Sarin Technologies Ltd.
and its Subsidiaries

(Incorporated in Israel)

1(a) An income statement (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Profit and Loss Accounts (US$'000):

	GROUP Nine months ended September 30,			GROUP Quarter ended September 30,		
	2006	2005	Change	2006	2005	Change
	Unaudited		%	Unaudited		%
Revenue	22,747	23,369	(2.7)	7,872	9,069	(13.2)
Cost of sales	7,837	7,040	11.3	2,771	2,673	3.7
Gross profit	14,910	16,329	(8.7)	5,101	6,396	(20.2)
Research and development costs	2,912	1,962	48.4	1,092	695	57.1
Selling and marketing expenses	4,026	3,281	22.7	1,202	1,133	6.1
General and administrative expenses	2,310	1,631	41.6	750	693	8.2
Profit from operations	5,662	9,455	(40.1)	2,057	3,875	(46.9)
Net finance income	575	306	87.9	188	108	74.1
Profit from ordinary activities before income tax	6,237	9,761	(36.1)	2,245	3,983	(43.6)
Income tax expense	1,142	1,904	(40.0)	428	592	(27.7)
Net profit for the period	5,095	7,857	(35.2)	1,817	3,391	(46.4)

Note to income statement:
Profit before income tax is stated after (crediting)/charging the following:

	GROUP Nine months ended September 30,			GROUP Quarter ended September 30,		
	2006	2005	Change	2006	2005	Change
	US$'000	US$'000	%	US$'000	US$'000	%
Allowance for doubtful trade receivables	64	70	(8.6)	(3)	153	NM
Depreciation and amortization expense	547	219	149.8	169	120	40.8
Interest (income)/expense, net	(615)	(254)	142.1	(210)	(137)	NM
Foreign currency translation (gain)/loss	40	(52)	NM	22	29	(24.1)
Provision for warranty	381	106	259.4	123	49	151.0

NM - Not Meaningful.

1(b)(i) A balance sheet (for the issuer and Group), together with a comparative statement as at the end of the immediately preceding financial year.

Balance Sheet (US$'000) as at

	Group		Company	
	30.09.06	**31.12.05**	**30.09.06**	**31.12.05**
	Unaudited	Audited	Unaudited	Audited
Non-current assets				
Investment in subsidiaries	-	-	1,394	648
Property, plant and equipment	1,610	1,236	1,355	1,000
Intangible assets	565	681	539	627
Other receivables	166	273	166	273
Deferred tax assets	1,086	802	1,070	802
Fund for employee severance benefits	8	8	-	-
	3,435	3,000	4,524	3,350
Current Assets				
Inventories	3,196	3,137	2,720	2,846
Trade receivables	998	1,200	793	998
Other receivables	802	514	729	460
Short-term investments	6,158	1,099	6,158	1,099
Cash and cash equivalents	13,986	20,601	13,512	20,250
	25,140	26,551	23,912	25,653
Current liabilities				
Trade payables	1,690	1,045	1,571	955
Other payables	2,456	2,410	2,214	2,239
Current tax payable	333	1,576	215	1,495
Warranty provision	449	249	434	235
Dividend declared	-	2,510	-	2,510
	4,928	7,790	4,434	7,434
Net current assets	20,212	18,761	19,478	18,219
Non-current liabilities				
Liability for employee severance benefits	79	68	79	68
Net assets	23,568	21,693	23,923	21,501
Capital and reserves				
Share capital*	-	-	-	-
Reserves	23,568	21,693	23,923	21,501
Equity attributable to shareholders	23,568	21,693	23,923	21,501

*Less than one thousand US $

1(b)(ii) Aggregate amount of Group's borrowings and debt securities.

Zero borrowings from banks.

