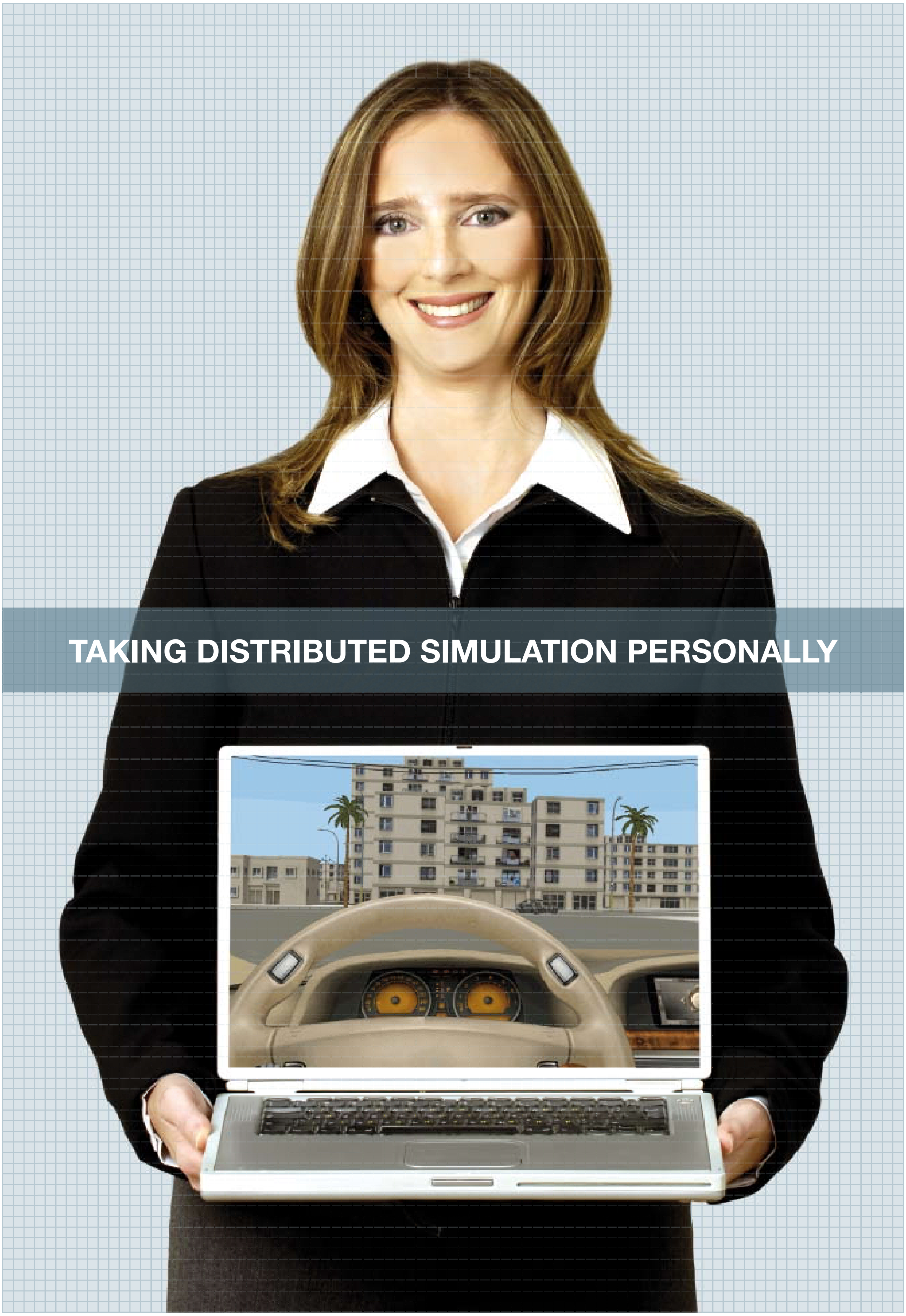


2006 ANNUAL REPORT

SIMIGON

ABOUT SIMIGON

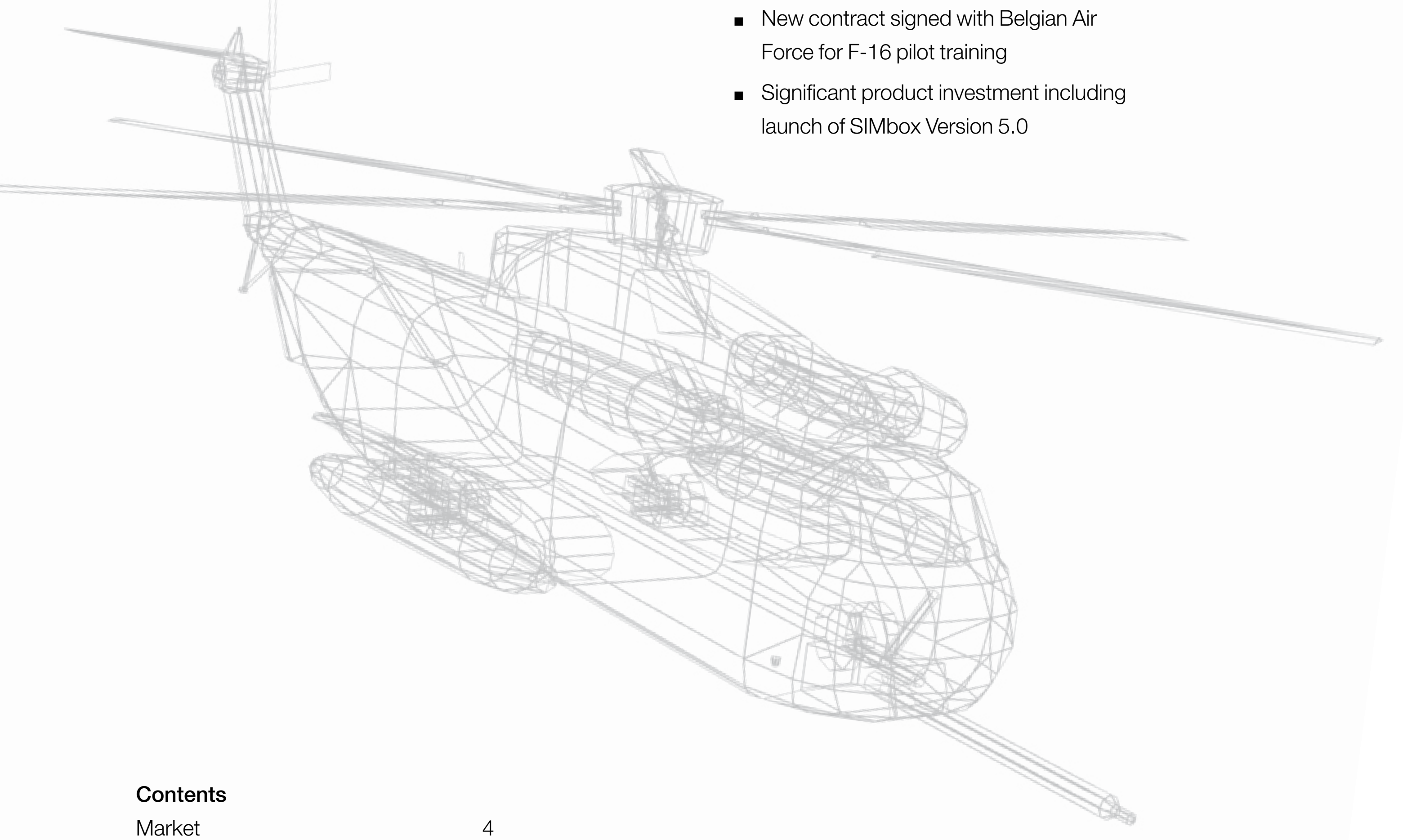
SimiGon (AIM: SIM) is a leading developer and supplier of distributed simulation solutions for defence and civilian applications. SimiGon is the creator of SIMbox, a leading PC-based platform for creating, managing and deploying simulation-based content across multiple domains. Through its off-the-shelf training solutions for demanding high-skill occupations, SimiGon provides diverse organisations with faster and more cost-effective training. SimiGon's growing client base includes blue-chip training and simulation systems providers as well as over 20 air forces and commercial airlines worldwide. Founded in 1998, SimiGon maintains offices in Israel and the United States.

FINANCIAL HIGHLIGHTS

- Revenues increased by 63.8% to $7.52 million (2005: $4.59 million)
- Operating profit increased by 164.5% to $2.51 million (2005: $0.95 million)
- Gross margin of 84.1% (2005: 86.4%)
- Strong balance sheet with net cash and short-term deposits of $8.88 million
- Non-defence revenues increased to 19% of revenues (2005: 11%)

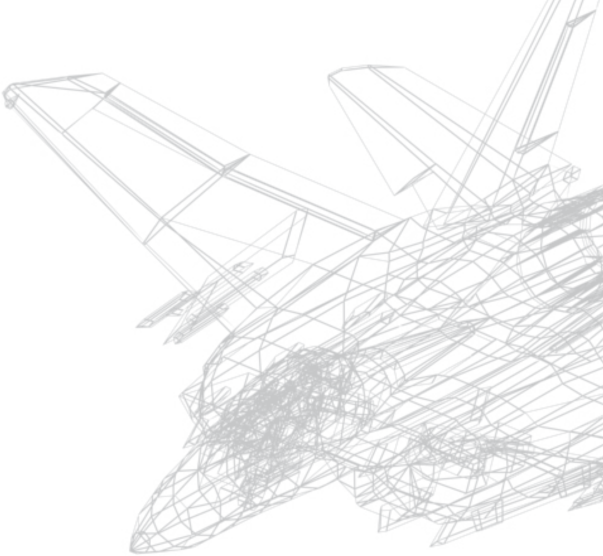
OPERATIONAL HIGHLIGHTS

- Successful London IPO and admission to AIM in November 2006 raising $10m
- Well established blue-chip customer base in the defence sector
- New contract signed with Belgian Air Force for F-16 pilot training
- Significant product investment including launch of SIMbox Version 5.0



Contents

Cover: Iris Siruse,
Director of Human Resources,
displaying the CarBook application
for driving scenarios



TAKING DISTRIBUTED SIMULATION PERSONALLY

When it comes to distributed simulation solutions, SimiGon is the way to go. Leading the industry shift away from inflexible, stationary and expensive training systems, SimiGon offers personal, portable and cost-effective training solutions optimized for the PC or laptop. Our off-the-shelf platform and products – for air, land and sea applications – are highly flexible, adaptable and robust. This "personal" approach enables multiple high-skill users to train simultaneously on multiple platforms, saving defence and civilian organisations significant time and money. We also offer state-of-the-art solutions for non-training applications, bringing the best of personal simulation to wider audiences.

