

DATE: Tuesday 20 March 2007

Visonic

Preliminary Results and Maiden Dividend

Visonic (VSC.L), the international developer and manufacturer of electronic security systems (alarms) and home management systems, announces Preliminary Results for the year to 31 December 2006.

Highlights

- Net Profits up 3.3% to \$5.2 million (2005: \$5.0 million)
- Group Sales up 4.8% to \$65.8 million (2005: \$62.8 million)
- Visonic's 'core' business sales up 7.7% to \$59.9 million (2005: \$55.6m)
- Earnings per share up 1.6% to 12.6 cents (2005: 12.4 cents)
- Balance sheet remains strong with good operating cash flow
- Maiden dividend of £0.01 per share recommended
- 'Core' Security and Home Management expanded to encompass Home Health Care
- Strategic investment in Home Healthcare
- 3 new mass market distribution agreements signed in year and further 2 post year end: ASCOM, Bell Canada, G4S, Prosecur Alarms, Securitas
- Product launches including PowerMaxPro Premium Security & Home Control Wireless system, Amber Select Home Healthcare System with Bluetooth interfaces to telemedicine devices.

Visonic's Chairman, Yaacov Kotlicki, commented:

"A satisfactory start has been made in 2007 sales. The Group is increasing investment in R&D to enhance its international competitive position in Electronic Security, Home Management systems and Home Health Care markets. The Board remains confident of the Group's prospects and performance for the years ahead, including growth opportunities, particularly in Visonic's core activities. The Board will recommend at the AGM a payment of a maiden dividend of £0.01 per share."

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CHAIRMAN'S STATEMENT

Visonic's total sales grew 4.8% in 2006 to \$65.8m (2005: \$62.8m) with the Company experiencing differing performances from its 'core' business of Security and Home Management and from its Location Tracking Systems division.

Security and Home Management, which now encompasses Home Healthcare Solutions, performed satisfactorily during 2006 with sales growing 7.7% to \$59.9 million (2005: \$55.6m). Our strategy of focusing on mass market distributors as our means of bringing our products to market continued to support good sales in the first three months of 2007.

Conversely, our wholly owned subsidiary company, Visonic Technologies Ltd. ("VT"), which provides Location Tracking Systems, disappointed with a significant decline in sales of 18.1%. However, the Board believes that the new agreements signed in 2006 and actions already taken to strengthen the sales force in the U.S. and U.K. will restore VT to growth in 2007.

At the beginning of the year, the Company undertook a strategic expansion of its Security and Home Automation activities to encompass the fast-growing area of Home Healthcare and Telemedicine, taking security solutions beyond our traditional field of secure premises into the world of secure and convenient lives. The Company is now unique in the industry in being able to offer fully integrated solutions for the home healthcare market

Significant R&D investment was devoted to the development of new products: the PowerMaxPro security and home control wireless system and the PowerLink peripheral, which enables visual surveillance via the internet, as well as the Amber Select model with Bluetooth connectivity. In addition, Visonic continued to invest in process improvement and in advanced technologies that will drive future products.

A satisfactory start has been made in 2007 sales. The Group is increasing investment in R&D to enhance its international competitive position in Electronic Security, Home Management systems and Home Health Care markets. The Board remains confident of the Group's prospects and performance for the years ahead, including growth opportunities, particularly in the core business of Visonic. The Board is therefore recommending the payment of a maiden dividend of £0.01 per share for 2006, which will be payable on 25 June 2007 to shareholders on the register at 25 May 2007. The ex-dividend date will be 23 May 2007.

Yaacov Kotlicki
Chairman

20 March 2007

CEO'S STATEMENT

GENERAL OVERVIEW

For the year to 31 December 2006, Group sales rose 4.8% to \$65.8 million (2005: \$62.8m). Sales of the largest division, Security and Home Management (including Home Healthcare) (Visonic's 'core' business) increased by 7.7% and amounted to \$59.9m (2005: \$55.6m). The performance of this segment met our expectations, with a stronger outcome in the second half of the year than the first. Sales of \$30.1 million were achieved in the second half of 2006 (2005 H2: \$27.4m), representing growth of 10.1%, nearly twice the first half growth rate.

