

Electronics Line 3000 Ltd. - Release of an Announcement According to Article 37x of the WpHG [the German Securities Trading Act]

Net Profit of \$239,000 and Revenues of \$7.6 Million in Q1 of 2010

- **Revenues at \$7.6 Million with 22% Growth Rate**
- **Net Profit at \$239,000**
- **Operating Profit at \$412,000**
- **Continued Transition Towards Enhanced Revenues and Net Profit for the Third Quarter Running**

Petach Tikva, Israel (April 29, 2010) – Electronics Line 3000 Ltd. (“EL3K” or “the Company”) (XETRA: ELN), a leading global provider of wireless security with remote management solutions announced the results for the first quarter of 2010 in U.S. dollars.

Financial Highlights

- Revenues for the first quarter of 2010 came in at \$7.6 million, compared to \$6.2 million for the comparable quarter in 2009, demonstrating a growth rate of 22%.
- Gross margin remained unchanged at 34% for the first quarter of 2010 and the comparable quarter in 2009.
- Operating profit for the first quarter of 2010 was \$412,000, compared to an operating loss of \$391,000 for the first quarter in 2009.
- Net profit for the first quarter of 2010 was \$239,000 compared to a net loss of \$715,000 for the first quarter of 2009.
- Basic and diluted net profit per share for the first quarter of 2010 was \$0.024 compared to a net loss per share of \$0.07 for the comparable quarter in 2009.
- Cash flow used for operating activities during the reported quarter, was \$342,000, compared to \$601,000 provided by operating activities during the comparable quarter of last year.



Overview

Electronics Line 3000's Q1 2010 results demonstrate an ongoing transition over the past three quarters towards enhanced revenues and net profit. Q1 2010 also saw a 22% growth rate in revenues compared to Q1 2009.

The Company's Q1 2010 positive results are mainly attributed to the gathering momentum of increased orders from customers who are now recovering from the global recession. Furthermore, the reported quarter saw increased order volumes following the Company's win in an international 'Request for Proposal' for the supply of its advanced residential security solutions in Northern and Western European countries. Moreover, during Q1 2010, the Company also acquired several new customers in Europe and Latin America, further enhancing the Company's position as an international market leader.

During Q1 2010, the Company's operating profit increased substantially compared to Q1 2009, with results coming in at \$412,000, compared to an operating loss of \$391,000 in Q1 2009. Moreover, the Company succeeded in significantly increasing its net profit, with results coming in at \$239,000 compared to a net loss of \$715,000 in Q1 2009. This is mainly due to the Company's implementation of an enhanced efficiency plan since Q1 2009, the results of which have now become more apparent, enabling the Company to greatly reduce its operating expenses during Q1 2010, while at the same time increasing sales and net profit.

While the Company has been very successful at reducing bank debt in the years of economic crisis, in Q1 of 2010 the Company needed cash in order to grow its sales volume.

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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."

