

Electronics Line 3000 Announces Results for the First Nine Months of 2010

- **Revenues in the First Nine Months of 2010 total \$21.8 Million.**
- **Outsourcing of Production and the Move of Corporate Administration cause Depreciation of Machinery and Fixed assets in the Amount of approximately \$2.2 Million.**
- **\$2.8 Million Usage of Credit Line provided by Risco Ltd. as of September 30, 2010.**
- **Due to Accumulated Losses and Extraordinary Write Downs for Year End 2009 and 2010, the Company ends the Reported Period with Shareholder's Equity of less than \$50,000.**

Petach Tikva, Israel (November 19, 2010) – Electronics Line 3000 Ltd. (“EL3K” or “the Company”) (XETRA: ELN), a leading global provider of wireless security with remote management solutions today announced the results for the third quarter and for the first nine months of 2010 in U.S. dollars.

Financial Highlights

- **Revenues** for the first nine months of 2010 were \$21.8 million, compared to \$18.5 million for the same period last year. Revenues for the third quarter of 2010 were \$7.6 million, compared to \$6.1 million for the same period last year.
Based on the current sale orders, the company expects to end 2010 with a turnover similar to last year’s.
- The **gross margins** both in the third quarter and during the first nine months were 25%.
The low gross margin for the nine months period is due to accelerated depreciation expenses for machinery and fixed assets in the production facility in the amount of \$1.6 million and provisions for slow moving inventory in a total amount of \$280,000.
- **Net losses** for the first nine months of 2010 were \$2.5 Million while the net loss for the third quarter of 2010 was approximately \$825,000.



- The company is using \$2.8 million of the **credit line** provided by Risco Ltd. and expects to use above \$4 million by the year end.
- The **company's total equity** was approximately \$50,000 as of September 30, 2010. The sharp decline in equity was caused by accumulated losses and extraordinary write downs for the FY of 2009 and 2010.

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About Electronics Line 3000

Electronics Line 3000 Ltd. (EL3K) is a leading global provider of wireless security with remote management solutions for the mass residential and commercial markets. Multiple technologies and applications are integrated in the solutions to enable real-time, two-way data, audio and video solutions. The Company has over 25 years of experience in the electronic security industry, and is well recognized for its technological innovations and for the high quality of its products. The Company partners with leading monitoring companies, distributors and residential service providers to create unique solutions.

Disclaimer:

"This release contains forward-looking statements, which express the current beliefs and expectations of management. Such statements involve a number of known and unknown risks and uncertainties that could cause the Company's future results, performance or achievements to differ significantly from those expressed or implied by such forward-looking statements. A number of these risks and other factors that might cause differences, some of which could be material, along with additional discussion of forward-looking statements, are set forth in the Company's Annual Report and its other filings filed with the Israeli Securities Authority. Forward-looking statements speak only as of the date on which they are made and the Company undertakes no obligation to update publicly or revise any forward-looking statement, whether as a result of new information, future developments or otherwise."

