

NEXUS TELOCATION SYSTEMS LTD
Form 6-K
June 17, 2004

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER

PURSUANT TO RULE 13a-16 OR 15d-16 OF

THE SECURITIES EXCHANGE ACT OF 1934

For the month of June, 2004

NEXUS TELOCATION SYSTEMS LTD.

(Translation of Registrant's name into English)

1 Korazin Street, Givatayim, 53583, Israel

(Address of Principal Executive Offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:

Form 20-F Form 40-F

Indicate by check mark whether the registrant by furnishing the information contained in this form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934:

Yes No

This form 6-K is incorporated by reference into the Company's Form F-3 Registration Statement File No. 333-11562.

On June 18, 2004, we released our revised unaudited consolidated financial results for the six month period ended June 30, 2003. Such financial results, are included as a part of this report on Form 6-K.

This report on Form 6-K is being incorporated by reference into all effective registration statements filed by us under the Securities Act of 1933.

Exhibit 1

NEXUS TELOCATION SYSTEMS LTD. AND ITS SUBSIDIARIES

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

AS OF JUNE 30, 2003

U.S. DOLLARS IN THOUSANDS

UNAUDITED

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NEXUS TELOCATION SYSTEMS LTD. AND ITS SUBSIDIARIES

INTERIM CONSOLIDATED BALANCE SHEETS

U.S. dollars in thousands

	<u>June 30, 2003</u>	<u>December 31, 2002</u>
	Unaudited	(Note 1e)
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 445	\$ 71
Short-term bank deposits	30	64
Trade receivables (net of allowance for doubtful accounts of \$ 0, \$ 852 and \$ 860 at June 30, 2003 and 2002 and December 31, 2002, respectively)	1,608	1,134
Other accounts receivable and prepaid expenses	485	661
Inventories	839	1,264
	<u>3,407</u>	<u>3,194</u>
<u>Total</u> current assets		
LONG-TERM INVESTMENTS:		
Severance pay fund	524	510
Investment in affiliate	2,018	2,007
	<u>2,542</u>	<u>2,517</u>

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PROPERTY AND EQUIPMENT, NET	1,899	1,535
	<u> </u>	<u> </u>
INTANGIBLE ASSETS, NET	187	210
	<u> </u>	<u> </u>
ASSETS ATTRIBUTED TO DISCONTINUED OPERATIONS	-	2,642
	<u> </u>	<u> </u>
<u>Total</u> assets	<u>\$ 8,035</u>	<u>\$ 10,098</u>

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

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NEXUS TELOCATION SYSTEMS LTD. AND ITS SUBSIDIARIES

INTERIM CONSOLIDATED BALANCE SHEETS

U.S. dollars in thousands (except share data)

	June 30, 2003	December 31, 2002
	<u>Unaudited</u>	<u>(Note 1e)</u>
LIABILITIES AND SHAREHOLDERS EQUITY (DEFICIENCY)		
CURRENT LIABILITIES:		
Short-term bank credit	\$ 1,151	\$ 848
Trade payables	1,030	1,913
Other accounts payable and accrued expenses	1,750	1,887
	<u> </u>	<u> </u>
<u>Total</u> current liabilities	<u>3,931</u>	<u>4,648</u>
LONG-TERM LIABILITIES:		
Long-term loan	3,000	3,000
Accrued severance pay	720	845
Convertible debentures	-	1,020
	<u> </u>	<u> </u>
	<u>3,720</u>	<u>4,865</u>
LIABILITIES ATTRIBUTED TO DISCONTINUED OPERATIONS	<u> </u>	<u>11,166</u>
SHAREHOLDERS EQUITY (DEFICIENCY):		
Share capital:		
Ordinary shares of NIS 0.03 par value:		

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Authorized - 110,000,000, 16,376,381 and 16,376,381 shares at June 30, 2003 and 2002 and December 31, 2002, respectively;

Issued and outstanding - 86,270,887, 11,289,932 and 11,289,932

shares at June 30, 2003 and 2002 and December 31, 2002, respectively

Additional paid-in capital	579	94
Cumulative translation adjustment	80,120	77,373
Accumulated deficit	(1,899)	(1,899)
	(78,416)	(86,149)

<u>Total</u> shareholders' equity (deficiency)	384	(10,581)
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<u>Total</u> liabilities and shareholders' equity (deficiency)	\$ 8,035	\$ 10,098
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The accompanying notes are an integral part of the interim consolidated financial statements.

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NEXUS TELOCATION SYSTEMS LTD. AND ITS SUBSIDIARIES

INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS

U.S. dollars in thousands (except share and per share data)

	Six months ended June 30,		Year ended December 31,
	2003	2002	2002
	Unaudited		(Note 1e)
Revenues:			
Sales	\$ 1,357	\$ 4,213	\$ 5,196
Services	1,263	224	1,165
Total revenues	2,620	4,437	6,361
Cost of revenues:			
Sales	880	2,304	3,528
Services	869	322	948
Total cost of revenues	1,749	2,626	4,476
Gross profit	871	1,811	1,885
Operating expenses:			
Research and development, net	343	650	1,377
Sales and marketing	358	679	1,107
General and administrative	656	1,311	2,284

Yes o No x

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Total operating expenses	1,357	2,640	