1(c) A cash flow statement (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated cash flow statement (US$'000) as at:

	GROUP Nine months ended September 30,		GROUP Quarter ended September 30,	
	2006	2005	2006	2005
	Unaudited		Unaudited	
Net profit for the period	5,095	7,857	1,817	3,391
Adjustments for:				
Amortization of deferred compensation	174	76	57	32
Income tax expense	1,142	1,904	428	592
Amortization and depreciation	547	219	169	120
Interest expense	54	67	17	23
Interest income	(629)	(279)	(205)	(132)
Operating profit before working capital changes	6,383	9,844	2,283	4,026
Changes in working capital:				
Inventories	(59)	(1,011)	212	(506)
Trade receivables	202	181	364	72
Other receivables	(214)	176	212	(106)
Short-term investments	(6,059)	(1,039)	(3,049)	(931)
Trade payables	645	611	(74)	(115)
Other payables and provision	79	519	150	(769)
Warranty Provision	200	97	(58)	40
Employee severance benefits	11	54	(2)	(2)
Cash generated from operations	1,188	9,432	38	1,709
Income taxes paid	(2,669)	(1,933)	(279)	(507)
Cash flows generated from (used in) operating activities	(1,481)	7,499	(241)	1,202
Investing activities:				
Purchase of property, plant and equipment	(805)	(550)	(64)	(283)
Acquisition of intangible asset	-	(585)	-	(185)
Other Receivables	-	(300)	-	(300)
Interest received	629	279	205	132
Acquisition of short-term investments	1,000	-	-	-
Cash flows generated from (used in) investing activities	824	(1,156)	141	(636)
Financing activities:				
Proceeds from the IPO (net of expenses) and from issue of shares resulting from exercise of options	-	9,996	-	-
Proceeds from issue of shares	50	-	-	-
Interest paid	(54)	(67)	(17)	(23)
Dividends paid	(5,954)	(2,498)	(1,262)	(2,498)

Cash flows used in financing activities	(5,958)	7,431	(1,279)	(2,521)
Net increase in cash and cash equivalents	(6,615)	13,774	(1,379)	(1,955)
Cash and cash equivalents at beginning of the period	20,601	5,498	15,365	21,227
Cash and cash equivalents at end of the period	13,986	19,272	13,986	19,272

1(d)(i) A statement (for the issuer and Group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Statement of Changes in Equity - Group -

	Share Capital* US$' 000	Share Premium US$' 000	Capital Reserve US$' 000	Accumulated Profits US$' 000	Total US$' 000
Balance at January 1, 2005	-	497	86	6,603	7,186
Issuance of shares - IPO	-	11,128	-	-	11,128
Amortization of deferred compensation	-	-	76	-	76
IPO expenses (net of deferred tax of US$371,000)	-	(1,285)	-	-	(1,285)
Exercise of options	-	153	-	-	153
Dividend paid	-	-	-	(2,498)	(2,498)
Net profit for the period ended September 30, 2005	-	-	-	7,857	7,857
Balance at September 30, 2005	-	10,493	162	11,962	22,617
Balance at January 1, 2006	-	10,525	223	10,945	21,693
Amortization of deferred compensation	-	-	174	-	174
Exercise of options	-	50	-	-	50
Dividend paid	-	-	-	(3,444)	(3,444)
Net profit for the period ended September 30, 2006	-	-	-	5,095	5,095
Balance at September 30, 2006	-	10,575	397	12,596	23,568

* Less than one thousand dollars

Company -

	Share Capital* US$' 000	Share Premium US$' 000	Capital Reserve US$' 000	Accumulated Profits US$' 000	Total US$' 000
Balance at January 1, 2005	-	497	86	6,511	7,094
Issuance of shares - IPO	-	11,128	-	-	11,128
Amortization of deferred compensation	-	-	76	-	76
IPO expenses (net of deferred tax of US$371,000)	-	(1,285)	-	-	(1,285)
Exercise of options	-	153	-	-	153
Dividend paid	-	-	-	(2,498)	(2,498)
Net profit for the period ended September 30, 2005	-	-	-	7,739	7,739
Balance at September 30, 2005	-	10,493	162	11,752	22,407
Balance at January 1, 2006	-	10,525	223	10,753	21,501
Amortization of deferred compensation	-	-	174	-	174
Exercise of options	-	50	-	-	50
Dividend paid	-	-	-	(3,444)	(3,444)
Net profit for the period ended September 30, 2005	-	-	-	5,642	5,642
Balance at September 30, 2006	-	10,575	397	12,951	23,923