***Didi Gurfinkel**,*
VP Product Development,
presenting the AirBook
application for fighter aircraft

LEVERAGING GROWING MARKETS FOR PERSONAL TRAINING & SIMULATION

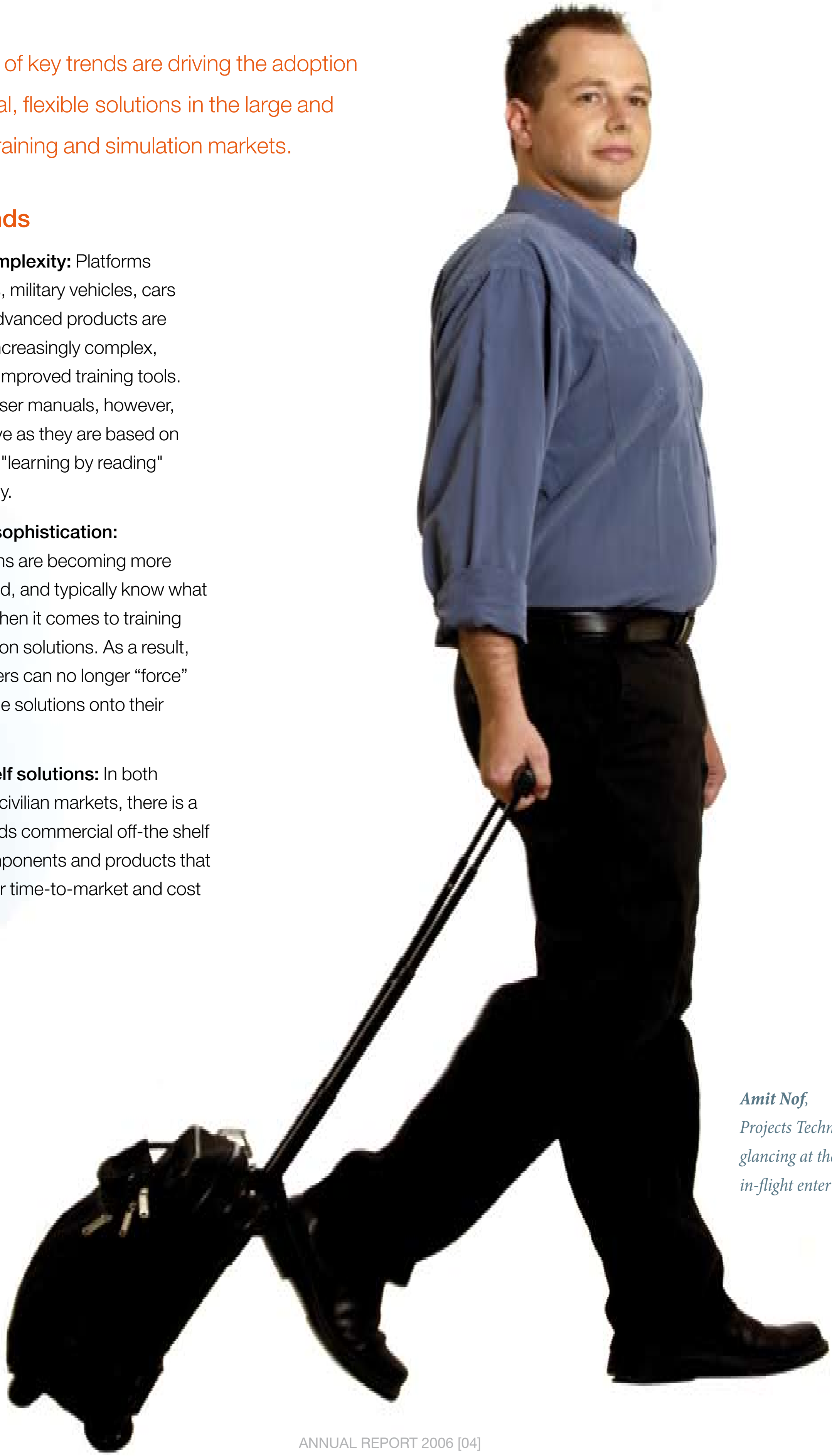
A number of key trends are driving the adoption of personal, flexible solutions in the large and growing training and simulation markets.

Key Trends

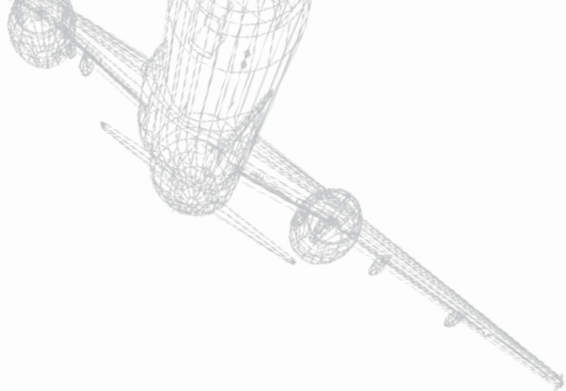
System complexity: Platforms for airplanes, military vehicles, cars and other advanced products are becoming increasingly complex, and require improved training tools. Traditional user manuals, however, are ineffective as they are based on an obsolete "learning by reading" methodology.

Customer sophistication: Organisations are becoming more sophisticated, and typically know what they want when it comes to training and simulation solutions. As a result, large suppliers can no longer “force” their inflexible solutions onto their customers.

Off-the-shelf solutions: In both military and civilian markets, there is a move towards commercial off-the shelf (COTS) components and products that provide clear time-to-market and cost benefits.



Amit Nof,
Projects Technical Manager, glancing at the AirTrack in-flight entertainment solution



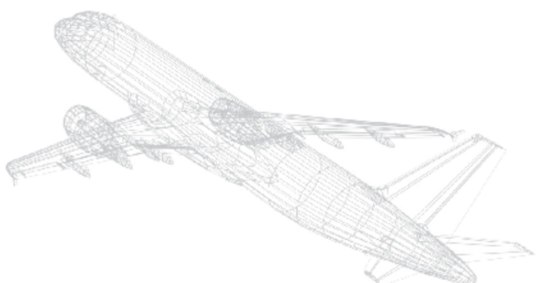
Growing Markets

In light of these trends, there is an industry shift away from expensive, stationary training systems towards more robust, cost-effective PC or laptop-based COTS training solutions. Moreover, "learning by doing" is becoming widely recognized as the most effective way to train users, especially those in demanding high-skill occupations in both military and civilian markets.

Global e-learning and simulation market: The e-learning simulation training products and services market is forecasted to reach $37 billion by 2011, according to research conducted by Brandon Hall. Of the $51.1 billion spent globally on formal training in 2005, $13.5 billion was for training products and services, up from $13.3 billion in 2004.

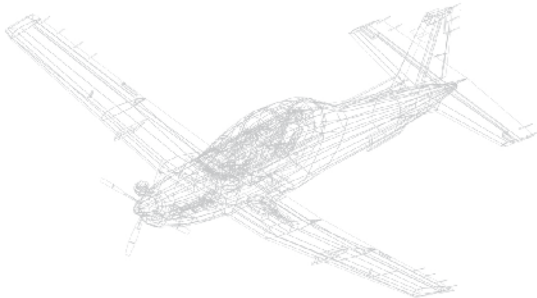
Defence market: The US military training and simulation sector is estimated at over $5 billion in 2006, and is forecast to increase annually through 2011, according to Frost & Sullivan. Several current military aviation programmes require training systems, including the Joint Strike Fighter (JSF), F-16, F-15, F/A-18, and Predator (UAV). Undergoing a renaissance, the jet trainer market exhibits great potential, since many new aircraft platforms either have been, or will be shortly, selected in numerous countries including the UK, Greece, Israel, and Singapore.

Civilian market: Training products can be implemented for commercial flight training, air traffic control, maritime operations, nuclear and electric power plants, driving, medical care, and other applications requiring a high level of operational skill. Globally, over 27,000 new passenger jet aircraft are to be delivered between 2006 and 2024, with the global aircraft fleet estimated to surpass 35,000 aircraft by 2024. Airline passenger traffic is forecast to grow 4.9% annually over the next 20 years. Airbus, Boeing, Embraer and Bombardier are competing to win aircraft orders worth an estimated $2.6 trillion over the next two decades. And the existing and future aircraft market for business jets offers promising potential.



GETTING PERSONAL WITH DISTRIBUTED SIMULATION SOLUTIONS

SimiGon's comprehensive portfolio of off-the-shelf solutions – including a state-of-the-art simulation platform and range of compelling products – "closes the knowledge gap" for professional users. At the same time, SimiGon's flexible solutions are easily integrated either by customer organisations or third-party systems integrators for both military and civilian applications.



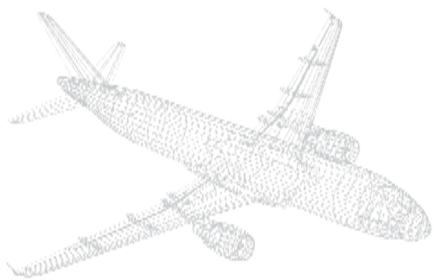
Shaul Samara,
VP Development,
using the AirBook application
for commercial aircraft

SIMbox

SimiGon is the creator of SIMbox, a leading PC-based platform for creating, managing and deploying simulation-based content across multiple domains including training, mission debriefing, homeland security and entertainment. SIMbox is a flexible, off-the-shelf core simulation engine comprised of a wide array of software modules that empowers users to create an unlimited range of new products and content. Built from the ground up as a robust and flexible platform, SIMbox has been deployed successfully by large training and simulation systems providers, leading military contractors, and over 20 air forces and commercial airlines worldwide.

SIMbox is comprised of three main environments:

- **SIMbox Toolkit development environment:** SIMbox Toolkit is an easy-to-use development suite, empowering non-programmers to create, reuse and control simulation-based applications.
- **SIMbox Server management environment:** SIMbox Server contains various software modules used for configuration management of developed content, control over content distribution, data gathering from end users, and data analysis and report generation.
- **SIMbox Runtime delivery environment:** SIMbox Runtime provides hi-fidelity 3D distributed simulations that place the user in a virtual or constructive environment with numerous viewpoints for both military and civilian applications.



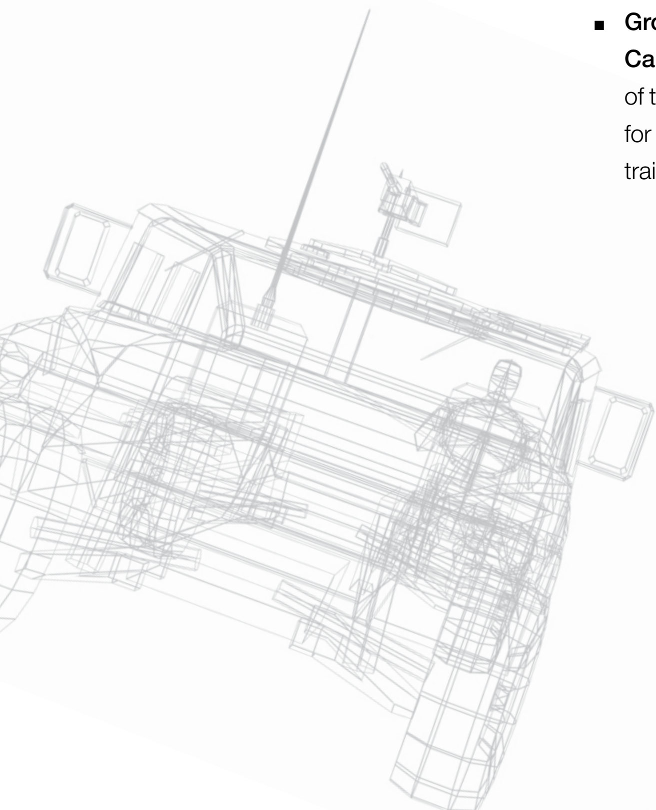
GETTING PERSONAL WITH DISTRIBUTED SIMULATION SOLUTIONS (CONTINUED)

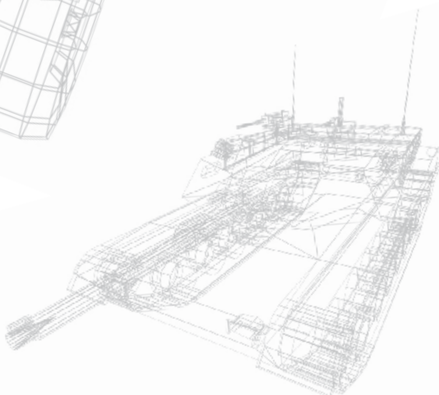
KnowBook Family

KnowBook is a family of PC-based COTS training applications used by leading organisations for training professional users. KnowBook provides a common platform for learning, training, planning and debriefing.

The key members of the KnowBook family are:

- **AirBook™:** the family's flagship application that enables aircrew and organisations to remain completely updated with the rapidly changing demands of the military and civilian aviation world.
- **GroundBook™, MarineBook™ and CarBook™:** the newest members of the KnowBook family designed for ground, maritime and driving training scenarios.





AirTrack®

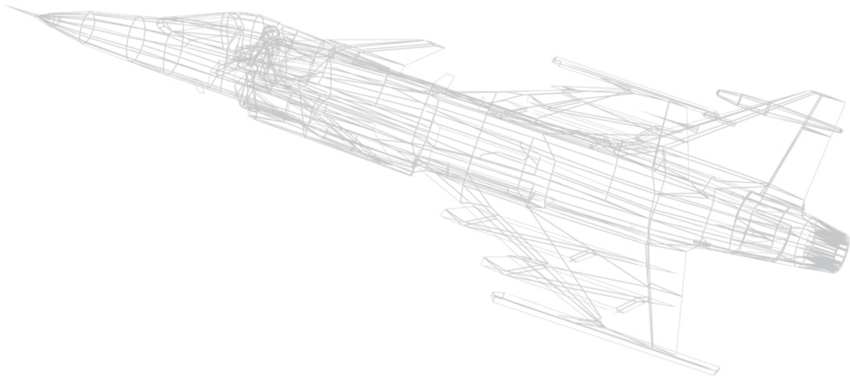
AirTrack® represents the next generation of passenger in-flight entertainment (IFE) solutions. Successfully installed and operational on airlines worldwide, AirTrack is a cost-effective, rapidly deployable solution for airlines seeking to upgrade their IFE systems. Based on advanced SIMbox technology, the system's capabilities include hi-fidelity 360º 3D simulation views, moving maps, external plane views, dynamic media, and real-time flight data and news. AirTrack is provided with an easy-to-use, PC-based software configuration tool that enables airlines to independently and rapidly customize and upload in-flight content based on specific needs.

