

Edgar Filing: ELTEK LTD - Form 6-K

ELTEK LTD  
Form 6-K  
June 17, 2004

=====

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
-----

F O R M 6-K

REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13a-16 OR  
15d-16 UNDER THE SECURITIES EXCHANGE ACT OF 1934

For the month of June 2004

ELTEK LTD.  
(Name of Registrant)

Sgoola Industrial Zone, Petach Tikva, Israel  
(Address of Principal Executive Office)

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 if the registrant is submitting the  
Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the  
Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

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

Yes  No

If "Yes" is marked, indicate below the file number assigned to  
the registrant in connection with Rule 12g3-2(b): 82-\_\_\_\_\_

=====

ELTEK LTD.

6-K Items

1. Press release re Eltek Announces 2003 Financial Results dated June 17,

Edgar Filing: ELTEK LTD - Form 6-K

2004.

ITEM 1

Press Release

Source: Eltek Ltd.

Eltek Announces 2003 Financial Results

Thursday June 17, 3:42 pm ET

PETACH-TIKVA, Israel--(BUSINESS WIRE)--June 17, 2004--Eltek LTD. (Nasdaq:ELTK - News), the leading Israeli manufacturer of advanced circuitry solutions, today announced its financial results for the fourth quarter of 2003 and the year ended December 31, 2003.

Revenues for the year 2003 were NIS 108.3 million (\$24.7 million) compared with NIS 108 million (\$24.7 million) for the year 2002. Net loss for the year 2003 was NIS 13 million (\$3 million), or NIS (3.61) (\$0.82) per share, compared with a net loss of NIS 15.7 million (\$3.6 million), or NIS (5.36) (\$1.22) per share for 2002 (all per share numbers are based on a par value per share of NIS 1).

Revenues for the fourth quarter of 2003 were NIS 27.6 million (\$6.3 million) compared with NIS 27.3 million (\$6.2 million) for the fourth quarter of 2002. Net loss for the fourth quarter of 2003 was NIS 3.7 million (\$836,000), or NIS (0.84) (\$0.19) per share, compared with a net loss of NIS 6.8 million (\$1.6 million), or NIS (2.28) (\$0.52) per share, for the fourth quarter of 2002.

"The results of 2003 are marked by continued improvements in revenues per employee, positive annual cash flow from operations and reduced balance sheet debt," commented Arie Reichart, President and Chief Executive Officer of Eltek. "Despite reducing our manpower by 50 positions, we managed to intensify our marketing efforts to position Eltek to realize its potential in the complex high-end of the PCB manufacturing markets."

"I am encouraged with the growing contribution of our international operations which accounted for approximately 30% of our overall annual revenues. Looking forward, we are planning to increase our presence in the flex-rigid PCB markets, by leveraging our expertise in this lucrative niche," added Mr. Reichart.

In March 2004, Eltek appointed Mr. Amnon Shemer as its Chief Financial Officer. Prior to joining Eltek, Mr. Shemer, 45, was managing director for Mea Control Transfer Ltd., a company that provides investment banking services, and, from June 1995 until August 2002 he served as vice president of finance for Mentergy Ltd., a publicly traded company.

"During 2003 Eltek has taken serious steps of cutting down its expenses, while maintaining its revenues, thus increasing its productivity. During 2004 we are planning to increase our international operations while closely monitoring our cost structure," said Mr. Shemer.

## Edgar Filing: ELTEK LTD - Form 6-K

### About the Company

Eltek is Israel's leading manufacturers of printed circuit boards, the core circuitry of most electronic devices. It specializes in the complex high-end of PCB manufacturing, i.e., HDI, multi-layered and flex-rigid boards. Eltek's technologically advanced circuitry solutions are used in today's increasingly sophisticated and compact electronic products. The Company has invested heavily in upgrading its production facilities over the past five years.

For more information, visit Eltek's Website at [www.eltekglobal.com](http://www.eltekglobal.com)

Certain matters discussed in this news release are forward-looking statements that involve a number of risks and uncertainties including, but not limited to statements regarding expected results in future quarters, risks in product and technology development and rapid technological change, product demand, the impact of competitive products and pricing, market acceptance, the sales cycle, changing economic conditions and other risk factors detailed in the Company's filings with the United States Securities and Exchange Commission.

