



ITURAN LOCATION AND CONTROL LTD. AND ITS SUBSIDIARIES

ITURAN LOCATION AND CONTROL LTD. PRESENTS RESULTS FOR THE FIRST QUARTER OF 2009

AZOUR, Israel – May 18, 2009 – Ituran Location and Control Ltd. (NASDAQ: ITRN, TASE: ITRN), today announced its consolidated financial results for the first quarter ended March 31, 2009.

Highlights of the Quarter

- Strong year over year growth in net income
- Improved year over year gross, Ebitda and net margins
- A 10,000 net subscriber increase to a record of 521,000 as of March 31st, 2009

First quarter Results

Revenues for the first quarter of 2009 reached US\$27.3 million. This is 17% below revenues of US\$32.8 million in the first quarter of 2008. Since Ituran generates revenues in local currencies, but report financial results in US dollars, revenue levels were primarily affected by the strength of the US dollar versus the Brazilian Real, the Israeli shekel and the Argentinean pesos compared with the level in the first quarter of last year.

Operating profit for the first quarter of 2009 was US\$5 million (18.4% of revenues) compared with an operating profit of US\$6.3 million (19.1% of revenues) in the first quarter of 2008. Again, the operating profit was negatively affected by the increase in the value of the dollar against the other currencies in which Ituran operates.

EBITDA for the quarter was \$7.7 million (28.1% of revenues) compared to an EBITDA of \$8.5 million (25.9% of revenues) in the first quarter of last year.

A financial gain of US\$4.2 million was recorded as a result of the strong 10% appreciation of the US dollar against the Israeli shekel during the quarter, compared with the prior quarter. This, as previously explained, is due to the fact that most of the Company's cash is held in US dollars for strategic purposes, while Ituran's functional currency in Israel is the Israeli Shekel. In the first quarter of 2008, Ituran had a financial expense of \$4.4 million.

Net profit was US\$5.6 million in the first quarter of 2009 (20.5% of revenues), compared with a net profit of US\$863 thousand (2.6% of revenues), as reported in the first quarter of 2008. Fully diluted EPS in the first quarter of 2009 was US\$0.27, compared with fully diluted EPS of US\$0.04 in the first quarter of 2008.

Cash flow from operations during the quarter generated US\$7.7 million.

As of March 31st, 2009 the company had a net cash position (including marketable securities) of US\$58 million compared with US\$55.3 million on December 31st, 2008.



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Eyal Sheratzky, Co-CEO of Ituran said, “Our bottom line results again prove the defensive nature of our business demonstrated by continued strong margins. Our business in Brazil continues to perform well, remaining a stable growth engine for Ituran. This business has enabled us to continue to grow our subscriber base despite the global recession.”

“Our positive business performance in all market climates, capitalizes on our firmly established customer base through its recurring revenue stream and generation of cash. As we move through 2009, and even as the extent of the global downturn is becoming clearer, we expect to continue to grow in our subscriber base,” concluded Mr. Sheratzky.

Conference Call Information

The Company will also be hosting a conference call later today, May 18th, 2009 at 10:00am ET. On the call, management will review and discuss the results, and will be available to answer investor questions.

To participate, please call one of the following teleconferencing numbers. Please begin placing your calls at least 10 minutes before the conference call commences. If you are unable to connect using the toll-free numbers, please try the international dial-in number.

US Dial-in Number: 1-888-723-3163
CANADA Dial-in Number: 1-866-958-6867
ISRAEL Dial-in Number: 03-918-0664
INTERNATIONAL Dial-in Number: +972-3-918-0664

At: 10:00am Eastern Time, 7:00am Pacific Time, 5:00pm Israel Time

For those unable to listen to the live call, a replay of the call will be available from the day after the call in the investor relations section of Ituran's website, at: <http://www.ituran.com>



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Certain statements in this press release are "forward-looking statements" within the meaning of the Securities Act of 1933, as amended. These forward-looking statements include, but are not limited to, our plans, objectives, expectations and intentions and other statements contained in this report that are not historical facts as well as statements identified by words such as "expects", "anticipates", "intends", "plans", "believes", "seeks", "estimates" or words of similar meaning. These statements are based on our current beliefs or expectations and are inherently subject to significant uncertainties and changes in circumstances, many of which are beyond our control. Actual results may differ materially from these expectations due to changes in global political, economic, business, competitive, market and regulatory factors.

About Ituran

Ituran provides location-based services, consisting predominantly of stolen vehicle recovery and tracking services, as well as wireless communications products used in connection with its location-based services and various other applications. Ituran offers mobile asset location, Stolen Vehicle Recovery, management & control services for vehicles, cargo and personal security. Ituran's subscriber base has been growing significantly since the Company's inception to over 521,000 subscribers distributed globally. Established in 1995, Ituran has approximately 1200 employees worldwide, provides its location based services and has a market leading position in Israel, Brazil, Argentina and the United States.

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**** FINANCIAL TABLES TO FOLLOW ****