

WizCom Technologies Ltd.

Handheld tools and products for reading-related activities

Description. WizCom Technologies Ltd. is developing a next-generation series of reading technology products that are scheduled for launch in Q1 05. The products will offer each learner a "Personal Tutor" that combines portable immediate assistance for reading-related activities with building long-term basic reading skills. Integrating the convenience of WizCom's handheld devices with the benefits of a content-rich self-learning environment, the Personal Tutor will offer self-paced learning that bridges text-to-digital in a personal, portable format.

Advantages. The patent-protected Personal Tutor is targeted to complement both PC/Web-based and paper-based reading programs. The Personal Tutor will be the world's first hand-held skill trainer, satisfying the need for students to have reading assistance available on demand. Initial launch is planned for both the ESL (English as a second language) and general education markets in the United States.

Competitive Comparison.

1. Direct – Handheld electronic dictionaries and reference products offering learning games: Franklin (U.S.); Seiko, Sharp, Canon, Casio (Japan), Insta-dict (China) – e-dictionaries have portability, but are inconvenient for reading unknown words; do not currently build reading skills beyond lookup
2. Indirect – PC and paper-based reading programs offering explicit vocabulary learning: online, PC-based reading programs; paper-based curriculum material: Pearson. Harcourt, McGraw-Hill, Houghton Mifflin, Scholastic – S/W can build reading skills, but user must have PC; no system for transferring skills back to text-based reading; paper has no interactivity

Personal Tutor synthesizes the advantages of both, and counters their disadvantages: A portable, personal reading tool that goes beyond word lookup for self-directed learning that builds long-term reading skills and bridges text-to-digital formats.

Market. With continuing government pressure for quantifiable student progress, educators are turning to technology to bridge the resource gap. The technology products niche of the U.S. educational market is expected to reach \$5.95 billion in school year 2003-4; reading programs niche for elementary schools reached \$1.70 billion in school year 2002-3.

Business Model. WizCom Technologies seeks a strategic partner with a proven track record in introducing innovative products to the general education and ESL markets. Sales support will be supplied through WizCom Inc.'s existing marketing channels.

WizCom Technologies Ltd. is an established global provider of portable 'scan and attain' hand-held products for enabling, improving, and enhancing personal productivity in reading-related activities. WizCom Technologies' mission is to make reading efficient and easy. With over 800,000 products sold in over 35 countries to customers of all ages, retail products include: translation tools; products for reading disabled or dyslexic users; and personal printed data collection and transmission tools for the PC, PDA, and mobile environment. WizCom's products are based on a patented combination of microelectronics, electro-optics, optical character recognition (OCR) algorithm engines, linguistic tools, and content. Wizcom products are available in 25 languages and in 30 proprietary linguistic databases. WizCom's reading tools have found positive market acceptance in the U.S. special education and electronic retail markets.

Founded in Jerusalem, Israel, in 1995, the company is incorporated in Acton, Massachusetts and has a marketing office in Boston. WizCom Technologies has been listed on the Deutsche Börse in Frankfurt, Germany since 1999.



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■ KEY PERSONNEL

Amit Ben-Zvi, CEO

Extensive managerial experience, former CEO of ISYS Operational Management Systems Ltd., COO at publicly traded Top Imaging Systems Ltd., B.Sc. accounting and LLB from Tel Aviv University

Raz Itzhaki, Executive VP & President WizCom Technologies Inc.

Previously VP Finance and CFO in a group of industrial companies, MBA Hebrew University, and certified public accountant and LLB degrees from Bar-Ilan University, Tel Aviv

Feri Ehrenfeld, VP Marketing

Previously a product manager with a background in software QA systems. Academic studies in Jerusalem and Milan, Italy

■ COMPANY STATUS

Ownership: Public company, traded on the Deutsche Börse Frankfurt (WZM, IL 0010830706); 18.57% held by Lipman Electronic Engineering Ltd, 13.90% held by Mivtach Shamir Investments Ltd., 67.53% free float.

Revenues (2003): \$7.85 million

Development: Personal Tutor product launch Q1 2005

■ INTELLECTUAL PROPERTY

Patents: Optical head patent protected, additional patent applications to be filed beginning July 2004

■ CONTACT INFORMATION

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