On the other hand, our wholly owned subsidiary company, Visonic Technologies Ltd. ("VT"), the Location Tracking Systems division, suffered a difficult year. Unlike Security and Home Management which distributes to the mass market, VT's customers are the OEMs servicing the corporate and institutional markets. VT's orders are therefore characteristically large but to some extent unpredictable as to timing. Last year VT's performance was affected by a shift of government money in the U.S. from investment in institutions (such as hospitals and prisons – VT's primary market), to funding major incidents in the U.S., including Katrina Hurricane.

Group profit before tax decreased in 9.6% to \$6 million (2005: \$6.7m) and gross profit margins declined to 45.8% in 2006 from 48% in 2005. The negative influences on PBT were the increase in R&D spend, price erosion, a stronger Israeli Shekel against the US\$, (especially during the second half of 2006) and the effect on product mix from the decline in higher average gross margin VT sales.

Net profits were 3.3% higher than in 2005 and earnings per share were up 1.6% to 12.6 cents (2005: 12.4 cents).

Security and Home Management (including Home Healthcare)

The Company's core business performed well according to the Company strategy. In its core business Visonic launched new products in the successful PowerMax family during the year. The PowerMaxPro Security and Home Control wireless system, launched in the fourth quarter of 2006, is Internet accessible, with cellular backup capabilities, easy remote access via SMS, e-mail, mobile or regular phone or a secure web application. The PowerMaxPro reflects the latest interior design trends to appeal to the consumer electronic market. The PowerLink peripheral, launched in the first quarter of 2006, expands this functionality to provide users with real-time visual surveillance via the web.

A major pillar in the Company's strategy is the expansion into the Home Health Care arena to position Visonic as a provider of wide range of telemedicine solutions to support well being and health in addition to security and safety. As part of the implementation of the strategy, the Group invested \$1.2m for a stake of 12.15% in a joint venture, with French company, TMT Telemedicine SA in February 2006.

Telemedicine enables a patient's health to be monitored and health problems diagnosed remotely from the patient's home, allowing patients to retain their independence and be treated in their own homes, at less cost than a hospital stay.

Potential customers for this technology include private health insurance companies, local government, service providers and healthcare professionals worldwide.

Our strategic move into Telemedicine is a natural extension to our existing technology and market position. Our Amber emergency response system is well tested, reliable, capable of transmitting medical data and most importantly, is already designed for use by the elderly and/or frail, our target market. Amber Select is a new model of the Amber enabling Bluetooth connectivity to Telemedicine devices, offering stylish design and European standards.

With the new PowerMax and Amber models Visonic has gained the ability to offer full range of control panels in its leading line of business.

Visonic Technologies

VT's 2006 revenue declined 18.1% compared to fiscal 2005. This was due primarily to short term market conditions that significantly impacted upon market demand in both the United Kingdom and in the United States. However, our 2006 Rest of the World revenue increased 16%, benefiting from partner sales activity mainly in Western Europe and in Asia.

In the United States, the federal government continued to reallocate hospital and institutional budgets (VT's primary markets) to Hurricane Katrina relief, while deferrals of IT investments by the National Health Service in the United Kingdom also had a negative impact.

Visonic moved decisively to counteract these problems in the second half of the year. Manufacturing of products that were previously outsourced were relocated in-house at Visonic's own facility in Israel. In the US the sales team was enlarged and the Company invested significant resources in technology training of both its sales and pre/after-sales support teams both in the UK and the US.

During 2006, VT released new, enhanced or customised products meeting current customer and business partner requirements and enhancing the Company's ability to capture sales opportunities in the coming years.

Strategic business alliances with leading OEM corporations such as Securitas AB in Sweden, S1 (a Samsung company) in South Korea and Siemens Building Technologies in Switzerland continued to be important. VT also entered into an important new product development partnership with Ascom (Sweden) AB to supply its Elpas RTLS and Active RFID healthcare-enabled products for integration into their next-generation Wireless Nurse Call solutions.

The Company believes the actions it has taken at VT over the course 2006 will improve its ability to achieve its fiscal 2007 sales and revenue goals. It is expected the continuing investments in technology will also allow VT to compete more effectively in the Company's existing healthcare markets as well as opening up new markets for the RTLS tracking and identification solutions.

Investment in R&D, IT and production capacity

During 2006, Visonic continued its strategy of investing heavily in R&D to secure future opportunities in its chosen sectors. The Group dedicates around 8% of sales revenues to R&D, with a focus on new product development in the short term, as well as the exploration of highly advanced technologies for longer term benefit.

