

The **Marker**

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03.9.2000 | 15:19

Security and alarm systems maker [Electronics Line](#) (NM: 936734), which had its IPO on Neuer Markt last week, released its second-quarter 2000 results this morning. The report is well up to expectations. Sales increased by 27% to NIS 29.8 million, while net profit increased to NIS 3.6 million, against NIS 233,000 in the parallel quarter of last year.

In the half-year of 2000, sales rose by 31% to NIS 58.4 million. Net profit for the half-year came to NIS 6.3 million, compared with NIS 1.3 million in the same period in 1999.

Last week Electronics Line raised NIS 113 million on the Neuer Markt. The company floated 25% shares at NIS 450 million company valuation, 12% higher than its market price. The issue had apparently been preceded by several attempts to go public in France and Belgium.

Before the issue, **Cukierman & Co. Investment House** issued a Buy recommendation, and set a price target of NIS 71.5, 34% above the then price on the Tel Aviv Stock Exchange - NIS 53. Cukierman had estimated that there were gains to be made by arbitrage gaps, and that stock would reach the price target by the end of August 2000.

The analysts had apparently been conservative. By August 2000 Electronic Line stock hit NIS 74.2. The company was expected to rise today in Tel Aviv after opening a positive arbitrage gap of 15%.

Electronics Line, which is controlled by the Krubiner family and Discount Investments (13.9% before the issue), develops, manufactures and markets business and domestic alarm systems. Its main markets are the United States and Europe.