Debriefing Systems

SimiGon offers advanced post-mission debriefing applications that provide critical feedback and improve operational readiness. Utilizing a standard Windows graphical user interface (GUI), the PC-based systems can be deployed at any location and are extremely simple to operate.

SimiGon's debriefing systems include **D-Brief PC**™ and **MDDS Pro**™**.** Operated from a server connected to multiple client workstations, the systems analyze flight data stored on the aircraft's PMC or RMM cartridge.

D-Brief PC is used to support real-time air combat debriefing. MDDS Pro is a digital debriefing solution incorporating video with 3D simulation.



***Alon Shavit**, VP Products and Programs, showing off the MarineBook application for at-sea scenarios*

Chairman's Statement

I am pleased to present SimiGon's first Annual Report since the Company's admission to trading on the AIM market of the London Stock Exchange plc on November 2006.

I am also delighted to inform shareholders that our results for 2006 are in line with expectations, and demonstrate significant improvement in the Company's performance. We have achieved significant growth during the year, during which we have won several new contracts, both in the training and simulation business as well as in the in-flight entertainment market.

Our technical innovation and focus on R&D has ensured that we remain at the forefront of our industry. The Company's Board of Directors is optimistic about the prospects of SimiGon, in light of the continued enhancement of our product offering and the potential future market growth.

Alistair Rae
Chairman

Chief Executive's Review

Overview

The maiden full-year results of SimiGon Ltd. (the Company, together with its subsidiary, "SimiGon" or the "Group") since admission to AIM on 2 November 2006 indicate a strong operating performance. These results consolidate our position as one of the world's leading developers and suppliers of distributed simulation solutions.

2006 was an encouraging year, marking the maturity of SimiGon and culminating in our successful IPO and admission to AIM, and the launch of Version 5.0 of SIMbox, our flagship simulation solution. During the financial year, we made significant progress in strengthening our position as one of the leading simulation technology suppliers to the defence and aerospace industry.

SimiGon believes that workers learn better and more quickly by doing rather than being shown or told what to do. Our high-technology distributed simulation software allows people to learn to use the equipment they operate in a safe and enjoyable environment. This "learning by doing" approach results in a more effective and efficient training programme, helping organisations reduce training time and costs while increasing knowledge transfer and trainee success rates.

SimiGon's core simulation product, SIMbox, has been used to develop several commercial off-the-shelf (COTS) products, including aviation training mission rehearsal, in-flight entertainment (IFE) systems and ground debriefing systems. These products have been tested and used in the aerospace and defence environment, where they have demonstrated reliability, robustness and the ability to handle complex distributed simulations.

SimiGon derives the majority of revenues from contracts in the defence sector and has established a blue-chip customer base in that industry. However, our revenues from AirTrack (non-defence licensing agreements) increased to 19% of revenues in 2006 from 11% in 2005.

Towards the end of the year, the Group signed a contract with the Belgian Air Force, which signifies increased awareness of our technology solution and encouraged SimiGon to commit additional resources to address the European market. The contract will initially generate approximately $350,000 of revenues in 2007 with expected follow-on orders worth more than $600,000 by the end of 2008. Subsequently, there has been an increased interest for SimiGon's offering in this region.

After the year end, on January 24, 2007, the Group purchased the assets of Visual Training Solution Group, Inc. ("VTSG"). The Group has worked with VTSG over the past few years, providing the company with software development tools and licenses, while VTSG performed value-added content and hardware integration services for end users. The transaction will provide us with a closer relationship with VTSG customers and a better position to leverage SIMbox capabilities.

Financial Performance
Revenues for the year ended 31 December 2006 were $7.52 million, compared to $4.59 million in 2005, an increase of 63.8%. In terms of regional breakdown, 57.3% of our revenues came from North America (2005: 78.6%), 37.8% from Europe and the Middle East (2005: 12.9%) and 4.9% from the Far East (2005: 8.5%). Gross profit for the fiscal year was $6.3 million (2005: $3.96 million), an increase of 59%.

Total operating expenses for the year increased by 26.4% to $3.81 million (2005: $3.015 million), mainly due to the increase in research and development expenses to $1.98 million (2005: $1.45 million). General and administration expenses increased to $0.887 million (2005: $0.703 million) due to salary increases and the costs related to being a public company.

Operating income therefore increased by 164.5% to $2.51 million (2005: $0.949 million) and net income increased from $0.89 million in 2005 to $2.52 million in 2006. This resulted in net basic earnings per share of $0.08 (2005: $ 0.03) and diluted earning per share of $0.07 (2005: $0.03). As of 31 December 2006, SimiGon had cash, cash equivalents and deposits in the amount of $8.88 million.

As of 31 December 2006, the Group had 55 employees, compared to 51 employees as of 31 December 2005.

Product Development
2006 saw our highest level of expenditure yet on R&D as we sought to further extend our technology lead over our competitors.

SimiGon understands the need to remain innovative and develop new features and products to maintain market relevance and increase market share. In 2006, SimiGon focused on the following areas to increase competitiveness:

- A new generation of the SIMbox Learning Management System module has been developed with better performance, mass user support, and unique integration with SIMbox Simulation.
- The SIMbox Learning Management System module has been ported for use on PDA hardware, enabling access through a Web access application on mobile handhelds, particularly benefiting instructors who provide feedback during observation.
- SIMbox training solutions have been expanded to include air traffic control operator training capabilities, with high fidelity speech-recognition capabilities and artificial intelligence simulation, enabling the modelling of a complete air base with all taxi, take-off, departure, and emergency procedures.
- The SIMbox Simulation module has been improved to be able to easily integrate with full-scale simulator hardware, providing cost-effective solutions for full-scale trainers.
- The SIMbox Graphic Engine module has been improved to support urban and ground simulation with high resolution using more efficient algorithms.
- The SIMbox Toolkit development environment has been upgraded extensively with new tools and features, content encryption tools and content templates to reduce content development time.
- SimiGon continues to be one of the fastest companies to comply with SCORM, the most advanced e-learning standard, and is now certified for SCORM 2004 3rd Edition.
- SimiGon R&D has continued to be one of the earliest adapters of cutting-edge software technologies for infrastructure development.

Outlook
SimiGon is well positioned within strong growth markets and, over the past year, has achieved a significant increase in revenues and net income.

Looking ahead, the Group plans to leverage SIMbox to increase market share in its existing and future markets over the coming years. Specifically, in 2007, the Group's plan is to continue to increase its footprint within its current blue-chip customers in the defence sector, although as is customary with dealing with large corporations, there is a risk of delay in contract signing and recognition of revenues. The Group's AirTrack product has had increased interest from new customers but revenues are expected to be a small portion of overall sales. As a result, the Board is confident that the Group will deliver growth in 2007.

Amos Vizer
President & CEO

Board of Directors

Alistair Rae, Non-Executive Chairman
Alistair is currently chief executive of LTG Technologies Plc, an AIM traded company, having been a non-executive director from 2002 to 2005. He was the group finance director of Jarvis Plc from 2004 to 2005, guiding the company through a period of reconstruction. Prior to this he was a director in the corporate finance department of HSBC Investment Bank from 1996 to 2002, and before that he worked in corporate finance at Cazenove for ten years in the UK and the Far East. Alistair qualified as a chartered accountant with KPMG.

Amos Vizer, President & CEO
Prior to founding SimiGon, Amos founded Logi-Cali, a software development house specializing in data storage applications. He previously served as marketing and business development manager of ISYS Operational Management Systems, an international IT company. Amos also previously worked for the missiles division of RAFAEL Armament Development Authority Ltd. Additionally, he served ten years in the Israeli Air Force (IAF) as an F-4 Phantom Fighter navigator, a flight school course commander, and a Popeye missile weapons officer. With extensive training in advanced software development, Amos holds a BA in business administration.

Haim Yatim, CFO
Haim joined SimiGon as chief financial officer following several successful stints in the high-technology sector as a CFO and CPA. Previously, Haim served as CFO at Digital Power (AMEX: DPW). There, his responsibilities included financial reporting to the SEC, corporate accounting and tax preparation, budgeting and forecasting, and risk management. He is a former partner at Ernst & Young's Tel Aviv office, where he advised on successful NASDAQ listings of technology companies. Haim is an Israeli Air Force (IAF) veteran with a B.Sc. in accounting and economics.

GrahamWoolfman, Non-Executive Director
Graham is head of business development and advisory and was previously managing director for investment banking at Cavendish Asset Management Limited. He is also a non-executive director of Gateway VCT Plc, a UK venture capital trust which is listed on the Official List, and is managing partner of its adviser Gateway Management and Advisory LLP. Graham was previously a partner in corporate finance at Levy Gee for 15 years (and therefore subsequently an executive at Numerica Group) and has been a non-executive director of a number of unquoted companies. He is a chartered accountant and a member of the board of the Faculty of Corporate Finance at the Institute of Chartered Accountants in England & Wales.

Dr. Vered Shany, Independent Non-Executive Director
Since March 2002, Vered has managed Tashik Consultants, providing strategic consulting and corporate analysis in the life sciences sector. Previously, Vered served as managing director of Up-Tech Ventures Ltd., as a member of the board of directors of the Weizmann Science Park Incubator, and as vice president of marketing for Arad Technological Incubator. Prior to that, she was business and marketing manager of Medun Ltd., a medical start-up company, from 1995 to 1998. Vered received her masters' degree in business administration from Heriot–Watt University, Edinburgh Business School, and gained her doctorate of medical dentistry and her B.Med.Sc. from the Hebrew University of Jerusalem.

Nevat Simon, Independent Non-Executive Director
Nevat has practiced as a certified public accountant in his own accounting firm since 1991, providing both accounting and other financial services to the firm's clients. He has previously served on the board of Sprint Investments Ltd. and Multimetrics Ltd., both publicly listed companies on the Tel Aviv Stock Exchange, and on the board of a number of private companies. Nevat has a BA in accounting and marketing from the Business College of Management in Tel Aviv and has been a member of the Certified Public Accountant Council in the Justice Department of the State of Israel since 1991.

Management

Amos Vizer, President & CEO
Prior to founding SimiGon, Amos founded Logi-Cali, a software development house specializing in data storage applications. He previously served as marketing and business development manager of ISYS Operational Management Systems, an international IT company. Amos also previously worked for the missiles division of RAFAEL Armament Development Authority Ltd. Additionally, he served ten years in the Israeli Air Force (IAF) as an F-4 Phantom Fighter navigator, a flight school course commander, and a Popeye missile weapons officer. With extensive training in advanced software development, Amos holds a BA in business administration.

Haim Yatim, CFO
Haim joined SimiGon as chief financial officer following several successful stints in the high-technology sector as a CFO and CPA. Previously, Haim served as CFO at Digital Power (AMEX: DPW). There, his responsibilities included financial reporting to the SEC, corporate accounting and tax preparation, budgeting and forecasting, and risk management. He is a former partner at Ernst & Young's Tel Aviv office, where he advised on successful NASDAQ listings of technology companies. Haim is an Israeli Air Force (IAF) veteran with a B.Sc. in accounting and economics.

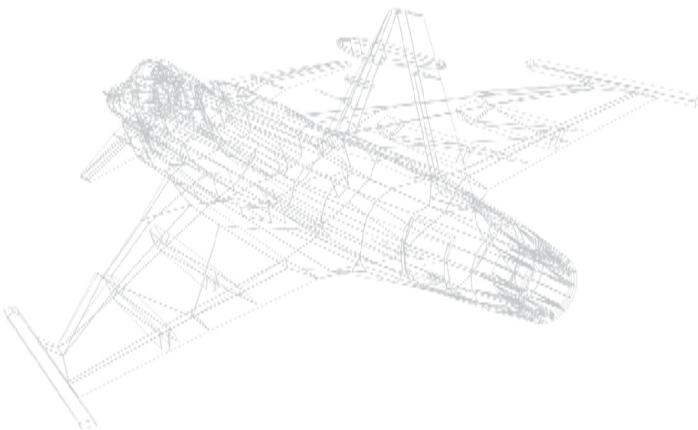
Shaul Samara, VP Development
Prior to joining SimiGon, Shaul was the chief technical officer of Orantech Management Systems, where he was responsible for programming management tools and action items for management systems software. Previously at Orantech, he served as a program manager, creating work plans for some of the largest contractors in Israel. Shaul has a B.Sc. in computer science and economics and is a reserve pilot in the Israeli Air Force (IAF).