* Less than one thousand dollars

1(d)(ii) Details of any changes in the Company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

	As of September 30	
	2006	2005
	No. of shares	No. of shares
Authorized:		
Ordinary Shares with no par value	2,000,000,000	2,000,000,000
Issued and fully paid:		
Ordinary Shares with no par value	252,425,500	249,849,250

Details of changes in share options

	Average Exercise Price in US$ per share	Options
At January 1, 2006	0.064	9,087,250
Granted	0.41	500,000
Cancelled	0.12	162,500
Exercised	0.034	1,528,750
At September 30, 2006	0.095	7,896,000

Note: On 12 October 2006, following the end of the current financial period reported, the Board of Directors of the Company resolved to grant to certain employees of the Company a total of 1,692,000 share options, which grant is subject to acceptance by those certain employees not later than 16 November 2006. As of today, employees who were granted with such share options have accepted such grant with regard to share options constituting approximately 87% out of the aforementioned share options.

2. Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice.

These figures have not been audited or reviewed.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The same accounting policies and methods of computation adopted in the most recently audited financial statements for the financial year ended 31 December, 2005 have been applied in the preparation for the financial statements for nine month period ended September 30 2006.

5. **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

Not applicable

6. **Earnings per ordinary share of the Group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	For the nine months ended September 30	
	2006	**2005**
Basic profit per share (US$)	0.0202	0.0346
Diluted profit per share (US$)	0.0197	0.0332

Basic earnings per share are calculated based on the weighted average number of 252,086,700 ordinary shares issued during the current period and 227,098,102 during the preceding period.

Diluted earnings per share are calculated based on weighted average number of 258,364,729 ordinary shares issued and 236,519,512 during the preceding period.

	For the three months ended September 30	
	2006	**2005**
Basic profit per share (US$)	0.0072	0.0136
Diluted profit per share (US$)	0.0071	0.0132

Basic earnings per share are calculated based on the weighted average number of 252,425,500 ordinary shares issued during the current period and 249,849,250 during the preceding period.

Diluted earnings per share are calculated based on weighted average number of 257,630,970 ordinary shares issued and 256,831,436 during the preceding period.

7. **Net asset value (for the issuer and Group) per ordinary share based on issued share capital of the issuer at the end of the:-**
   (a) Current financial period reported on; and
   (b) Immediately preceding financial year.

	Group		Company	
	September 30, 2006	**December 31, 2005**	**September 30, 2006**	**December 31, 2005**
Net asset value per ordinary share (US$)	0.0934	0.0865	0.0948	0.0857

Net asset value per share is calculated based on the number of 252,425,500 ordinary shares in issue at September 30, 2006 and 250,896,750 at December 31, 2005.

8. **A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. It must include a discussion of the following:-**
   (a) any significant factors that affected the turnover, costs, and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
   (b) any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on

Nine months ended September 2006 vs. nine months ended September 2005

Revenue

Revenue by geographic segment (US$ '000)

Region	Nine months ended September 2006	Nine months ended September 2005	$ change	% change
India	16,263	18,718	(2,455)	(13.1)
Europe	1,300	1,051	249	23.7
North America	1,146	1,155	(9)	(0.8)
Other	4,038	2,445	1593	65.2
Total	22,747	23,369	(622)	(2.7)

Region	Q3 2006	Q3 2005	$ change	% change
India	5,995	7,316	(1,321)	(18.1)
Europe	433	483	(50)	(10.4)
North America	210	450	(240)	(53.3)
Other	1,234	820	414	50.5
Total	7,872	9,069	(1,197)	(13.2)

For the nine months ended September 30, 2006, the Group recorded revenues of US$ 22.7 million in comparison to US$ 23.4 million in the nine months ended September 30, 2005, representing a 2.7% decrease. By region, India registered a 13% decrease in revenues from US$ 18.7 million to US$ 16.3 million, while as in the rest of the world the Group recorded revenue growth of 39% from US$ 4.7 million in the nine months ended September 30, 2005 up to US$ 6.5 in the nine months ended September 30, 2006.