In August, Visonic was awarded a patent for its innovative SPD-1000 wireless detector, which is designed to protect works of art. The detector is currently in use at the Hermitage Museum in St Petersburg, Russia, at Oslo City Hall and in various other museums and sites around the world.

In November, Visonic was awarded a patent for motion detection employing millimetre wave detector. The patent covers intruder alerts by the detection of millimetre waves that radiate naturally from human bodies. This promises a very high level of reliability and the virtual abolition of false alarms. A further benefit of this new technology is the detection system can receive the millimetre radiation through fabrics, and can therefore be easily concealed from intruders.

The Group's new Enterprise Resource Planning software platform went live on 1 January 2006. It has been designed to manage all of Visonic's worldwide information systems on one IT platform for the first time, including R&D, engineering, operations, production, sales, finance and managerial reporting. The financial modules were implemented with immediate success. Some teething problems occurred with the inventory and ordering systems, resulting in some short-term disruption to delivery schedules, however, these issues have now been satisfactorily resolved.

Production capacity has been increased by investments in capital equipment, including two state of the art surface mounting technology systems for the production of mountings for electronics and a 400 ton plastic injection machine. As a result of this capital expenditure, our current production capacity is sufficient to cover our anticipated production requirements for the next few years including VT's products.

Financial Review

The table below sets out selected key financial information for the Group on a consolidated basis for the periods indicated.

Selected financial information US Dollars (M)

	<i>Year ended 31 December</i>	
	<i>2006</i>	<i>2005</i>
	<i>US\$ '000</i>	<i>US\$ '000</i>
Turnover	65.8	62.8
Gross Margin %	45.8%	48%
Operating Margin %	7.9%	11.5%
Pre-tax Profit	6	6.7
Basic earnings per share (in cents)	12.6	12.4
Net cash inflows from operating activities	2.6	5.3
Shareholders Equity – as at 31 December	41.4	35.7

Revenues & Profits

Group sales for the year to 31 December 2006 increased by 4.8% to \$65.8m, from \$62.8m in 2005.

Sales to Israel increased in 2006 from \$3m to \$3.6m, representing a growth of 22.5%. The Americas recorded sales up 7.1% from \$12.3m to \$13.2m. Within this region, results from the five Latin American countries in which Visonic is present, whilst still small, grew strongly. Revenues exceeded \$1 million – an increase of 40% on 2005 and an increase of 130% versus the 2004 sales. This growth was led by new or revitalized distribution agreements in Brazil and Mexico plus the launch in key Central American countries. Sales to the UK also rose significantly from \$5.8m to \$6.4m, a 10.2% improvement, while Continental Europe increased from \$34.5m to \$35.7m, representing a growth of 3.5%.

Sales by Region US Dollars (M)

	<i>Year ended 31 December</i>	
	<i>2006</i>	<i>2005</i>
	<i>US\$ '000</i>	<i>US\$ '000</i>
Israel	3.6	3.0
Americas	13.2	12.3
UK	6.4	5.8
Mainland Europe	35.7	34.5
Far East & Pacific	2.5	2.6
Other	4.4	4.6
Total	65.8	62.8

The year witnessed a 7.7 % increase in sales in Visonic's core product line of Security and Home Management systems to \$59.9m (2005: \$55.6m). Location Tracking products, manufactured by Visonic Technologies, saw a 18.1% sales decline from the previous year (\$7.2m in 2005 to \$5.9m in 2006).

	Year ended 31 December	
	2006	2005
	<i>US\$ '000</i>	<i>US\$ '000</i>
Security and Home Management	59,869	55,568
Location Tracking Systems	5,933	7,213
	65,802	62,781

Gross profit margins declined to 45.8% in 2006 from 48% in 2005, reflecting some price erosion, adverse currency movements (especially in the second half of 2006), and the impact of the decline in VT product sales, which have higher gross margin. During 2006, the US\$ weakened against most of the currencies to which the Company is exposed, of which the most important was the Israeli Shekel. This effect was most marked in the second half of 2006 and with the Company's head quarters and manufacturing facilities based in Israel, this had a significant negative impact on margins.

Profit before tax showed a decrease of 9.6% to \$6m from \$6.7m in the previous year. The fall of \$0.7m in PBT is mainly a result of the lower average gross margin and the increase in R&D expenditure.

Taxation

The Company has received an approval from the Israeli Investment Center, which had the effect of increasing the tax benefit deriving from the "Approved Enterprise" status of the Company. As a result, the tax rate of the Company in 2006 was reduced to 13.5% (2005: 24.3%). The Board expects that the tax rate in coming years will be around 18%.