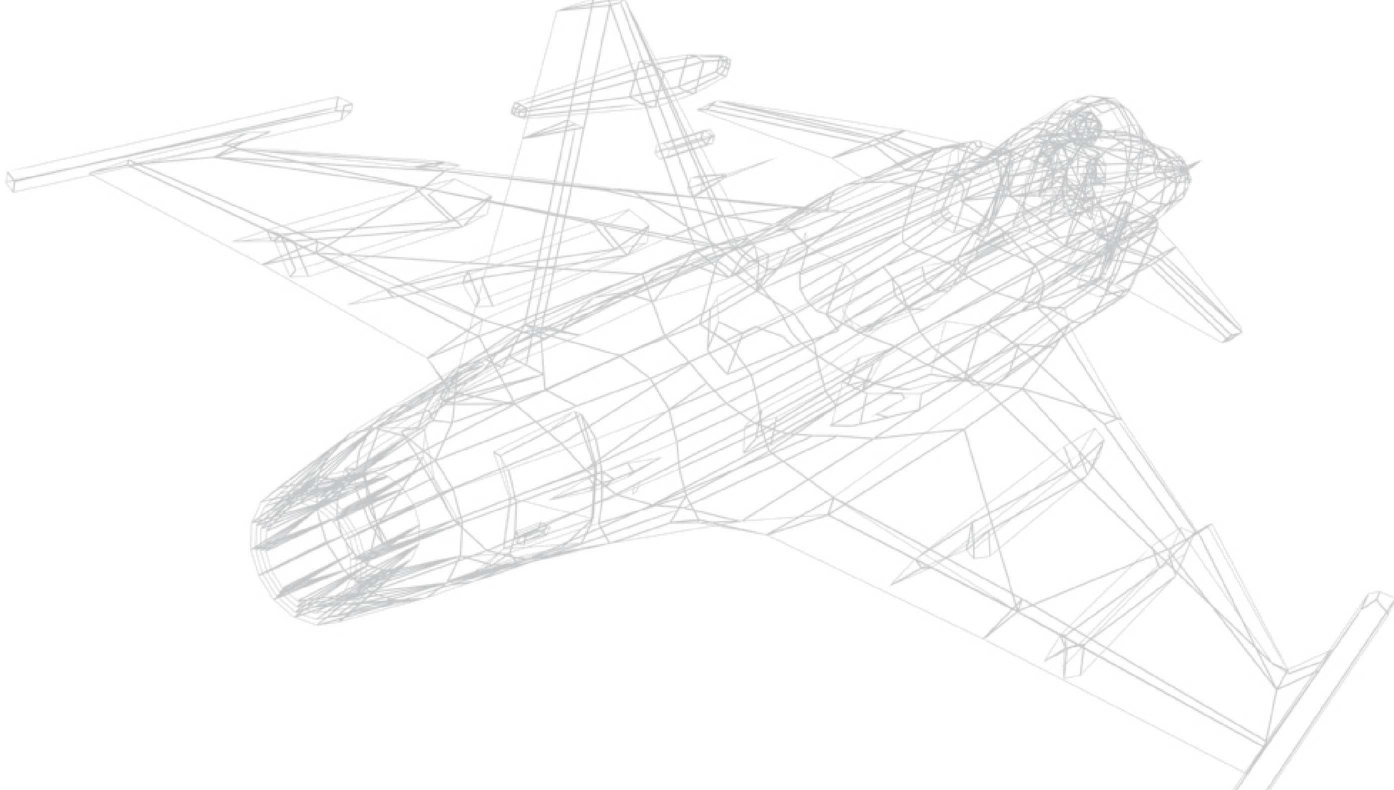
Alon Shavit, VP Products and Programs
Before joining SimiGon, Alon served 15 years in the Israeli Air Force (IAF), having flown F-16s for the past 20 years. He was an instructor in the Operational Training Unit (OTU) on A-4s for two years and a commander of the F-16 OTU for 18 months. His last role in the IAF was managing the planning, coordination, synchronization, and monitoring of the training program. Alon holds an MBA and bachelor's degrees in economics and psychology.

Didi Gurfinkel, VP Product Development
An original member of the company's development team, Didi has over 12 years of software development experience. He maintains particular technology expertise in artificial intelligence (AI), complex algorithms and real-time platforms. Prior to joining SimiGon, he was employed at ECI, a leading telecommunications infrastructure company. Didi holds a B.Sc. in computer science.

Isar Meitis,
Director of Business Development, North America
Prior to assuming his current position, Isar served as a program manager at SimiGon. In that role, he managed programs with leading defence and aerospace organisations including IAI, Rafael, Boeing and numerous air forces such as the Israeli Air Force (IAF), Turkish Air Force (TuAF), Royal Thai Air Force (RTAF) and Republic of Singapore Air Force (RSAF). Isar is an IAF F-16 pilot (reserves) and a former flight instructor.

Iris Siruse, Director of Human Resources
Iris has been managing SimiGon's HR Department for over six years. Before joining SimiGon, she served as assistant to the CEO at a major publishing house, where she developed the company's human resources organization, and was employed as an interviewer at a job placement company. Formerly an Israeli Air Force (IAF) officer, she was responsible for operations of the IAF Commander's office. Iris holds a BA.





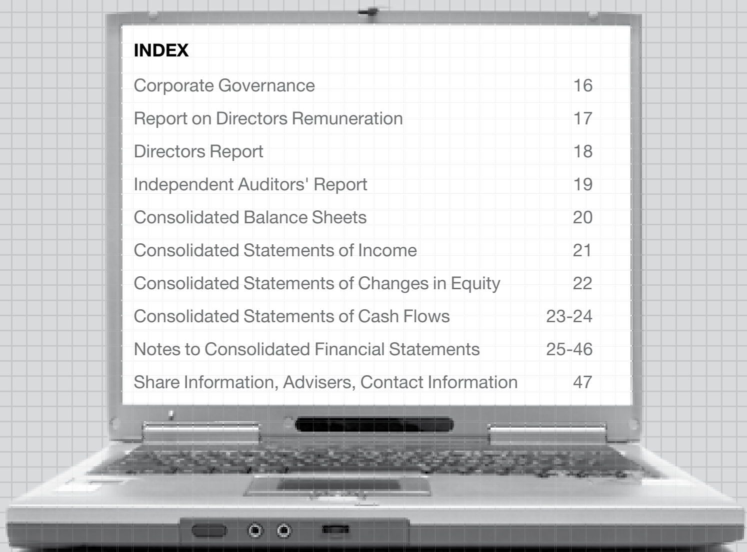
FINANCIALS

SIMIGON LTD. AND ITS SUBSIDIARY

CONSOLIDATED FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2006

U.S. DOLLARS IN THOUSANDS



INDEX

CORPORATE GOVERNANCE FOR THE PERIOD ENDED 31 DECEMBER 2006

Introduction

SimiGon Ltd. commenced trading on the AIM Market operated by the London Stock Exchange on 2 November 2006. Although the rules of AIM do not require the Company to comply with the Combined Code on corporate governance ("the Code") published by the Financial Reporting Council, the Company fully supports the principles set out in the Code and will attempt to comply with them wherever appropriate, given the Company's size, the constitution of the Board and the resources available to the Company. Details are provided below of how the Company applies those parts of the Code, which it believes to be appropriate.

Directors

The Board comprises two executive Directors, two Non-Executive Directors and two independent Non-Executive Directors nominated by the majority shareholders of the Company. The Board generally meets a minimum of once every quarter and receives a Board pack comprising a report from senior management together with any other material deemed necessary for the Board to discharge its duties. It is the Board's responsibility for formulating, reviewing and approving the Group's strategy, budgets, major items of expenditure and acquisitions.

Audit Committee

The audit committee consists of Graham Woolfman, Dr. Vered Shany and Nevat Simon and meets at least twice a year. The role of the audit committee is to examine the deficiencies in the management of the company's business, including in consultation with the internal auditor and the company's independent accountants and to recommend any remedial action. In addition, the approval of the audit committee is required to effect certain related-party transactions.

Remuneration Committee

The remuneration committee consists of Alistair Rae, Dr. Vered Shany and Nevat Simon, and meets at least once a year. The Remuneration Committee has a primary responsibility to review the performance of the Company's executive directors and the senior employees and to recommend their remuneration and other terms of employment.

Shareholder Relations

The Company meets with its institutional shareholders and analysts periodically to encourage communication with shareholders. In addition, the Company intends to facilitate communication with shareholders through the annual report and accounts, interim statement, press releases as required during the ordinary course of business and the Company website (www.simigon.com).

Going Concern

The directors have satisfied themselves that the Company has adequate resources to continue in operational existence for the foreseeable future, and for this reason the financial statements are prepared on a going concern basis.

Internal Control

The Board is responsible for the system of internal control and for reviewing its effectiveness. Such systems are designed to manage rather than eliminate risks and can provide only reasonable and not absolute assurance against material misstatement or loss. Each year, on behalf of the Board, the audit committee reviews the effectiveness of these systems. This is achieved primarily by considering risks potentially affecting the Group and from discussions with the external auditors. Each year, the Group is subject to internal audit, the results of which are presented to the audit committee.

A comprehensive budgeting process is completed once a year and is reviewed and approved by the Board. The Group's results, as compared against budget, are reported to the Board on a quarterly basis and discussed in detail at each meeting of the Board. The Group maintains appropriate insurance cover in respect of any legal actions against the Directors as well as against material loss or claims against the Group and reviews the adequacy of the cover regularly. To comply with AIM rules, the Company has adopted a code for dealings in its shares by directors and employees.

REPORT ON DIRECTORS REMUNERATION

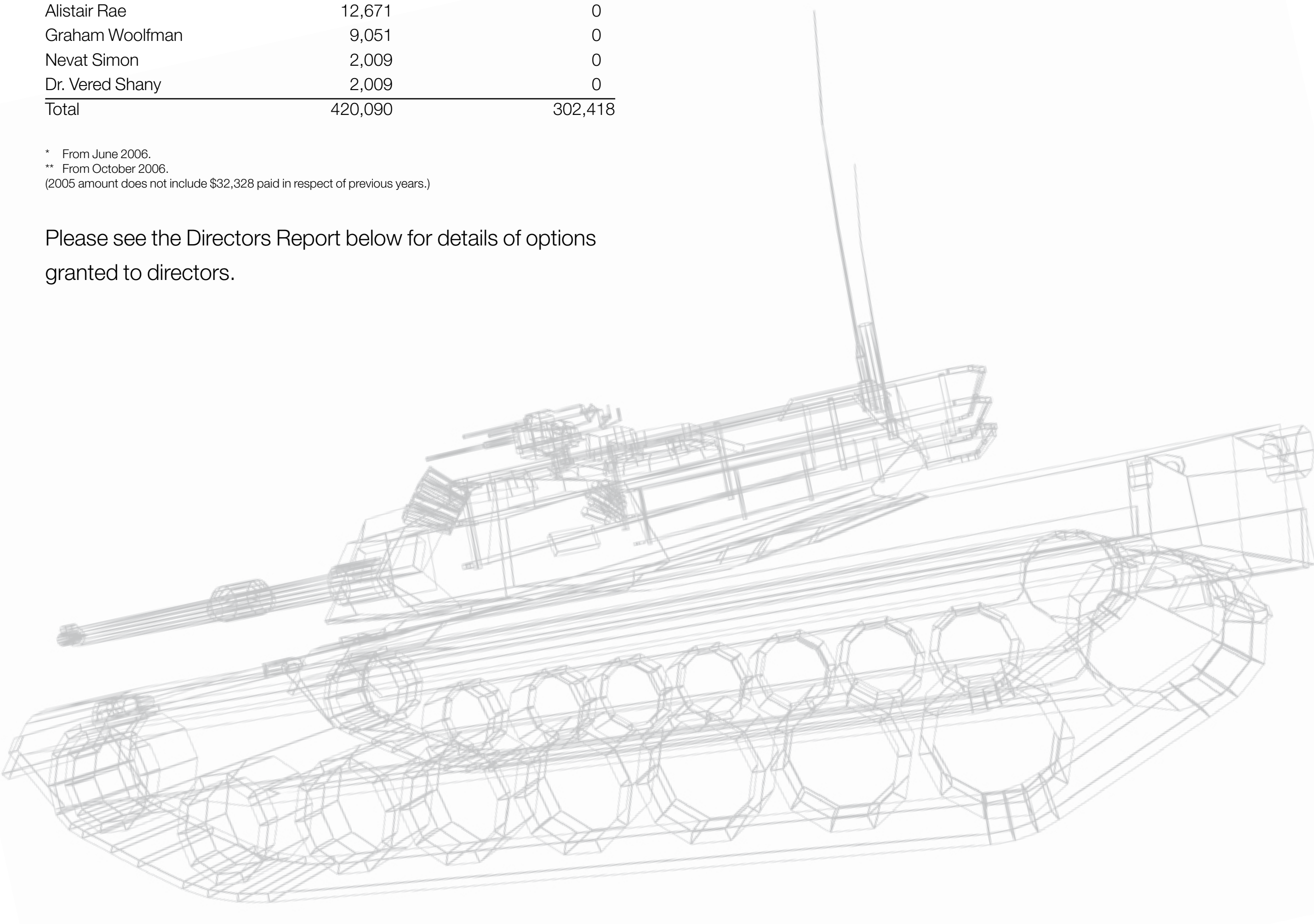
Remuneration Policy

The remuneration committee is headed by Alistair Rae and also comprises Nevat Simon and Dr. Vered Shany. The remuneration packages for non-executive directors are based principally on annual salaries. The remuneration packages for independent non-executive directors are based on an annual fixed fee plus additional payment for each Board or Board committee meeting attended. The remuneration packages for executives are based on annual salaries and benefits.