ELTEK LTD.  
Consolidated Statements of Operations  
Adjusted to New Israeli Shekels as of December 2003  
(In thousands, except per share data)

	Convenience Translation -----			Convenience Translation -----		
	Year ended December 31,			Three months ended December 31,		
	2002	2003	2003	2002	2003	2003
	NIS	NIS	U.S. \$	NIS	NIS	U.S. \$
	(Un- audited)	(Un- audited)	(Un- audited)	(Un- audited)	(Un- audited)	(Un- audited)
Revenues	108,035	108,303	24,732	27,342	27,646	6,314
Costs of revenues	(106,458)	(102,643)	(23,440)	(28,950)	(26,318)	(6,011)
Gross profit (loss)	1,577	5,660	1,292	(1,608)	1,328	303
Research and development income (expenses), net	(116)	18	4	-	-	-
Selling, general and administrative expenses	(15,152)	(14,996)	(3,424)	(4,310)	(3,575)	(816)

Edgar Filing: ELTEK LTD - Form 6-K

Amortization of goodwill	(292)	(584)	(133)	(137)	(177)	(40)
Operating loss	(13,983)	(9,902)	(2,261)	(6,055)	(2,424)	(553)
Financial expenses, net	(1,443)	(2,989)	(683)	(696)	(1,115)	(255)
Loss before other income (expenses), net	(15,426)	(12,891)	(2,944)	(6,751)	(3,539)	(808)
Other income (expenses), net	290	(20)	(5)	297	(183)	(42)
Loss before taxes on income	(15,136)	(12,911)	(2,949)	(6,454)	(3,722)	(850)
Taxes on income	(380)	(194)	(44)	(285)	(93)	(21)
Net loss after taxes on income	(15,516)	(13,105)	(2,993)	(6,739)	(3,815)	(871)
Minority share in subsidiary's net loss (income)	(198)	118	27	(81)	155	35
Net loss for the period	(15,714)	(12,987)	(2,966)	(6,820)	(3,660)	(836)
Basic and diluted loss per NIS 1 par value of the share capital(A)	(5.36)	(3.61)	(0.82)	(2.28)	(0.84)	(0.19)
Total par value of shares used to compute basic and diluted net loss per NIS 1 par value of share	2,932	3,569	3,569	2,932	4,281	4,281

## Edgar Filing: ELTEK LTD - Form 6-K

(A) shares of a par value of NIS 0.6 each.

Eltek Ltd.  
Consolidated Condensed Balance Sheets  
Adjusted to New Israeli Shekels as of December 2003

	December 31,		Convenience Translation December 31,
	2002	2003	2003
	Unaudited NIS	Unaudited NIS	Unaudited U.S. \$
	(in thousands)		
<b>Assets</b>			
Current assets			
Cash and cash equivalents	6,237	4,371	998
Receivables: Trade	25,374	19,787	4,518
Other	1,634	2,262	517
Inventories	12,392	13,158	3,005
Prepaid expenses	1,189	693	158
	46,826	40,271	9,196
Total current assets			
Property and equipment, net	54,032	43,381	9,907
	4,973	4,972	1,135
Goodwill			
Total assets	105,831	88,624	20,238
<b>Liabilities and Shareholder's equity</b>			
Current liabilities			
Short-term credit and current maturities of long-term debts	20,731	19,461	4,444
Trade payables	22,696	22,314	5,095
Other liabilities and accrued expenses	7,920	8,555	1,954
	51,347	50,330	11,493
Total current liabilities			
Long-term liabilities			
Long term debt, excluding current maturities	20,731	13,692	3,127
Employee severance benefits, net	994	940	215
	21,725	14,632	3,342

Edgar Filing: ELTEK LTD - Form 6-K

Total long-term liabilities	21,725	14,632	3,342
	-----	-----	-----
Minority interests	1,840	1,970	450
	-----	-----	-----
Convertible debenture note	-	2,295	524
	-----	-----	-----
Shareholder's equity Ordinary shares, NIS 0.6 par value.			
Authorized 50,000,000 shares,			
issued and outstanding 4,885,651			
shares	29,334	29,334	6,699
Additional paid in capital	51,985	51,985	11,871
Capital reserves related to loans			
from controlling shareholders	10,010	10,010	2,286
Cumulative foreign currency			
translation adjustments	539	2,004	458
Capital reserve	6,685	6,685	1,527
Accumulated deficit	(67,634)	(80,621)	(18,412)
	-----	-----	-----
Total shareholder's equity	30,919	19,397	4,429
	-----	-----	-----
Total liabilities and shareholders'			
equity	105,831	88,624	20,238
	=====	=====	=====

Contact:

Eltek Ltd.  
 Amnon Shemer, +972-3-9395023  
 amnon@eltek.co.il

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Edgar Filing: ELTEK LTD - Form 6-K

ELTEK LTD.

-----

(Registrant)

By: /s/Arieh Reichart

-----

Arieh Reichart

President and Chief Executive Officer

Date: June 17, 2004