In addition, the Company has received a ruling from the Israeli Tax Authorities allowing the "cashless exercise" of options granted under the Employees Option Plan (ISOP).

Dividend

The Board has resolved to declare a maiden dividend of £0.01 per ordinary share, subject to the shareholders' approval at the Annual General Meeting to be held on 21 May 2007. The dividend (net of Israeli withholding tax) if approved, will be paid on 25 June 2007 to shareholders on the register on 25 May 2007. Visonic ordinary shares will be quoted ex-dividend from 23 May 2007.

The dividend is subject to withholding tax in accordance with applicable law. Subject to exceptions and special tax rates, the tax rate with respect to a dividend paid to individuals from a non-approved enterprise earnings is 20%.

For UK individuals and companies the withholding tax is generally reduced to 15% of the dividend under the provisions of the UK:Israel Double Taxation Treaty.

The total dividend is £0.415m, which represents approximately 3.4% of the Company's issued and paid-up share capital (applying an exchange rate of \$1.93: £1) and following the dividend distribution the retained earnings of the Company, as defined in section 302 of the companies law 1999 will be \$17.3m (subject to exchange rate movements).

Cash flow and Shareholder Equity

Cash inflows from operational activity reached \$2.6m, as compared to \$5.3m in 2005.

Visonic ended the year with a very strong balance sheet with cash and other liquid investments of \$16.8m. Net cash decreased to \$8.6m in 2006 from \$11.1m in 2005 mainly because of the increase in inventory.

Shareholders equity increased to \$41.4m, mainly as a result of retained profits and the exercise of employee share options. Equity represents 63.7% of total balance sheet.

Accounting standards

This set of financial statements was prepared in accordance with International Financial Reporting Standards ("IFRS").

Internal Auditor

The Company's Internal Auditor has audited the Group's Security of Means of Payment and no material inadequacies have been found. All of his recommendations were accepted.

Community

We consider our contribution to the community as one of the Group's most important values and accordingly, we encourage and take great pride in the community projects undertaken by our employees worldwide.

Outlook

A satisfactory start has been made in 2007 sales. The Group is increasing investment in R&D to enhance its international competitive position in Electronic Security, Home Management systems and Home Health Care markets. The Board remains confident of the Group's prospects and performance for the years ahead, including growth opportunities, particularly in Visonic's Security and Home Management activities.

Dr. Avi Shachrai
President & CEO

20 March 2007

CONSOLIDATED STATEMENTS OF INCOME

	<i>Year ended 31 December</i>	
	<i>2005</i>	<i>2006</i>
	<i>US\$ '000</i>	<i>US\$ '000</i>
	<i>Except per share data</i>	
Sale of goods	62,781	65,802
Cost of sales	<u>(32,677)</u>	<u>(35,691)</u>
Gross profit	<u>30,104</u>	<u>30,111</u>
Research and development costs, net	(4,665)	(5,270)
Selling and marketing expenses	(14,118)	(15,222)
General and administrative expenses	(3,935)	(4,270)
Share-based payments expense	<u>(156)</u>	<u>(150)</u>
Total operating expenses	<u>(22,874)</u>	<u>(24,912)</u>
Operating profit	7,230	5,199
Financial income	569	727
Financial expenses	(709)	(499)
Exchange rate difference, net	(406)	592
Other expenses, net	<u>(28)</u>	<u>(5)</u>
Profit before taxes on income	6,656	6,014
Taxes on income	<u>(1,620)</u>	<u>(813)</u>
Net profit	<u>5,036</u>	<u>5,201</u>
Basic earnings per share (in cents)	<u>12.4</u>	<u>12.6</u>
Diluted earnings per share (in cents)	<u>12.3</u>	<u>12.5</u>