	Total 2006	Total 2005
Executive	**$**	**$**
Ami Vizer	324,232	302,418
Haim Yatim*	70,118	0
Non-Executive**		
Alistair Rae	12,671	0
Graham Woolfman	9,051	0
Nevat Simon	2,009	0
Dr. Vered Shany	2,009	0
Total	420,090	302,418

* From June 2006.
** From October 2006.
(2005 amount does not include $32,328 paid in respect of previous years.)

Please see the Directors Report below for details of options granted to directors.



The directors submit their report and the financial statements of the Group for the period ended 31 December 2006.

Incorporation and Admission onto the AIM Market
The Company was incorporated on 1 October 1998. On November 2006 the Company commenced trading on AIM and issued 6,076,811 new Ordinary Shares of NIS 0.01 at price of £0.88 per share. The number of Ordinary Shares issued immediately following the admission is 37,250,666.

Share Options
As of 31 December 2006, the outstanding balance of options granted to certain employees of SimiGon is approximately 6.6 percent of the Company's issued and outstanding shares at an average exercise price of $0.70. The majority of the options vest in four years from the date of grant. The options expire in ten years from the date of grant.

Review of Business and Future Developments
The business review is given within the Chief Executive Officer's statement.

Dividends
The Company has not declared a dividend in respect of the relevant period.

Directors
The following directors have held office during the year:
Alistair Rae, appointed as a director and Chairman of the Board on 27 October 2006.
Graham Woolfman, appointed as an independent director on 27 October 2006.
Nevat Simon, appointed as an independent director on 27 October 2006.
Dr. Vered Shany, appointed as an independent director on 27 October 2006.
Haim Yatim, appointed as an executive director on 24 September 2006.
Amos Vizer has been an executive director of the Company since 4 November 1998.
Simi Efrati resigned from the Board in September 2006.
Ramy Weitz resigned from the Board in September 2006.
Baruch Mevorach resigned from the Board in September 2006.

Directors Interest in Shares and Share Options
The interest of directors in the issued share capital of the company immediately following the admission and at 31, December 2006 were as follows.

At the balance sheet date 31.12.2006 and following Admission 2.11.2006

Directors	Number of ordinary shares capital	Percentage of ordinary shares	Options*
Alistair Rae	22,727	0.06	0
Graham Woolfman	0	0	0
Dr. Vered Shany	0	0	0
Nevat Simon	0	0	0
Ami Vizer**	2,600,000	6.98	1,372,074
Haim Yatim	0	0	114,500

* Please see Share Options section above for the terms of these options.
** 937,500 of the shares held by A. Vizer Holding Ltd. are held in trust for third parties, out of which 687,500 shares are held in trust for Packet Science Ltd.

Substantial Shareholdings
At 31, December 2006 the Company was informed of the following interests of 3% or more in its ordinary shares issued at that date:

	Number of shares	Percentage of issued
Jeffrey Braun	6,543,039	17.56
Samurai Invesment Ltd	6,135,695	16.47
Packet Science Ltd	5,557,444	14.92
G. Poran Holding Ltd	3,778,444	10.14
Israel Aircraft Industries Ltd	2,624,310	7.05
A. Vizer Holding Ltd*	2,600,000	6.98
RHI Holding Inc	1,975,695	5.3
Shroder	1,503,282	4.04

* 937,500 of the shares held by A. Vizer Holding Ltd. are held in trust for third parties, out of which 687,500 shares are held in trust for Packet Science Ltd.

Suppliers Payment Policy
The Group does not operate a standard code in respect of payment to suppliers. It has due regard to the payment terms of suppliers and generally settles all undisputed accounts within 60 days of the date of invoice, except where different arrangements have been arranged with suppliers.

Auditors
Kost Forer Gabbay & Kasierer
A member of Ernst & Young Global
3 Aminadav St.
Tel Aviv 67067
Israel

ERNST & YOUNG

INDEPENDENT AUDITORS' REPORT

To the shareholders of

SIMIGON LTD.

We have audited the accompanying financial statements of SimiGon Ltd. and its subsidiary ("the Group"), which comprise the consolidated balance sheets as of December 31, 2006, 2005 and 2004, and the consolidated statements of income, consolidated statements of changes in equity and consolidated statements of cash flows for each of the three years in the period ended December 31, 2006, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate for the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as of December 31, 2006, 2005 and 2004 and of its financial performance and its cash flows for each of the three years in the period ended December 31, 2006, in accordance with International Financial Reporting Standards.

Kost Forer Gabbay and Kasierer

February 16, 2007
Tel-Aviv, Israel

KOST FORER GABBAY & KASIERER
A Member of Ernst & Young Global

CONSOLIDATED BALANCE SHEETS

	Note	December 31, 2006	2005	2004
		U.S. dollars in thousands		
ASSETS				
CURRENT ASSETS:				
Cash and cash equivalents	3	8,226	1,297	1,755
Short-term bank deposits		655	473	-
Trade receivables		1,299	604	96
Other accounts receivable and prepaid expenses	4	215	446	85
Total current assets		10,395	2,820	1,936
PROPERTY AND EQUIPMENT, NET	5	179	162	133
Total assets		10,574	2,982	2,069
EQUITY AND LIABILITIES				
CURRENT LIABILITIES:				
Short-term bank loans		200	200	875
Loans from shareholders	6	-	1,521	758
Trade payables		139	176	194
Deferred revenues		104	2,493	1,751
Other accounts payable and accrued expenses	7	785	472	502
Total current liabilities		1,228	4,862	4,080
LONG-TERM LIABILITIES:				
Severance pay liability	8	252	67	70
Long-term deferred revenues		-	-	770
Total long-term liabilities		252	67	840
Total liabilities		1,480	4,929	4,920
EQUITY:	9			
Share capital		89	73	73
Additional paid-in capital		14,251	5,746	5,732
Accumulated deficit		(5,246)	(7,766)	(8,656)
Total equity		9,094	(1,947)	(2,851)
Total equity and liabilities		10,574	2,982	2,069

The accompanying notes are an integral part of the consolidated financial statements.

February 16, 2007			
Date of approval of the financial statements	Alistair Rae Non-executive Chairman of the Board	Ami Vizer Chief Executive Officer	Haim Yatim Chief Financial Officer

CONSOLIDATED STATEMENTS OF INCOME

	Note	2006	2005	2004
		Year ended December 31,		
		U.S. dollars in thousands		
Revenues	13	7,517	4,588	4,495
Cost of revenues	12a	1,196	624	862
Gross profit		6,321	3,964	3,633
Operating expenses:				
Research and development	12b	1,985	1,446	1,328
Selling and marketing	12c	939	866	780
General and administrative	12d	887	703	517
Total operating expenses		3,811	3,015	2,625
Operating profit		2,510	949	1,008
Financial income (expenses), net	12e	10	(59)	(67)
Profit for the year		2,520	890	941
Basic earnings per share in U.S. dollars	13	0.08	0.03	0.03
Diluted earnings per share in U.S. dollars	13	0.07	0.03	0.03
Weighted average number of shares used in computing basic earnings per share in thousands	13	31,608	30,489	30,379
Weighted average number of shares used in computing diluted earnings per share in thousands	13	33,821	32,693	32,313

The accompanying notes are an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Number of shares	Share capital	Additional paid-in capital	Accumulated deficit	Total equity
	U.S. dollars in thousands (except share amounts)				
Balance as of January 1, 2004	30,325,850	73	5,732	(9,597)	(3,792)
Exercise of employee stock options	121,988	*) -	-	-	*) -
Profit for the year	-	-	-	941	941
Balance as of December 31, 2004	30,447,838	73	5,732	(8,656)	(2,851)
Share-based compensation	-	-	14	-	14
Exercise of employee stock options	72,493	*) -	-	-	*) -
Profit for the year	-	-	-	890	890
Balance as of December 31, 2005	30,520,331	73	5,746	(7,766)	(1,947)
Shareholders' waiver of interest on loan	-	-	85	-	85
Issuance of shares, net **)	6,076,811	14	8,397	-	8,411
Exercise of warrant issued to a bank	653,524	2	(2)	-	-
Share-based compensation	-	-	25	-	25
Profit for the year	-	-	-	2,520	2,520
Balance as of December 31, 2006	37,250,666	89	14,251	(5,246)	9,094

*) Represents an amount lower than $ 1,000.
**) Net of issuance expenses of $ 1,619 thousand in 2006.

The accompanying notes are an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year ended December 31,		
	2006	2005	2004
	U.S. dollars in thousands		
Cash flows from operating activities:			
Profit for the year	2,520	890	941
Adjustments to reconcile profit to net cash provided by operating activities (a)	(2,236)	(800)	(18)
Net cash provided by operating activities	284	90	923
Cash flows from investing activities:			
Investment in short-term deposit	(182)	(473)	-
Purchase of property and equipment	(82)	(77)	(47)
Proceeds from sale of property and equipment	-	2	16
Net cash used in investing activities	(264)	(548)	(31)
Cash flows from financing activities:			
Issuance of shares, net	8,411	-	-
Proceeds from loans from shareholders	-	675	-
Proceeds from short-term bank loans	-	200	875
Repayment of loans from shareholders	(1,502)	-	-
Repayment of short-term bank loans	-	(875)	(875)
Net cash provided by financing activities	6,909	-	-
Increase (decrease) in cash and cash equivalents	6,929	(458)	892
Cash and cash equivalents at beginning of year	1,297	1,755	863
Cash and cash equivalents at end of year	8,226	1,297	1,755

The accompanying notes are an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

		2006	2005	2004
		Year ended December 31,		
		U.S. dollars in thousands		
(a)	Adjustments to reconcile profit to net cash provided by operating activities:			
	Income and expenses not involving operating cash flows:			
	Depreciation	65	47	52
	Share-based compensation	25	14	-
	Gain on sale of property and equipment	-	(1)	(10)
	Accrued interest on loans from shareholders	66	88	34
	Accrued severance pay, net	185	(3)	1
	Changes in operating assets and liabilities:			
	Increase in trade receivables	(695)	(498)	(30)
	Decrease (increase) in other accounts receivable and prepaid expenses	231	(361)	(20)
	Decrease in trade payables	(37)	(18)	(2)
	Decrease in deferred revenues	(2,389)	(38)	(142)
	Increase (decrease) in other accounts payable and accrued expenses	313	(30)	99
		(2,236)	(800)	(18)
(b)	Supplemental disclosure of cash flows:			
	Cash paid during the year for: Interest	80	19	42
	Cash received during the year for: Interest	105	25	6
(c)	Supplemental disclosure of non-cash financing activities:			
	Shareholders' waiver of interest on loans	85	-	-

The accompanying notes are an integral part of the consolidated financial statements.

NOTE 1:- GENERAL

a. SimiGon Ltd. ("the Company") commenced its operations on October 1, 1998, and is engaged in developing advanced learning, training and simulation technologies and applications for use in professional communities. The Company's registered office is in Herzlia, Israel.

b. In January 2000, the Company established a wholly-owned subsidiary in the United States, SimiGon Inc. The subsidiary is engaged in the marketing of the Company's products in the United States.

c. On November 2, 2006, the Company completed its Initial Public Offering ("IPO") on the Alternative Investment Market ("the AIM") on the London Stock Exchange, by issuing 6,076,811 Ordinary shares of NIS 0.01 par value each at a price of £ 0.88 ($ 1.65) per share for a total net consideration of $ 8.4 million dollars.

d. On January 24, 2007, SimiGon Inc. signed an Asset Purchase Agreement with Visual Training Solution Group, Inc. ("VTSG"). VTSG was a former business partner of the Company whereby the Company provided the software and VTSG provided the content and hardware integration.
According to the agreement, the subsidiary will pay a total consideration of $ 2 million dollars for the selected seller's asset as defined in the agreement. (see also Note 16).

