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**Orad: 'Bathtub' Development**

About three months ago we titled an article about **Orad High-Tec Systems**: "Prospects for Second half Year Look Good" (*Betafaktor de. 38/089b*)" and at present this development seems to be actually emerging. What is more, the course of the year could reveal a typical 'bathtub curve' for many companies. In other words: Q1 was still very good, (mostly due to 2008 knock-on effects), Q2 and Q3 rather sluggish by comparison, while Q4 showed a clear, renewed upward trend.

"We're back on the growth path again", ORAD CEO **Avi Sharir** stressed in a background talk with BetaFaktor. Q3 sales were already 20% above those of Q2, and profit-wise there was even a 30% hike. In particular, Sharir is certain that "Q4 will be even better than Q3. Our current book-to-bill ratio is more than 1". In other words more orders are presently coming in than are being delivered. The orders backlog is rising.

In fact, Orad seems to have **landed itself a winner**. At the important IBC Broadcast Exhibition in Amsterdam in September it unveiled a special video server for TV sports transmissions, a clientele has enormous real time requirements. Until recently – with a few exceptions – the market was covered by **a single supplier** from Belgium. "Customers have always wanted a second source," explains Sharis. Because of this he reckons the chances of succeeding are excellent. In particular, five systems have already been sold, even though the relevant marketing cycles are from nine to 12 months. The sales figures also



(Jan-Dec 09)

provide an accurate indicator for the second half of 1910. The video server market, by the way, is larger than the classical graphics market in which Orad has thus far been active. Nevertheless Orad recently officially reported that in November alone, it bagged new orders for graphic solutions for sport broadcast graphic solutions worth a million USD. Even if the USD does not, unfortunately play ball - Orad's balance sheets are compiled in the US currency – we confirm our **target price of 3 Euros (BetaFaktor.de 09/09b)** due to the excellent operative development.

Orad Remains a Highly  
Promising Share

Company:	Orad
ISIN:	IL0010838071
Price:	2.10 Euros
No. of Shares	11 million
Market Value:	23 mills. Euros
Internet:	<a href="http://www.orad.tv">www.orad.tv</a>