CONSOLIDATED BALANCE SHEETS

	<i>As of 31 December</i>	
	<i>2005</i>	<i>2006</i>
	<i>US\$ '000</i>	<i>US\$ '000</i>
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	7,021	7,624
Short-term deposits	8,100	8,000
Available-for-sale financial assets	1,196	168
Held-to-maturity investments	3,517	1,000
Trade receivable	14,336	16,621
Income tax receivable	*) 537	1,837
Other accounts receivable	*) 1,859	2,288
Inventories	9,315	14,425
Total current assets	45,881	51,963
NON-CURRENT ASSETS:		
Held-to-maturity investments	1,024	-
Property and equipment, net	*) 4,723	5,909
Prepaid expenses	707	667
Deferred tax assets	1,293	1,409
Intangible assets, net	*) 2,609	3,953
Other investments	-	1,190
Total non-current assets	10,356	13,128
Total assets	56,237	65,091
LIABILITIES AND EQUITY		
CURRENT LIABILITIES:		
Credit from banks and current maturities of long-term loans	6,452	1,176
Trade payables	6,456	10,595
Employees benefits liability	1,955	2,404
Related company	51	53
Other current liabilities	2,338	2,308
Total current liabilities	17,252	16,536
LONG-TERM LIABILITIES:		
Bank loans	3,229	7,000
Employees benefits liability	86	107
Total long-term liabilities	3,315	7,107
EQUITY:		
Share capital	21	21
Share premium	22,740	23,354
Net unrealized gains (loss) reserve	35	(2)
Retained earnings	12,874	18,075
Total equity	35,670	41,448
Total liabilities and equity	56,237	65,091

*) Reclassified

STATEMENTS OF CHANGES IN EQUITY

	<i>Share capital</i>	<i>Share premium</i>	<i>Net unrealized gains (loss) reserve</i>	<i>Retained earnings</i>	<i>Total equity</i>	<i>Total recognized income (expenses)</i>
	<u>US\$ '000</u>	<u>US\$ '000</u>	<u>US\$ '000</u>	<u>US\$ '000</u>	<u>US\$ '000</u>	<u>US\$ '000</u>
As of 1 January 2005	21	22,110	17	7,838	29,986	
Net gains on available-for-sale financial assets	-	-	18	-	18	18
Issuance of shares, net	*) -	232	-	-	232	-
Exercise of options	*) -	242	-	-	242	-
Share based payments expense	-	156	-	-	156	-
Net profit	-	-	-	5,036	5,036	5,036
As of 31 December 2005	21	22,740	35	12,874	35,670	5,054
Net loss on available-for-sale financial assets	-	-	(37)	-	(37)	(37)
Exercise of options	*) -	464	-	-	464	-
Share based payments expense	-	150	-	-	150	-
Net profit	-	-	-	5,201	5,201	5,201
As of 31 December 2006	21	23,354	(2)	18,075	41,448	5,164

*) Less than \$ 1,000.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	<i>Year ended 31 December</i>	
	<i>2005</i>	<i>2006</i>
	<u>US\$ '000</u>	<u>US\$ '000</u>
<u>Cash flows from operating activities:</u>		
Net profit	5,036	5,201
Adjustments to reconcile net profit to net cash provided by operating activities (a)	280	(2,626)
Net cash provided by operating activities	<u>5,316</u>	<u>2,575</u>
<u>Cash flows from investing activities:</u>		
Short-term deposits, net	(1,100)	100
Purchase of available-for-sale financial assets	(1,000)	-
Proceeds from sale of available-for-sale financial assets	573	1,032
Proceeds from redemption of held-to-maturity investments	500	3,500
Acquisition of intangible assets	(1,219)	(1,871)
Proceeds from sale of property and equipment	11	35
Purchase of property and equipment	(1,927)	(2,539)
Investment in other investment	-	(1,190)
Net cash used in investing activities	<u>(4,162)</u>	<u>(933)</u>
<u>Cash flows from financing activities:</u>		
Exercise of options	242	464
Increase (decrease) in balance with related company	(754)	2
Receipt of long-term loans from banks	3,000	4,000
Repayment of long-term loans from banks	(2,388)	-
Short-term bank credit, net	(77)	(5,505)
Net cash provided by (used in) financing activities	<u>23</u>	<u>(1,039)</u>
Increase in cash and cash equivalents	1,177	603
Cash and cash equivalents at the beginning of the year	<u>5,844</u>	<u>7,021</u>
Cash and cash equivalents at the end of the year	<u><u>7,021</u></u>	<u><u>7,624</u></u>
<u>Non-cash activity:</u>		
Issuance of shares in exchange for minority interest in VS	<u>232</u>	<u>-</u>

