

Visonic concludes a top year:

The Net Profit in 2009 grew by 131% and was 8.6M\$
Cashflow from everyday activities was 19M\$

Tel Aviv – March 21st 2010 – Visonic reported today its results for the year 2009

Highlights of the Report

- Visonic sales in 2009 were 85.3M\$ - as opposed to sales of 84.9M\$ in 2008.
- The raw profit for 2009 was 38.5M\$ as opposed to 36.3M\$ in 2008, a 6% growth - the rate of raw profit went from 42.7% to 45.2%.
- The operating profit grew by 56% to 7.4M\$ in 2009 as opposed to 4.8M\$ in 2008.
- The net profit grew by 131% in 2009 and was 8.6M\$ as opposed to 3.7M\$ in 2008.
- Cashflow from everyday activities in 2009 was about 19M\$ as opposed to 3.8M\$ in the same period in 2008.
- The company shows a strong Balance sheet and financial solidity – total of net financial assets for short and long term are of 22.7M\$ for 2009.

Avi Barir, CEO of the company – "Visonic concludes an excellent year with impressive results in all the operating parameters. These results are translated to a strong cashflow and outstanding growth in the net profit. The line of products that the company launched during the year was successfully received by its customers and is bearing fruits. Visonic success is remarkable in view of the economic slowdown in the markets which characterized 2009. In spite of this slowdown, the company increased its investments in R&D in order to secure its continued growth in the coming years.

Sales

Visonic sales in 2009 totaled about 85.3M\$ as opposed to sales of 84.9M\$ in 2008. Sales in the Q4 of 2009 were about 20.7M\$ as opposed to 17.6M\$ in the last Q of 2008.

Income from the line tracking products in 2009 was 8.6M\$ - a growth of 2% as opposed to 8.4M\$ in 2008.

Raw profit

Raw profit for 2009 was about 38.5M\$ as opposed to 36.3M\$ in 2008, a 6% growth. The rate of the raw profit increased from 42.7% to 45.2%. The raw profit in Q4 of 2009 was about 9.5M\$. The growth in raw profit stems from increase in efficiency, a process which comprised a better demand forecast which improved supply of raw materials; better usage of the machines which increased the production capability of the company and reduced the scope of activities with sub-contractors; re-design of some products which brought savings in cost; moreover the company profited from the weakening of the Shekel compared to the Dollar, which decreased the local costs in Dollars.



Operating Profit

Visonic operating profit grew by 56% to 7.4M\$ in 2009 as opposed to 4.8M\$ in 2008. The rate of the operating profit for 2009 was 8.7% as opposed to 5.6% in 2008. The increase in operating profit stems principally from the improvement in the rate of the raw profit and the small increase in operating expenses as well as one time income.

The operating profit in the sector of the Electronic Security products grew to 6.7M\$ in 2009 as opposed to 4.4M\$ in 2008. Simultaneously there was an improvement in the operating profit of the tracking sector, increase to profit of 0.7M\$ in 2009 as opposed to 0.4M\$ in 2008.

Net Profit

The net profit for 2009 increased by 131% and totaled about 8.6M\$ as opposed to 3.7M\$ in 2008 in the same period of time. The rate of the net profit in 2009 was 10% as opposed to 4.4% in 2008. In Q4 of 2009 the net profit was 930K.\$

Additional data from the financial reports

- The cashflow from current activities in 2009 totaled about 19M\$ as opposed to 3.8M\$ in the same period in 2008. The company used the strong cashflow to settle most of its loans so that the company has now non substantial commitments.
- The company has a strong balance and financial solidity – net financial assets short and long term total about 22.7M\$ in 2009 as opposed to 7M\$ in 2008.
- The capital in 2009 was about 52.5M\$ and is 72.8% from the balance as opposed to 44.5M\$ which was 66% of the balance in 2008. The increase in capital and its rate stem basically, from the current profit .
- R&D expenses totaled 9.7M\$ in 2009, which are 11.4% from sales, as opposed to 8.8M\$ in 2008, which were 10.4% from sales in this year.