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES

a. Basis of preparation:

The consolidated financial statements of the Company and its subsidiary have been prepared on a historical cost basis in accordance with International Financial Reporting Standards ("IFRS").

b. Accounting policies:

The accounting policies adopted by the Company for all periods presented are in compliance with the IFRS that are effective at December 31, 2006.

c. Functional currency and translation:

Substantially all of the Company's sales are made outside Israel in non-Israeli currencies, mainly the U.S. dollar. A substantial portion of the Company's expenses, mainly selling and marketing expenses, is incurred in or linked to U.S. dollars. The funds of the Company are held in U.S. dollars. Therefore, the Company's management has determined that the U.S. dollar is the currency of the primary economic environment of the Company, and thus its functional and presentation currency.

Monetary assets and liabilities denominated in non-U.S. dollar currencies are translated into U.S. dollars at the exchange rate on balance sheet date. Transactions in non-U.S. dollar currencies are translated into U.S. dollars at the exchange rate on the date of transaction. Transaction differences are included in financial expenses in the statement of income.

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES (Cont.)

Data regarding exchange rates for the New Israeli Shekel ("NIS") in relation to the U.S. dollar are as follows:

As of	Exchange rate of one U.S. dollar
December 31, 2006	NIS 4.225
December 31, 2005	NIS 4.603
December 31, 2004	NIS 4.308
December 31, 2003	NIS 4.379

d. Principles of consolidation:

The consolidated financial statements include the accounts of the Company and its subsidiary. Intercompany balances and transactions have been eliminated upon consolidation.

e. Cash and cash equivalents:

Cash and short-term deposits in the balance sheet comprise cash at hand and short-term deposits with an original maturity of three months or less.

f. Short-term bank deposit:

Bank deposits with maturities of more than three months but less than one year are included in short-term bank deposits. Such short-term bank deposits are stated at amortized cost using the effective interest method. Short-term bank deposits as of December 31, 2006 bear interest at an annual average rate of 4%-5%.

g. Trade receivables:

Trade receivables are recognized and carried at the original invoice amount less an allowance for any uncollectible amounts. An allowance for doubtful debts is made when there is evidence that the Company will be unable to collect the full amount. Bad debts are written-off when identified by management.

As of December 31, 2006, 2005 and 2004, no allowance for doubtful debts has been recorded as the Company's management has concluded that there is no evidence as to uncollectibility.

h. Property and equipment:

Property and equipment are stated at cost, net of accumulated depreciation and impairment in value. Depreciation is calculated by the straight-line method over the estimated useful lives of the assets at the following annual rates:

	%
Computers and peripheral equipment	33
Office furniture and equipment	7 - 15 (mainly 15%)
Motor vehicles	15
Leasehold improvements	Over the term of the lease or the estimated useful life, whichever is shorter

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES (Cont.)

i. Impairment of non-current assets:

The carrying values of non-current assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount. The recoverable amount is the higher of net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. As of December 31, 2006, 2005 and 2004, no impairment losses have been identified.

j. Research and development:

Research and development costs are charged to the income statement as incurred as development costs do not meet the criteria for recognition as an intangible asset.

k. Deferred income taxes:

The Company and its subsidiary provide for deferred income taxes using the liability method of accounting. Under the liability method, deferred taxes are recognized for temporary differences between the tax basis of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred taxes are measured based on enacted tax rates that are expected to be in effect in the year in which the differences are expected to reverse. Deferred tax assets in respect of carryforward losses and other temporary deductible differences are recognized to the extent that it is probable that they will be utilized.

l. Revenue recognition:

Revenues are recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenues can be reliably measured.

The Company generates revenues mainly from licensing the rights to use its software products and sales of software licenses that require significant customization. The Company also generates revenues from maintenance, support and training. The Company sells its products primarily through value added resellers. The resellers usually add an additional component to the package sold or include the Company's products as part of a broader package. During the years ended December 31, 2006, 2005 and 2004, the Company generated revenues from software licenses in the amounts of $ 5,709,909, $ 2,662,445 and $ 2,412,807, respectively.

Maintenance and support revenue included in multiple element arrangements is deferred and recognized on a straight-line basis over the term of the maintenance and support agreement. The fair value of the undelivered elements (maintenance and support services) is determined based on the price charged for the undelivered element when sold separately. During the years ended December 31, 2006, 2005 and 2004, the Company generated revenues from maintenance and support in the amounts of $ 819,782, $ 975,183 and $ 685,709, respectively.

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES (Cont.)

Revenues from software licensing that requires significant customization are recognized by reference to the stage of completion of the transaction at the balance sheet date. When the outcome of the transaction cannot be estimated reliably, revenues are recognized only to the extent of the costs recognized that are recoverable. A provision for estimated losses on uncompleted contracts is recorded in the period in which such losses are first identified. As of December 31, 2006, no provision for such losses has been identified.

During the years ended December 31, 2006, 2005 and 2004, the Company generated revenues from software licenses that require significant customization in the amounts of $ 797,606, $ 916,773 and $ 1,349,952, respectively.

Under one of the software license agreements that required significant customization, the Company had undertaken an off-set obligation to purchase hardware from the customer or its affiliates. Accordingly, the Company deferred the recognition of the respective revenues in the amount of $ 800,000 until such off-set obligation is settled or waived. In 2006, the Company reached an agreement with the customer to provide the customer with certain additional licenses in consideration for the waiver of the off-set obligation. Accordingly, the Company recognized the deferred revenues in 2006.

The Company and its subsidiary generally offer a warranty for their products. A provision for warranty costs is provided at the time revenues are recognized, for estimated costs during the warranty period based on the past experience.

Revenues from training are recognized when performed. During the years ended December 31, 2006, 2005 and 2004, the Company generated revenues from training in the amounts of $ 188,912, $ 34,045 and $ 46,829, respectively.

Deferred revenue includes unearned amounts received under maintenance and support contracts, and amounts received from customers but not recognized as revenues.

m. Basic and diluted earnings per share:

Basic earnings per share are computed based on the weighted average number of Ordinary shares outstanding during each year. Diluted earnings per share are computed based on the weighted average number of Ordinary shares outstanding during each year, plus dilutive potential Ordinary shares considered outstanding during the period, except when such potential shares are antidilutive.

n. Severance pay liability:

The Company's liability for severance pay pursuant to the Israel's Severance Pay Law is based on the last monthly salary of the employee multiplied by the number of years of employment, as of the date of severance. The cost of providing severance pay is determined using an independent actuary. Actuarial gains and losses are recognized immediately in the statement of income in the period in which they occur.

Pursuant to Section 14 of the Severance Pay Law, which covers most of the Company's employees, monthly deposits with insurance companies release the Company from any future severance obligations in respect of those employees (defined contribution). Deposits under Section 14 are recorded as an expense in the Company's statement of income.

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES (Cont.)

o. Concentrations of credit risks:

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash and cash equivalents, short-term bank deposits and trade receivables.

Cash and cash equivalents and short-term bank deposits are invested in major banks in Israel and the United States. Management believes that the financial institutions that hold investments of the Company and its subsidiary are financially sound and, accordingly, minimal credit risk exists with respect to these investments.

The Company monitors on a current basis the credit of its customers and does not offer credit terms without a specific approval.

The Company has no off-balance-sheet concentration of credit risk such as foreign exchange contracts, option contracts or other foreign hedging arrangements.

p. Fair value of financial instruments:

The carrying amounts of cash and cash equivalents, short-term bank deposit, trade receivables, other accounts receivable, short-term bank loans, trade payables and other accounts payable and long-term loans approximate their fair value due to the short-term maturity of such instruments.

q. Share-based payment transactions:

The Company applies the provisions of IFRS 2, "Share-Based Payment". IFRS 2 requires an expense to be recognized where the Company buys goods or services in exchange for shares or rights over shares ("equity-settled transactions"), or in exchange for other assets equivalent in value to a given number of shares of rights over shares ("cash-settled transactions"). The main impact of IFRS 2 on the Company is the expensing of employees' and directors' share options (equity-settled transactions).

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date on which they are granted. The fair value is determined by using the Black-Scholes option-pricing model taking into account the terms and conditions upon which the instruments were granted. The fair values of Ordinary shares for the purpose of calculating the fair values of options and warrants were determined by management based on a number of factors, including external valuations.

The cost of equity-settled transactions is recognized, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ("the vesting date"). The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES (Cont.)

The dilutive effect of an outstanding option is reflected as additional share dilution in the computation of earnings per share.

r. IFRS and IFRIC Interpretations not yet effective:

The Company has not early adopted IFRSs and IFRIC Interpretations that have been issued but are not effective as of December 31, 2006. Management expects that adoption of those pronouncements will not have a material impact on the financial position and profit of the Company in the period of initial application.

s. Future changes in accounting policies: IFRS 7, "Financial Instruments":

IFRS 7 requires new disclosures to be presented in next year's financial statements on a comparative basis that will enable users to evaluate the significance of the Group's financial instruments and the nature and extent of risks arising from those financial instruments.

NOTE 3:- CASH AND CASH EQUIVALENTS

	December 31,		
	2006	**2005**	**2004**
	U.S. dollars in thousands		
Cash at bank and on hand	457	1,076	1,693
Short-term deposit	7,769	221	62
	8,226	1,297	1,755

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

NOTE 4:- OTHER ACCOUNTS RECEIVABLE AND PREPAID EXPENSES

	December 31,		
	2006	**2005**	**2004**
	U.S. dollars in thousands		
Deferred costs	41	335	-
Government authorities	93	55	33
Deposits	23	24	12
Prepaid expenses	52	7	28
Employee advance	6	20	11
Other	-	5	1
	215	446	85

NOTE 5:- PROPERTY AND EQUIPMENT

a. Composition and movement:

	Computers and peripheral equipment	Office furniture and equipment	Motor vehicles	Leasehold improvements	Total
	U.S. dollars in thousands				
Cost:					
Balance as of January 1, 2004	442	106	32	51	631
Acquisitions during the year	34	10	-	3	47
Disposals during the year	-	-	(30)	-	(30)
Balance as of December 31, 2004	476	116	2	54	648
Acquisitions during the year	67	10	-	-	77
Disposals during the year	(5)	-	(2)	-	(7)
Balance as of December 31, 2005	538	126	-	54	718
Acquisitions during the year	55	27	-	-	82
Balance as of December 31, 2006	593	153	-	54	800
Accumulated depreciation:					
Balance as of January 1, 2004	407	42	21	17	487
Provision during the year	31	11	4	6	52
Disposals during the year	-	-	(24)	-	(24)
Balance as of December 31, 2004	438	53	1	23	515
Provision during the year	29	13	-	5	47
Disposals during the year	(5)	-	(1)	-	(6)
Balance as of December 31, 2005	462	66	-	28	556
Provision during the year	43	16	-	6	65
Balance as of December 31, 2006	505	82	-	34	621
Depreciated cost as of December 31, 2006	88	71	-	20	179
Depreciated cost as of December 31, 2005	76	60	-	26	162
Depreciated cost as of December 31, 2004	38	63	1	31	133

b. As for charges, see Note 11c.

NOTE 6:- LOANS FROM SHAREHOLDERS

Composition:

	December 31,		
	2006	2005	2004
	U.S. dollars in thousands		
Interest rate and linkage:			
LIBOR + 4.5%	-	362	334
LIBOR + 0.5% *)	-	1,159	424
	-	1,521	758

NOTE 6:- LOANS FROM SHAREHOLDERS (Cont.)

*) In October 2001, the Company received from a bank a $ 1.3 million long-term loan, which was guaranteed by the Company's shareholders. During 2003 and 2005, the shareholders had transferred an aggregate amount of $ 1.1 million to the Company to repay the loan.

According to agreements signed between the Company and three of its shareholders in June 2006, loans in the principal amount of $ 988,000 will no longer bear any interest, and the accrued interest as of that date, in the amount of $ 85,000, has been fully waived by the shareholders, which was included as additional paid-in capital.

During November 2006, the Company repaid all the shareholders' loans in the amount of $ 1,502 including those whose repayment date was extended.

