



## ITURAN LOCATION AND CONTROL LTD. AND ITS SUBSIDIARIES

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

**AZOUR, Israel – August 12, 2009** – Ituran Location and Control Ltd. (NASDAQ: ITRN, TASE: ITRN), today announced its consolidated financial results for the second quarter ended June 30, 2009.

#### Highlights of the Quarter

- A 12,000 net subscriber increase to a record of 533,000 as of June 30, 2009
- Generated \$5.1 million in operating cash flow

#### Second quarter Results

Revenues for the second quarter of 2009 reached US\$28.4 million. This is 19% below revenues of US\$35.2 million in the second quarter of 2008. Revenues grew by 4%, compared with revenues of \$27.3 million in the prior quarter.

Gross profit for the second quarter of 2009 was US\$ 14.1 million (49.5% of revenues) compared with US\$16.5 million (46.9% of revenues) in the second quarter of last year. Operating profit for the second quarter of 2009 was US\$6.0 million (21.1% of revenues) compared with an operating profit of US\$6.8 million (19.3% of revenues) in the second quarter of 2008.

EBITDA for the quarter was \$8.9 million (31.2% of revenues) compared to an EBITDA of \$9.3 million (26.4% of revenues) in the second quarter of last year.

A financial expense of US\$2.5 million was recorded as a result of the 6.5% depreciation 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, while Ituran's functional currency in Israel is the Israeli Shekel. In the second quarter of 2008, Ituran had a financial expense of \$2.3 million.

Net profit was US\$2.4 million in the second quarter of 2009 (8.6% of revenues), compared with a net profit of US\$2.5 million (7.1% of revenues), as reported in the second quarter of 2008. Fully diluted EPS in the second quarter of 2009 was US\$0.12, compared with fully diluted EPS of US\$0.12 in the second quarter of 2008.

Cash flow from operations during the quarter generated US\$5.1 million.

As of June 30, 2009, the Company had a net cash position (including marketable securities) of US\$57.7 million compared with US\$55.3 million on December 31st, 2008.

**Eyal Sheratzky, Co-CEO of Ituran** said, "Our results are very much a demonstration of the robust and profitable platform that we have built and developed in the past few years. Our firmly established customer base through its recurring revenue stream is currently providing us with good stability and strong cash generation. Over the long term, we will continue to capitalize on the



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inherent long-term operating leverage in our business, built on our stable core business and a growing base of subscribers.”

### Conference Call Information

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**The Company will also be hosting a conference call later today, August 12th, 2009 at 8:30am 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: 1 866 229 7198**  
**CANADA Dial-in Number: 1 888 604 5839**  
**ISRAEL Dial-in Number: 03 918 0685**  
**INTERNATIONAL Dial-in Number: +972 3 918 0685**

**At: 8:30am Eastern Time, 5:30am Pacific Time, 3:30pm 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**

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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 533,000 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.

### **Company Contact**

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Udi Mizrahi ([udi\\_m@ituran.com](mailto:udi_m@ituran.com))

**VP Finance, Ituran**

(Israel) +972 3 557 1348

### **International Investor Relations**

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Ehud Helft

Kenny Green

[info@gkir.com](mailto:info@gkir.com)

**GK Investor Relations**

(US) +1 646 201 9246

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