

# Shagrir Group Vehicle Services Ltd. (the “Company”)

To  
The Securities Authority  
[www.isa.gov.il](http://www.isa.gov.il)

To  
Tel Aviv Stock Exchange Ltd.  
[www.tase.co.il](http://www.tase.co.il)

To Whom It May Concern: To Whom It May Concern:

August 11, 2016

Re: **Publication of the Company’s Financial Data within the Publication of the Report of  
Financial Results of Pointer Telocation Ltd.**

On August 11, 2016, Pointer Telocation Ltd. (“**Pointer**”), the former controlling shareholder, published its financial results as of June 30, 2016 (the “**Pointer’s Financial Results Report**”)<sup>1</sup> within which Pointer presented, under the section of income (loss) from discontinued operations, net, the impact of the Company’s financial results on Pointer’s profit and loss data for a period of about five months as of January 2016.

The Company would like to clarify that the data, as expressed in the section of income (loss) from discontinued operations, net, in Pointer’s Financial Results Report, does not represent the actual financial results of the Company in the aforesaid period for the following reasons:

1. As the Company was informed by Pointer, the aforesaid section includes expenses (which are material with respect to the Company’s financial results) that arose for Pointer for all matters related to the process of the distribution of the Company’s shares as dividend in kind to the shareholders of Pointer.
2. Pointer’s Financial Results Report was prepared in accordance with the American accounting rules (US GAAP) while the Company reports in accordance with the international rules (IFRS).

The Company would like to emphasize that the results reported by Pointer as stated are for the period mentioned above, i.e. a period of less than six months. The Company intends to publish its financial statements as of June 30, 2016 in accordance with the dates set forth by law.

Respectfully,  
Shagrir Group Vehicle  
Services Ltd.

Signed on the Report Date by Mr. Yossi Regev, CEO of the Company

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<sup>1</sup>Reference No. 2016-02-101725.