The decrease in the overall revenues in the nine months ended September 30, 2006 was, primarily, a result of the weakness in the worldwide diamond industry that materialized during the second quarter of 2006 and slowed our business significantly, as was seen from the second quarter results. As India is by far the main production centre of polished diamonds in the world, and as the over stocking of polished diamonds impacted mostly those manufacturers, the slowdown had its most significant effect on our revenues from that region. We have seen early positive signs of improvement in the market during this past quarter (Q3), and increased sales (in comparison to the previous quarter) in India, as detailed below. Still, the current market recovery is expected, by many industry leaders and followers, to be more pronounced during the key Q4 Thanksgiving through Christmas holiday season, or during Q1 of 2007.

At the same time Sarin has succeeded in continuing to increase revenues from the rest of the world, and especially from the Others region (primarily the Southern African countries) as part of our ongoing strategy to increase business activities and sales efforts in other diamond industry centres outside India. Revenue from the Others region attained growth of 65% to US$ 4.0 million in comparison to US$ 2.4 million in the nine months ended September 30, 2005. Strong growth came from South Africa, reaching approximately US$ 1.2 million in the nine months ended September 30, 2006, in comparison to approximately US$ 0.3 million in the nine months ended September 30, 2005. Revenues from North America remained flat at US$ 1.15 million in the first nine months of 2005 and 2006. Sales to Europe increased by US$ 0.25 million to US$ 1.3 million.

For the three months ended September 30 2006 the Group recorded a 13% decrease in revenues from US$ 9.1 million in Q3 2005 to US$ 7.9 million in Q3 2006. By region, India registered a 18% reduction in revenue to US$ 6.0 million, whereas from the rest of the world the Group realized an increase of 7% to US$ 1.9 million, partially compensating for the decrease in India.

In comparison to the previous quarter of 2006, the Group recorded a 24% growth in revenues, from US$ 6.3 million to US$ 7.9 million. By region, India registered a 44% growth, up from US $4.2 million, whereas from the rest of the world the Group realized a decrease of 13%, down from US$ 2.2 million in the previous quarter.

As previously reported, during the second quarter of 2006 the Company experienced performance issues with previously shipped Quazer product units which prevented the Company from realizing additional sales of this product. Significant modifications were implemented during the second quarter, primarily the development and integration of a completely new and improved laser source developed exclusively for us by a leading company in the USA, as well as necessary software modifications. Shipments of the Quazer started again in the third quarter of 2006, and Management expects to see increased Quazer revenues from the fourth quarter of 2006 and onwards.

As previously reported, the flooding in Surat, India, in August 2006, does not seem to have had negative impact on Sarin’s business, as can be seen from the sales for this quarter in comparison with those of the previous quarter.

Cost of sales and gross profit

Cost of sales increased by 11 % from US$ 7.0 million in the nine months ended September 30, 2005 up to US$ 7.8 million in the nine months ended September 30, 2006. Consequently, our gross profit decreased from US$ 16.3 million, with a gross margin of 69.9% in the nine months ended September 30, 2005, down to US$ 14.9 million and a gross margin of 65.5% in the nine months ended September 30, 2006. Our gross profit margin in Q3 2006 was 64.8%, in comparison to 70.5% in Q3 2005 and 64% in the previous quarter of 2006. The decrease in the gross profit margin was due to the mix of products delivered during this quarter, and mainly due to our Quazer product on which, as previously noted, we pay royalties (booked as a cost of sale) on the revenues. As previously reported, our gross margin in Q2 2006 was exceptionally low as there was also a one time expense taken in that quarter of approximately US$ 200,000 to provide for the necessary corrective actions to be implemented in the Quazer products.

Research and development costs

The increase in research and development costs in the nine months ended September 30, 2006 in comparison to the nine months ended September 30, 2005 was 48%, from US$ 1.96 million to US$ 2.91 million. The increase in research and development in Q3 2006 in comparison to Q3 2005 was 57%, up from US$ 0.70 million to US$ 1.09 million. This is mainly due to an increase in our research and development manpower, sub-contractor and materials costs due to increased R&D activities to support our very active and diverse pipeline of new and improved products. In addition, higher costs were realized for new applications for patents and depreciation costs.

