

Condensed Consolidated Balance Sheets
(U.S. Dollars in Thousands)

	December 31, 2003	December 31, 2004
	(Audited)	(Audited)
Current assets		
Cash and cash equivalents	31,771	30,073
Short-term bank deposits	-	64,892
Short-term marketable securities	31,111	14,055
Trade receivables, net	9,690	13,166
Other receivables and prepaid expenses	1,089	1,332
Inventories	2,998	4,094
	<u>76,659</u>	<u>127,612</u>
Long-term investments		
Long-term bank deposits	72,017	9,224
Long-term marketable securities	4,122	38,797
Severance pay funds	1,435	1,921
	<u>77,574</u>	<u>49,942</u>
Property and equipment, net	<u>3,479</u>	<u>4,452</u>
Other assets, net	<u>402</u>	<u>1,235</u>
Total assets	<u>158,114</u>	<u>183,241</u>
Current liabilities		
Trade payables	4,285	5,075
Deferred revenues	7,058	9,888
Other payables and accrued expenses	4,839	4,962
	<u>16,182</u>	<u>19,925</u>
Accrued severance pay	<u>1,625</u>	<u>2,399</u>
Minority interest	<u>61</u>	<u>-</u>
Total liabilities	<u>17,868</u>	<u>22,324</u>
Shareholders' equity		
Share capital	439	457
Additional paid-in capital	138,552	145,439
Accumulated other comprehensive loss	(38)	(52)
Retained earnings	1,293	15,073
Total shareholders' equity	<u>140,246</u>	<u>160,917</u>
Total liabilities and shareholders' equity	<u>158,114</u>	<u>183,241</u>