NOTE 7:- OTHER ACCOUNTS PAYABLE AND ACCRUED EXPENSES

	December 31,		
	2006	2005	2004
	U.S. dollars in thousands		
Employees and payroll accruals	456	348	221
Accrued expenses	275	76	230
Other	54	48	51
	785	472	502

NOTE 8:- SEVERANCE PAY LIABILITY

a. The amounts recognized in the balance sheet are as follows:

	December 31,		
	2006	2005	2004
	U.S. dollars in thousands		
Liability at the beginning of the year	67	70	69
Expense recognized in the statement of income	187	2	13
Benefits not paid from assets	(2)	(5)	(12)
Liability at the end of the year	252	67	70

NOTE 8:- SEVERANCE PAY LIABILITY (Cont.)

b. Amounts recognized in the statement of income are as follows:

	Year ended December 31,		
	2006	2005	2004
	U.S. dollars in thousands		
Current service cost	234	19	19
Interest cost	3	4	4
Net actuarial gain recognized in the year	(5)	(21)	(10)
Total expense included in statement of income	232	2	13

c. The actuarial assumptions used are as follows:

	Year ended December 31,		
	2006	2005	2004
Discount rate	3.65%	3.84%	3.90%
Future salary increases	2%	2%	2%
Average expected remaining working years	7.81	6.81	6.35

NOTE 9:- EQUITY

a. Rights of Ordinary shares:

Ordinary shares confer upon their holders voting rights, the right to receive cash dividends, and the right to a share in excess assets upon liquidation of the Company.

b. Upon the completion of the IPO, all the Preferred rights were waived and the Preferred securities received the status of an equivalent number of Ordinary shares.

c. On November 2, 2006, the Company completed its Initial Public Offering ("IPO") on the Alternative Investment Market ("the AIM") on the London Stock Exchange, by issuing 6,076,811 Ordinary shares of NIS 0.01 par value each at a price of £ 0.88 ($ 1.65) per share for a total net consideration of $ 8,411 thousand.

d. Composition:

	December 31, 2006, 2005 and 2004	December 31,		
		2006	2005	2004
	Authorized	Issued and outstanding		
	Number of shares			
Ordinary shares of NIS 0.01 par value each	100,000,000	37,250,666	30,520,331	30,447,848

NOTE 9:- EQUITY (Cont.)

e. Warrants:

In August 2000, in connection with the lease of its facilities, the Company issued to the lessor fully vested warrants to purchase 51,613 Ordinary shares at an exercise price of $ 0.90 per share. The options may be exercised at any time until March 30, 2007. As of December 31, 2006, no warrants had been exercised.

In February 2002, the Company issued to a bank fully vested warrants to purchase 823,529 Ordinary shares at an exercise price of $ 0.34 per share in conjunction with the receipt of a loan in the amount of $ 700 thousand. In April 2003, the Company repaid the loan to the bank and received a credit line in the amount of the loan. During 2004, the credit line was increased to $ 1 million. The warrants can be exercised at any time until February 13, 2009.

On August 28, 2006, the bank notified the Company of its intention to exercise the warrants.

According to the original warrant agreement, the bank could elect a cashless exercise based on the difference between the share price upon the IPO and the original exercise price ($ 0.34 per share). Accordingly, in November 2006, the bank exercised 653,524 warrants at an exercise price of zero.

f. Options to shareholders:

1. In June 2001, the Company granted to one of its shareholders who is also a senior officer, as an anti-dilution protection, 383,047 fully vested options at an exercise price of NIS 0.01 per share and in consideration of the bridge financing agreement an additional 635,807 fully vested options at an exercise price of NIS 0.01 per share. The option can be exercised at any time until June 2011.

2. On September 27, 2006, the Company signed an agreement with Mr. Ami Vizer, the Chief Executive Officer of the Company, according to which Mr. Vizer received options to purchase 50,000 Ordinary shares of the Company at an exercise price of $ 1.65 per share. The option will vest in full over twelve months following the IPO.

   On September 27, 2006, the Company signed a letter of appointment with Mr. Simi Efrati, a non-executive director of the Company, pursuant to which Mr. Efrati will receive options to purchase 50,000 Ordinary shares of the Company at an exercise price of $ 1.65 per share that will vest over twelve months following the IPO.

   On September 27, 2006, the Company entered into an agreement with Mr. Rami Weitz, the Chairman of the Board of Directors, pursuant to which Mr. Weitz will receive options to purchase 50,000 Ordinary shares of the Company at an exercise price of $ 1.65 per share that will vest over twelve months following the IPO.

   These options are in addition to the options granted pursuant to the table in g. below.

NOTE 9:- EQUITY (Cont.)

The fair value of share options is measured at the grant date using the Black-Scholes option pricing model taking into account the terms and conditions upon which the options were granted. The following are the inputs to the model used for the year ended December 31, 2006: risk-free interest rates ranging from 2.37%-4.92%; a dividend yield of 0%; volatility factor of the expected market price of the Company's Ordinary shares of 0.8; and a weighted average expected life of the options of one year.

The weighted average fair value of the options granted in 2006 was $ 0.23.

g. Stock options plan:

In August 2000, the Company's Board of Directors authorized an incentive share option plan and has since granted options to purchase Ordinary shares to employees and consultants. Under the terms of these grants, options generally vest ratably over a period of four years, commencing with the date of grant. The exercise price of the options granted under the plan may not be less than the par value of the shares. The options generally expire no later than 10 years from the date of the grant, and are non-transferable, except under the laws of succession. On September 21, 2006, the Company decided to increase its Stock Option Plan reserves by 3,000,000 options. As of December 31, 2006, an aggregate of 2,582,742 Ordinary shares of the Company are still available for future grant.

The fair value of share options is measured at the grant date using the Black-Scholes option pricing model taking into account the terms and conditions upon which the options were granted. The following are the inputs to the model used for the year ended December 31, 2006 and for the year ended December 31, 2005: risk-free interest rates ranging from 2.37%-4.92%; a dividend yield of 0%; volatility factor of the expected market price of the Company's Ordinary shares of 0.8; and a weighted average expected life of the options of six years.

The weighted average fair value of the options granted in 2006 and 2005 was $ 0.25 and $ 0.18, respectively.

A summary of the activity in options to employees, consultants, and directors (including the senior management, see h below) for the years 2006, 2005 and 2004 is as follows:

	Year ended December 31,					
	2006		2005		2004	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Outstanding at beginning of year	1,863,467	$ 0.440	2,004,459	$ 0.430	1,951,037	$ 0.390
Granted	623,250	$ 1.480	201,150	$ 0.600	402,200	$ 0.600
Exercised	-	$ -	(72,493)	$ 0.002	(121,988)	$ 0.002
Forfeited	(12,600)	$ 0.600	(269,649)	$ 0.610	(226,790)	$ 0.640
Outstanding at end of year	2,474,117	$ 0.701	1,863,467	$ 0.440	2,004,459	$ 0.430
Exercisable options	1,650,082	$ 0.410	1,496,575	$ 0.400	1,450,293	$ 0.360

NOTE 9:- EQUITY (Cont.)

The options outstanding as of December 31, 2006, have been separated into ranges of exercise price as follows:

Exercise price		Options outstanding as of December 31, 2006	Weighted average remaining contractual life (years)	Options exercisable as of December 31, 2006
$	0.002	489,627	4.37	489,627
$	0.090	47,248	3.58	47,248
$	0.600	1,465,193	6.57	1,080,328
$	1.000	3,150	3.58	3,150
$	1.200	18,899	3.94	18,899
$	1.610	200,000	9.88	-
$	1.650	130,000	9.82	10,830
$	2.000	30,000	9.88	-
$	2.500	90,000	9.88	-
		2,474,117		1,650,082

h. Options to the CEO and senior employees:

1. On December 31, 2003, the Company's Board of Directors granted 250,000 fully-vested options to the CEO at an exercise price of NIS 0.01 per share, in consideration of terms that were determined in a meeting of the Board of Directors on July 14, 2003. These options can be exercised at any time until December 2013.

2. On September 21, 2006, the Company decided to grant five of its senior employees options to purchase a total amount of 95,000 Ordinary shares of the Company, at an exercise price equal to the price at which new Ordinary shares of the Company are sold in connection with the IPO. These options will vest in full within twelve months from the IPO.

NOTE 10:- INCOME TAXES

a. Tax benefits under the Law for the Encouragement of Capital Investments, 1959:

The Company has been granted an "Approved Enterprise" status for an original program and an additional expansion program, under the Law for the Encouragement of Capital Investments, 1959 ("the Law"). According to the provisions of the Law, the Company has elected to enjoy the "alternative benefits track" - a waiver of grants in return for tax holidays. The "Approved Enterprise" status will allow the Company a tax holiday on undistributed income derived from the "Approved Enterprise" program. The income derived from this "Approved Enterprise" will be tax-exempt for a period of two years, and may enjoy a reduced tax rate of 10% to 25% (based on percentage of foreign ownership) for an additional five years. The seven-year period of benefits will commence with the first year in which the Company earns taxable income.

The Company completed the implementation of its original program during 2004. The expansion program has not yet been completed. The deadline for the performance of this plan is until July 2007.

The period of tax benefits, detailed above, is subject to limits of the earlier of 12 years from the commencement of production, or 14 years from receiving the approval. The period of benefits has not yet commenced, and will expire in the year 2016.

The entitlement to the above benefits is conditional upon the Company's fulfilling the conditions stipulated by the above Law, regulations published thereunder and the letters of approval for the specific investments in "Approved Enterprises". In the event of failure to comply with these conditions, the benefits may be canceled and the Company may be required to refund the amount of the benefits, in whole or in part, including interest.

Should the Company derive income from sources other than the "Approved Enterprise" during the period of benefits, such income shall be taxable at the regular corporate tax rate.

If tax-exempt profits are distributed to shareholders, they would be taxed at the corporate tax rate applicable to such profits as if the Company had not elected the alternative system of benefits, currently between 10%-25% for an "Approved Enterprise".

A recent amendment to the Law, which was officially published effective as of April 1, 2005 ("the Amendment") has changed certain provisions of the Law. As a result of the Amendment, a company is no longer obliged to implement an "Approved Enterprise" status in order to receive the tax benefits previously available under the alternative benefits provisions, and therefore there is no need to apply to the Investment Center for this purpose (Approved Enterprise status remains mandatory for companies seeking grants). Rather, a company may claim the tax benefits offered by the Investment Law directly in its tax returns, provided that its facilities meet the criteria for tax benefits set out by the Amendment. A company is also granted a right to approach the Israeli Tax Authorities for a pre-ruling regarding their eligibility for benefits under the Amendment.

NOTE 10:- INCOME TAXES (Cont.)

Tax benefits are available under the Amendment to production facilities (or other eligible facilities), which are generally required to derive more than 25% of the company's business income from export. In order to receive the tax benefits, the Amendment states that a company must make an investment in the beneficiary enterprise exceeding a minimum amount specified in the Law. Such investment may be made over a period of no more than three years ending at the end of the year in which the company requested to have the tax benefits apply to the beneficiary enterprise ("the Year of Election"). Where a company requests to have the tax benefits apply to an expansion of existing facilities, then only the expansion will be considered a beneficiary enterprise and the company's effective tax rate will be the result of a weighted combination of the applicable rates. In this case, the minimum investment required in order to qualify as a beneficiary enterprise is required to exceed a certain percentage of the company's production assets before the expansion. The duration of tax benefits is subject to a limitation of the earlier of 7 years from the Commencement Year, or 12 years from the first day of the Year of Election.

b. Measurement of results for tax purposes under the Income Tax (Inflationary Adjustments) Law, 1985:

Results for tax purposes are measured in terms of earnings in NIS after certain adjustments for increases in the Israeli Consumer Price Index ("CPI"). As explained in Note 2c, the financial statements are presented in U.S. dollars. The difference between the annual change in the Israeli CPI and in the NIS/dollar exchange rate causes a difference between taxable income or loss and the income or loss before taxes reflected in the financial statements.

c. Tax reconciliation:

In 2006, 2005 and 2004, the main reconciling item between the statutory tax rate of the Group and the effective tax rate (0%) is carryforward tax losses and tax exemption for which no deferred taxes were provided.

d. Carryforward losses:

Domestic:

As of December 31, 2006 and 2005, the Company had accumulated losses for Israeli tax purposes of approximately $ 2.2 and $ 5 million, respectively, which may be carried forward, in order to offset taxable income in the future, for an indefinite period.