Selling and marketing expenses

The increase in the selling and marketing expenses in the nine months ended September 30, 2006 in comparison to the nine months ended September 30, 2005 was 23%, from US$ 3.3 million to US$ 4.0 million. The increase in the selling and marketing costs in Q3 2006 in comparison to Q3 2005 was 6%, from US$ 1.1 million to US$ 1.2 million. Lower sales in India reduced the compensation paid to our sales team in India. However, in the rest of the world we realized higher expenses, both as higher sales performance payouts to our sales teams, as well as salaries for new employees, marketing activities, office rent, travelling and other expenses. In addition, higher expenses were also due to our strategy to enhance our presence in key emerging regions such as South Africa and China. In Q2 2006, as previously reported, we also recorded a provision against an upcoming audit of the New York State sales tax authorities.

General and administrative expenses

General and administrative expenses increased by 42%, or US$ 0.7 million, during the nine months ended September 30, 2006. Expenses related to the Company becoming a public company were approximately US$ 220,000 higher in the nine months ended September 30, 2006 compared to those in the nine months ended September 30, 2005. In addition, the Company spent approximately US$ 250,000 more in order to defend its intellectual property against infringement by its competitors. The Company also sustained increased expenses related to activities to support the future commercialisation of the disposable polishing discs.

Finance income (net)

Finance income increased in the nine months ended September 30, 2006 to US$ 0.6 million in comparison to US$ 0.3 million in the nine months ended September 30, 2005. Finance income in Q3 2006 was US$ 0.2 million in comparison to US$ 0.1 million in Q3 2005. The increase in finance income for the period of the nine months resulted from overall higher cash levels the Company held, mainly following the initial public listing in Q2 2005, along with higher interest rates realized on its financial investments denominated in US$. The higher interest rates were the main reason for the increase in the three months period.

Profit from ordinary activities before taxation

The profit before tax in the nine months ended September 30, 2006 amounted to US$ 6.24 million in comparison to US$ 9.76 million in the nine months ended September 30, 2005, representing a decrease of 36% or US$ 3.52 million. We recorded profits of US$ 2.2 million in Q3 2006, in comparison to US$ 4.0 million in Q3 2005, representing a decrease of 44% or US$ 1.7 million. As a result, our profit before tax margin decreased from 41.8% of revenue in the nine months ended September 30, 2005 to 27.4% in the nine months ended September 30, 2006 and from 43.9% of revenues in Q3 2005 to 28.5% in Q3 2006.

Income tax expenses

Income tax expenses in the nine months ended September 30, 2006 decreased by 40%, or US$ 0.8 million, from the nine months ended September 30, 2005. Income tax expenses in Q3 2006 decreased by 27.7%, or US$ 0.2 million, in comparison to Q3 2005. The decrease was mainly a result of our lower profits. The effective income tax rate decreased from 19.5% in the nine months ended September 30, 2005 to 18.3% in the nine months ended September 30, 2006, and increased from 14.9% in Q3 2005 to 19.1.% in Q3 2006. The statutory corporate tax rate in Israel decreased from 34% in 2005 to 31% in 2006 (the rate is expected to decrease further to 25% by 2010).

Net profit

The net profit in the nine months ended September 30, 2006 amounted to US$ 5.1 million in comparison to US$ 7.9 million in the nine months ended September 30, 2005, representing a decrease of 35% or US$ 2.8 million. For Q3 2006 we recorded net profit of US$ 1.8 million in comparison to US$ 3.4 million in Q3 2005, representing a decrease of 46% or US$ 1.6 million. Our net profit margin decreased to 22.4% of revenue in the nine months ended September 30, 2006, in comparison to 33.6% in the nine months ended September 30, 2005, and to 23.1% of revenue in Q3 2006 in comparison to 37.4% in Q3 2005.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders any variance between it and the actual results.