NOTES TO CONSOLIDATED STATEMENTS OF CASH FLOWS

	<i>Year ended 31 December</i>	
	<u>2005</u>	<u>2006</u>
	<u>US\$ '000</u>	<u>US\$ '000</u>
(a) <u>Adjustments to reconcile net profit to net cash provided by operating activities:</u>		
Income and expenses not involving cash flows:		
Depreciation and amortisation	1,642	1,862
Deferred taxes, net	329	(116)
Decrease in accrued severance pay liability	(281)	21
Loss from sales of available for sale financial assets	-	41
Loss (gain) from sale of property and equipment, net	26	(17)
Revaluation of bank loan	(3)	-
Interest on held-to-maturity investments	165	(41)
Share-based payments expense	156	150
Changes in working capital items:		
Increase in trade receivables	(1,366)	(2,285)
Decrease (increase) in other accounts receivable	98	(1,729)
Increase in inventories	(1,470)	(5,110)
Decrease (increase) in long-term prepaid expenses	(707)	40
Increase in trade payables	2,035	4,139
Increase in employee benefits	33	449
Decrease in other current liabilities	(377)	(30)
	<u>280</u>	<u>(2,626)</u>
(b) <u>Supplemental disclosure of cash flows information:</u>		
Cash paid during the year for:		
Interest	<u>537</u>	<u>449</u>
Income taxes	<u>2,458</u>	<u>2,012</u>
Cash received during the year for:		
Interest	<u>425</u>	<u>772</u>

The accompanying notes are an integral part of the consolidated financial statements.

SHARE CAPITAL

- a. On 15 April 2004, the Company effected an IPO in the London Stock Exchange. The proceeds of the Placing were approximately \$ 15,499,000, net of issuance expenses in the amount of \$ 1,798,000 (after the tax effect). The Company issued 10,864,885 Ordinary shares representing approximately 27 per cent of the issued and outstanding Ordinary shares. The shares were listed on the London Stock Exchange under the symbol VSC.L and trade commenced on 15 April 2004.
- b. In August 2005, the Company completed a tender offer to acquire the remaining 15 per cent share capital of its subsidiary, VS. Minority shareholders in VS received 1 Ordinary share of Visonic for every 15 shares of VS they owned, representing issuance of 180,000 Ordinary shares of Visonic.
- c. Share capital:

	<i>Year ended 31 December</i>	
	<u>2005</u>	<u>2006</u>
1. Authorised:		
Ordinary shares of NIS 0.002 par value	500,000,000	500,000,000
2. Issued and outstanding:		
Ordinary shares of NIS 0.002 par value	40,897,563	41,541,939

EARNINGS PER SHARE

The following reflects the income and share data used in the basic and diluted earnings per share computations:

	<i>Year ended 31 December</i>	
	<u>2005</u>	<u>2006</u>
Net profit attributable to Ordinary equity holders of the Company for basic and diluted earnings per share	<u>5,036</u>	<u>5,201</u>
Weighted average number of Ordinary shares for basic earnings per share	40,629,711	41,369,087
Effect of dilution: Share options	<u>274,386</u>	<u>236,715</u>
Adjusted weighted average number of Ordinary shares for diluted earnings per share	<u>40,904,097</u>	<u>41,605,802</u>

BUSINESS SEGMENTS

General:

The Group companies operate in two principal business segments: Location Tracking Systems and Security and Home Management.

	<i>Year ended 31 December</i>	
	<i>2005</i>	<i>2006</i>
	<u>US\$ '000</u>	<u>US\$ '000</u>
Security and Home Management	55,568	59,869
Location Tracking Systems	<u>7,213</u>	<u>5,933</u>
	<u>62,781</u>	<u>65,802</u>

Geographical split of sales: below are the consolidated sales of the Group according to geographic markets without taking into account the location where the product was manufactured.

	<i>Year ended 31 December</i>	
	<i>2005</i>	<i>2006</i>
	<u>US\$ '000</u>	<u>US\$ '000</u>
Mainland Europe	34,457	35,650
Americas	12,371	13,245
U.K.	5,778	6,366
Israel	2,955	3,619
Far East and Pacific	2,631	2,539
Other	<u>4,589</u>	<u>4,383</u>
	<u>62,781</u>	<u>65,802</u>

The financial information set out in this preliminary announcement, which was approved by the Board of Directors on 20 March 2007, does not constitute the company's statutory accounts for year ended 31 December 2006 but is derived from those accounts. Statutory accounts for 2006 will be posted to shareholders on 27 April 2007. The Accounts will be available from 27 April 2007 at the Company's registered office, 24 Habarzel Street, Tel Aviv 69710, Israel.

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