Foreign:

As of December 31, 2006 and 2005, the federal tax loss carryforwards of the U.S. subsidiary amounted to approximately $ 1.6 and $ 1.5 million, respectively. Such losses are available for offset against future U.S. taxable income of the subsidiary and will expire in the years 2021-2025.

NOTE 10:- INCOME TAXES (Cont.)

e. Tax rates:

On July 25, 2005, the Knesset (Israeli Parliament) approved the Law of the Amendment of the Income Tax Ordinance (No. 147), 2005, which prescribes, among others, a gradual decrease in the corporate tax rate in Israel to the following tax rates: 2005 - 34%, 2006 - 31%, 2007 - 29%, 2008 - 27%, 2009 - 26% and 2010 and thereafter - 25%.

NOTE 11:- CONTINGENT LIABILITIES AND COMMITMENTS

a. Royalty commitments:

In June 2001, the Company and a third party signed a Cooperation and Project Funding Agreement with Britech, which is an establishment of the United Kingdom-Israel Industrial Research and Development Fund. According to the agreement, Britech agreed to fund, by conditional grant, the implementation of the proposal submitted by the Company and the third party for a research and development project in the maximum amount of £ 227,000.

The Company shall make repayments to Britech, based on gross sales derived from the sale, leasing or other marketing or commercial exploitation of the innovation, including service or maintenance contracts, commencing with the first commercial transaction. Such payments shall be repaid in Pounds Sterling at the rate of 2.5% of the first year's gross sales and, in succeeding years, at the rate of 5 % of the gross sales until 100%-150% of the conditional grant and other sums have been repaid (incremental 50% based upon agreed milestone which was not fulfilled).

As of December 31, 2006, the Company received a total amount of $ 324 thousand, of which $ 150 thousand and $ 174 thousand were deducted from the research and development expenses in 2001 and 2003, respectively.

Although the development of technology had been completed by the third party and the Company, the Company has never received the third party's portion of the developed technology upon completion of the project although it requested it from both the third party and Britech. Therefore, since the Company cannot utilize the developed technology without the essential portion developed by the third party, the Company has not paid any royalties to Britech and the Company's management believes that it will not be required to pay royalties in the future for the abovementioned project. In addition, the Company did not submit any patent applications in connection with the Britech grant.

NOTE 11:- CONTINGENT LIABILITIES AND COMMITMENTS (Cont.)

b. Lease commitments:

1. Premises occupied by the Company are rented under various non-cancelable lease agreements. The rental agreements for the premises expire in 2007.

2. The Company has leased various motor vehicles under cancelable operating lease agreements. These leases expire in 2007.

3. Premises occupied by the subsidiary are rented under a non-cancelable lease agreement. The rental agreement for the premises expires in 2011.

4. Future minimum rental payments under non cancellable operating leases are as follows:

Year ending December 31,	U.S. dollars in thousands
2007	127
2008	95
2009	98
2010	101
2011	87
	508

The total expense for the years ended December 31, 2006, 2005 and 2004 was $ 190 thousand, $ 133 thousand and $ 204 thousand, respectively.

c. Floating charge:

The Company recorded a first priority unlimited floating charge on all of its assets, in favor of a bank, in consideration for a credit line from the bank of up to $ 1 million. As of December 31, 2006, the Company had not utilized the credit line.

d. Promotion agreement:

During December 2006, the Company signed a definitive agreement with a consultant in order to promote and enhance its business activities with target partners, multi billion companies which are interested in integrating the products into their platforms or services, as defined in the definitive agreement. In consideration of the fulfillment obligation as described in the definitive agreement, the Company shall pay a one time fee of $ 5,000.

In addition, the Company will pay 1% commission of gross revenues actually received from business activities with target partners which are direct results of consultant efforts.

NOTE 11:- CONTINGENT LIABILITIES AND COMMITMENTS (Cont.)

Upon signing the agreement, the Company granted the consultant 100,000 options at an exercise price of $ 2 per share and vesting schedule as follows:

1) 50,000 options vested quarterly over two years starting from the first written and signed definitive agreement with a target partner which result from the consultants' activities.

2) Up to 50,000 options vested in proportion to revenues received during the term of the agreement and for a period of two years based on a ratio of 1 option per $ 40 in revenues.

3) Vesting of all options shall be immediately accelerated if one of the following events occurs:

   a) Signature of a contract with a target partner with a value of at least $ 3,000,000.

   b) A sale of the Company to a target partner.

Any option vested which is not exercised within 12 months starting from December 2006 shall expire.

During 2006, no agreement has been signed with target partners and therefore, no options vested.

NOTE 12:- SUPPLEMENTARY INFORMATION TO THE STATEMENTS OF INCOME

		Year ended December 31,		
		2006	**2005**	**2004**
		U.S. dollars in thousands		
a.	Cost of revenues:			
	Salaries and related benefits	982	390	426
	Lease and office maintenance	115	85	130
	Travel expenses	52	114	84
	Depreciation	18	10	12
	Share-based compensation	1	-	-
	Other	29	25	210
		1,196	624	862
b.	Research and development expenses:			
	Salaries and related benefits	1,739	1,231	1,105
	Lease and office maintenance	209	189	193
	Depreciation	29	26	30
	Share-based compensation	8	-	-
		1,985	1,446	1,328

NOTE 12:- SUPPLEMENTARY INFORMATION TO THE STATEMENTS OF INCOME

	Year ended December 31,		
	2006	2005	2004
	U.S. dollars in thousands		
c. Selling and marketing expenses:			
Salaries and related benefits	611	579	322
Management fees	83	91	113
Advertising and sales promotion	66	44	154
Lease and office maintenance	57	54	55
Travel expenses	98	86	117
Depreciation	9	5	3
Share-based compensation	3	1	-
Other	12	6	16
	939	866	780
d. General and administrative expenses:			
Salaries and related benefits	642	341	251
Management fees	204	188	114
Lease and office maintenance	60	59	49
Travel expenses	42	26	-
Professional fees	44	49	53
Depreciation	9	6	7
Share-based compensation	13	13	-
Other	(127)	21	43
	887	703	517
e. Financial income (expenses), net:			
Exchange rate differences, net	145	23	(11)
Interest income from banks	105	22	-
Commission to the bank *)	(150)	-	-
Bank loans and overdrafts	(14)	(19)	(35)
Interest on loans from shareholders	(66)	(88)	(34)
Other	(10)	3	13
	10	(59)	(67)

*) In addition to the warrant granted and exercised by the bank (Note 9e), the Company was obliged to pay the bank a commission in the amount of $ 150 thousand pursuant to a past agreement with the bank in the event of an IPO.

NOTE 13:- REVENUES BY GEOGRAPHIC AREAS AND MAJOR CUSTOMERS

The Company manages its business on the basis of one reportable segment.

a. Revenues classified by geographical destinations based on the customer location:

	Year ended December 31,		
	2006	2005	2004
	U.S. dollars in thousands		
EMEA (1)	2,841	591	366
North America	4,308	3,608	3,829
Asia Pacific	368	389	300
	7,517	4,588	4,495

(1) Europe, Middle East and Africa.

b. Information about major customers:

	Year ended December 31,		
	2006	2005	2004
Customer A	10%	32%	40%
Customer B	8%	20%	37%
Customer C	2%	17%	8%
Customer D	14%	-	-
Customer E	19%	3%	-
Customer F	15%	-	-
Customer G	11%	4%	4%

NOTE 14:- EARNINGS PER SHARE

The following reflects the income and share data used in the basic and diluted earnings per share computations:

	2006	2005	2004
	U.S. dollars in thousands		
Net profit attributable to ordinary equity holders of the parent	2,520	890	941

	2006	2005	2004
Weighted average number of Ordinary shares for basic earnings per share	31,608	30,489	30,379
Effect of dilution:			
Share options	2,090	1,388	1,247
Warrants	123	816	687
Weighted average number of Ordinary shares adjusted for the effect of dilution	33,821	32,693	32,313

There have been no other transactions involving Ordinary shares or potential Ordinary shares between the reporting date and the date of completion of these financial statements.

NOTE 15:- BALANCES AND TRANSACTIONS WITH RELATED PARTIES

a. Balances with related parties:

	December 31,		
	2006	2005	2004
	U.S. dollars in thousands		
Trade receivables (shareholder)	-	16	-
Other accounts payable and accrued expenses	-	-	12
Loans from shareholders	-	1,521	758

NOTE 15:- BALANCES AND TRANSACTIONS WITH RELATED PARTIES (Cont.)

b. Revenues from related party of a shareholder:

	Year ended December 31,		
	2006	**2005**	**2004**
	U.S. dollars in thousands		
Revenues	6	47	-

c. Compensation of key management personnel of the Company:

Short-term employee benefits	618	587	474
Management fees	287	279	227
Share-based payments	6	-	-
	911	866	701

d. Significant agreement:

On September 21, 2006, the Company signed an agreement with Mr. Ami Vizer, the Chief Executive Officer of the Company, according to which Mr. Ami Vizer is engaged with a current salary of $ 313,320 (approximately £ 169,000) per annum (excluding bonuses and benefits), terminable by either party on nine months' notice. In addition, pursuant to this agreement, Mr. Vizer received options (see Note 9f).

In 2006, the Company accrued additional severance pay liability and respective expenses of approximately $ 190,000 due to the change in Mr. Vizer's salary.

e. On September 27, 2006, the Company signed an agreement with Mr. Simi Efrati, pursuant to which Mr. Efrati receives a fee of $ 122,520 per annum for consulting services. The agreement may be terminated by either party on six months' written notice. In addition, pursuant to this agreement Mr. Efrati received options (see Note 9f.). Prior to this agreement, Mr Simi Efrati , has been a non executive director of the company.

f. On September 27, 2006, the Company entered into an agreement with Mr. Rami Weitz pursuant to which Mr. Weitz receives a fee of $ 122,520 per annum in consideration for consulting services. The agreement may be terminated by either party by at least six months' written notice. In addition, pursuant to this agreement, Mr. Weitz received options (see Note 9f.). Prior to this agreement, Mr. Rami Weitz, has been the chairmen of the board of directors of the Company.

NOTE 16:- SUBSEQUENT EVENTS

On January 24, 2007, SimiGon Inc. signed an Asset Purchase Agreement with Visual Training Solution Group, Inc. ("VTSG"). VTSG was a former business partner of the Company whereby the Company provided the software and VTSG provided the content and hardware integration.

According to the agreement, SimiGon Inc. will pay a total consideration of $ 2 million dollars for the assets acquired and liabilities assumed, as defined in the agreement.

According to the agreement, the first payment of $ 1.25 million was paid on the date the agreement was signed and the second payment of $ 0.75 million is due one year later. Up to 50% of the second payment can be paid by the issuance of Company shares. According to the agreement, the second payment is contingent upon meeting certain targets such as revenues and key employees' performance.

The Company’s management is presently assessing the fair values of the assets purchased and liabilities assumed. As of the date of the approval of the financial statements, this valuation has not yet been completed.

Share Information

SimiGon is listed on the AIM. The shares of the Company are available through the Crest settlement system, enabling immediate, secured electronic trading and registration of shareholders' assets.
Symbol: SIM
Financial Year End: 31 December

Advisers

Nominated Adviser and Broker
Panmure Gordon (Broking) Limited
Moorgate Hall
155 Moorgate
London
EC2M 6XB

Registrar
Computershare Investor Services
(Channel Islands) Limited
Ordnance House
31 Pier Road
St. Helier
Jersey

Auditors and Reporting Accountants
Kost Forer Gabbay & Kasierer
A member of Ernst & Young Global
3 Aminadav Street
Tel Aviv 67067
Israel

Solicitor to the Company as to English law
Halliwells LLP
1 Threadneedle Street
London
EC2R 8AW

Counsel of the Company as to Israeli law
Efrati Galili Lahat & Co.
6 Wissotsky St.
Tel Aviv 62338
Israel

Financial Public Relations
Corfin Communications
78 Cannon Street
London
EC4N 6HH

Contact Information

To request additional information about SimiGon and our products, please contact us by telephone, fax or e-mail:

SimiGon Ltd.
1 Sapir St.
PO Box 12050
Herzliya, Israel 46733
Tel: +972-9-956-1777
Fax: +972-9-951-3566

SimiGon Inc.
12001 Research Parkway
Suite 236
Orlando, FL, USA 32826-3009
Tel: +1 407 737-7722
Fax: +1 321 251-7692

For more information:
info@simigon.com

Design: Portnov-Mishan.com
Copy: Frontier Marketing Communications Ltd.

WWW.SIMIGON.COM

SIMIGON