

Consolidated Balance Sheets
(U.S. Dollars In thousands)

	December 31, 1999	June 30, 2000
	(Audited)	(UnAudited)
Current assets		
Cash and cash equivalents	68,747	60,056
Short Term bank deposits	-	71,244
Trade receivables, net	2,915	3,706
Other receivables and prepaid expenses	920	1,372
Inventories	<u>782</u>	<u>1,680</u>
	73,364	138,058
 Property and equipment, net	 <u>1,036</u>	 <u>1,787</u>
Deposit with insurance companies	<u>254</u>	<u>355</u>
Security deposit	<u>80</u>	<u>36</u>
Total assets	<u><u>74,734</u></u>	<u><u>140,236</u></u>
 Current liabilities		
Trade payables	1,813	2,717
Other payables and accrued expenses	<u>3,248</u>	<u>5,302</u>
Total current liabilities	<u>5,061</u>	<u>8,019</u>
 Accrued severance pay	 <u>254</u>	 <u>425</u>
	<u>5,315</u>	<u>8,444</u>
 Shareholders' equity		
Share capital	360	390
Additional paid-in capital	71,817	131,655
Deferred compensation	(1,553)	(1,199)
Accumulated (deficit) earnings	<u>(1,205)</u>	<u>946</u>
Total shareholders' equity	<u>69,419</u>	<u>131,792</u>
Total liabilities and shareholders' equity	<u><u>74,734</u></u>	<u><u>140,236</u></u>

	<u>For the Three months ended June 30, 2000</u> (UnAudited)	<u>For the Three months ended June 30, 1999</u> (UnAudited)	<u>For the Six months ended June 30, 2000</u> (UnAudited)	<u>For the Six months ended June 30, 1999</u> (UnAudited)
Sales	8,501	3,022	15,038	5,533
Cost of sales	<u>1,347</u>	<u>542</u>	<u>2,393</u>	<u>884</u>
Gross profit	7,154	2,480	12,645	4,649
Research & Development, net	1,150	348	2,088	618
Sales & Marketing	5,877	1,920	10,414	3,814
General & Administrative	<u>724</u>	<u>228</u>	<u>1,376</u>	<u>410</u>
Total operation expenses	7,751	2,496	13,878	4,842
Operating loss	(597)	(16)	(1,233)	(193)
Financial income (expenses), net	<u>1,892</u>	<u>(1)</u>	<u>3,384</u>	<u>16</u>
Net income (loss)	1,295	(17)	2,151	(177)
Basic net income (loss) per share	<u>\$ 0.08</u>	<u>\$ (0.00)</u>	<u>\$ 0.14</u>	<u>\$ (0.02)</u>
Weighted Average shares used to compute Basic net income (loss) per share	15,854,209	9,600,557	15,661,901	9,563,917
Diluted net income (loss) per share	<u>\$ 0.07</u>	<u>\$ (0.00)</u>	<u>\$ 0.12</u>	<u>\$ (0.02)</u>
Weighted Average shares used to compute Diluted net income (loss) per share	17,537,100	9,600,557	17,280,480	9,563,917