Not applicable.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

Current industry trends:

a. As previously reported, the diamond manufacturing market had receded into a slowdown. We have seen early positive signs of improvement in the market during this past quarter (Q3). Still, the current market recovery is expected, by many industry leaders and followers, to be more pronounced during the year-end holiday season, when, traditionally, most polished diamond sales occur, or during Q1 of 2007.
b. Since the August 2006 flood waters in Surat have receded, the diamond manufacturing industry in Surat has resumed normal business operations.
c. As a result of the South African and neighbouring governments' policies, to give increased incentives to diamond polishing activities in that region of the world, there has been and is an ongoing shift of diamond polishing plants to the Southern African countries. This has created more opportunities for the sale of our products to this emerging market.
d. The Company continues with its effort to embed new grading parameters into its systems, such as the GIA's, last year and, just this past quarter, the American Gem Society's (AGS), the latter's on an exclusive basis, as we expect such relations to give us an advantage over the competition, mainly in the manufacturers' market
e. Consumer confidence in diamonds' authenticity and quality is increasingly becoming an issue for jewellery retailers worldwide. This is especially true in the US, which, it is estimated, accounts for nearly 50% of all jewellery sales. These challenges are driving the demand for technological tools, such as Sarin's, that will assist retailers in addressing this issue.

Company's plans for next 12 months:

a. Sarin is currently developing improvements to its rough diamond planning products (DiaExpert™ and Advisor™) to further increase the yield derived from the rough stone. These improvements include the ability to better detect inclusions manually and improved more-accurate three-dimensional scanning of the diamond. We believe these developments will preserve and augment the technological gap between ourselves and our competitors. We expect these new hardware and software features to continue to promote sales, both directly, as upgrades to existing machines, and indirectly, as they enhance the value of our products to our customers.
b. The Company has enhanced the performance of the green-laser diamond sawing and cutting system (the Quazer™), with the introduction of a specially developed new green laser source, along with improved software features. The enhanced performance

of this system should increase our green laser system's value to our customers. We expect sales and deliveries of this product to increase in Q4 2006.

c. Sarin introduced, in late Q2, two new products for the assessment and prediction of colour in polished and rough diamonds (Colibri™ and OrchiDia™). We expect a significant demand for this new generation of products when Sarin will start commercial delivery, expected to commence from Q4 2006 and going forward.

d. The optimal disc coating composition, so as to achieve the most advantageous performance is still undergoing testing at several customer sites. When this milestone is attained, we will commence sales. The building of the full scale disc production facility will only commence upon the completion of this test phase.

e. The research and development (R&D) of the automatic inclusion mapping system continues. Although there is a parallel development effort to manually detect and map inclusions (as mentioned in article [a] of this section), the Company believes that the technology currently being developed in this project would be a breakthrough in diamond planning and processing, once commercialised. We have completed this quarter the feasibility testing and have proven that the technology is, indeed, capable of mapping most types of internal inclusions, including some unique types not previously expected. The commercialisation effort, entailing further technical development and the solution of many practical issues, will now commence. The overall schedule may therefore be longer than previously anticipated.

f. The Company plans to continue its efforts to realize more sales from emerging market opportunities in the southern African countries and China, and is in the process of establishing the necessary sales and support infrastructures to this end.

g. The Company continues to seek potential targets for acquisition. For Sarin, the ideal company to be acquired would be one with proven products and/or services with established sales, which would complement our product offerings to our existing customers in our industry, allowing us to fully leverage our established brand name and market presence.

11. Dividend

(a) Any dividend declared/recommended for the current financial period reported on?

The Board of Directors declared, on August 13, 2006, an interim dividend of US$0.005 per share. The Dividend was paid on September 12, 2006.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? No

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived.

	Amount before tax US$'000	Tax rate applicable to shareholders %
H1 2006	1,262	15%*/ 10%**

- The tax rate for this cash dividend was 14.5% for Israeli corporate and 15.3% for Israeli individual shareholders
- The tax rate for this cash dividend was 10% for Singaporean shareholders.

(d) Date payable

September 12, 2006

(e) Books closure date

September 1, 2006

12. If no dividend has been declared/recommended, a statement to that effect.

See 11 (a) above.

The Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited interim financial results of the Company for the quarter ended 30 September 2006, to be false or misleading.

On behalf of the Directors

____________________	____________________
Daniel Benjamin Glinert	Yehezkel Pinhas Blum