets	\$ 20,830	\$ 19,693
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current Liabilities:			
	Current maturities of long-term debt	\$ 150	\$ 700
	Accounts payable	1,095	520
	Accrued compensation and related taxes	757	549
	Accrued warranty expense	164	118
	Accrued other expenses and other current liabilities	338	352
	Total Current Liabilities	2,504	2,239
	Long-Term Debt	-	-
	Commitments and Contingencies	-	-
Stockholders' Equity:			
	Preferred stock; \$1.00 par value; 1,000,000 authorized shares, none issued or outstanding.	-	-
	Common stock; \$0.60 par value; 20,000,000 authorized shares, 13,070,824 and 12,872,618 issued and outstanding shares at June 30, 2005 and December 31, 2004, respectively.	7,842	7,723
	Additional paid-in capital	22,704	22,794
	Deficit	(12,220)	(13,063)
	Total Stockholders' Equity	18,326	17,454
	Total Liabilities and Stockholders' Equity	\$ 20,830	\$ 19,693

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derived from the valuation of the Company's net deferred tax asset, which is comprised primarily of net operating loss carryforwards (NOLs).