



ADHOC RELEASE

Valor Computerized Systems Ltd. Reports Results for the Three-Month-Period ended March 31, 2002 and elects new CEO.

YAVNE, Israel - May 07, 2002 - Valor Computerized Systems, a global leader in providing productivity software solutions to the electronics industry, reported today financial results for the three months period ending March 31, 2002:

Summary Financial Data:

	Q1 2002	Q1 2001	% Change
Product Sales	2,539	5,612	(54.7)
Maintenance & Subscription Revenues	2,369	1,667	42.1
Revenues Total	4,962	7,279	(31.8)
Gross Profit	4,318	6,299	(31.4)
EBIT	(1,174)	(831)	
EBITDA	(776)	(460)	
Net Profit (Net Loss)	(1,187)	(225)	
EpS in US\$ (diluted)	(0.07)	(0.01)	
Shareholder's Equity	38,315	44,963	(14.8)
Total Assets	45,435	54,523	(16.7)
Capital Investments	(52)	(749)	
Research & Development	2,226	2,590	(14.1)
Employees (Period End)	243	241	

(all figures are in US\$ 1000, unless otherwise noted):

During this period, Valor recorded total revenues of US\$ 5.0 million, representing a decrease of 31.8 % compared to the first quarter of 2001 when total revenues were US\$ 7.3 million. In total, Valor reported a net loss of US\$ 1.2 million for the first quarter of 2002 compared to a net loss of US\$ 0.2 million achieved during the first quarter of year 2001.

Difficult market conditions and the weak order situation in the electronics industry are the main reasons for the reduction in Valor's product sales. While revenues from product sales fell 54.7% to US\$ 2.5 million compared to revenue of US\$ 5,6 million in the first quarter of 2001, the revenue resulting from maintenance and subscriptions increased by 42.1% to US\$ 2,3 Million compared to US\$ 1,7 million in Q1 of 2001.



However, in comparison to the first quarter result in 2001, the first quarter of 2002 showed a reduction in operating costs and expenses of 23% while still maintaining the same level of research & development costs for Valor's next generation of software products.

On May 06, 2002 Mr. Schmil Dolberg informed Valor's board of directors that due to personal reasons he is stepping down from his current position as President & CEO of Valor Computerized Systems. Valor's board of directors elected Mr. Ofer Shofman, President of Valor Hong Kong and Japan and responsible for Valor's Far East operations, as Mr. Dolberg's successor. Mr. Shofman will assume office as Valor's President & CEO on August 1, 2002. The board thanked Mr. Dolberg for his work in leading the company since its inception. Mr. Dolberg will continue his involvement in the company as a member of Valor's directory board.

The complete quarterly report can be downloaded at:

ftp://ftp.valor.com/pub/private/mgmt_reports/VCRQ102E.pdf

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