



# Press Release

**For Immediate Release**

## **OTI Receives Order of Close to \$2 Million to Support New ID Project**

**Iselin, NJ– June 7, 2010** - On Track Innovations Ltd. (OTI) (NASDAQ-GM: OTIV), a global leader in contactless microprocessor-based smart card solutions for homeland security, payments, petroleum payments, eID Systems and other applications, announced today that it has signed a contract to supply part of its Magna™ platform in order to assist the efforts for the harmonization and modernization of a certain developing country's ID system. The expected revenues from the contract are close to \$2 million, with deliveries expected to commence in the second half of the year. The new project comes after successful implementations of multiple ID projects in the same country.

Oded Bashan, Chairman and CEO of OTI, stated, "The new contract reflects OTI's strategy to leverage the success and the already made marketing investment in a specific country. We continue to enhance our leadership position in the electronic ID solutions globally. Our ability to provide end-to-end secured solutions independent of a country's existing infrastructure, while maintaining the highest level of service and security for both urban and rural areas that require mobile capabilities, makes OTI's solution even more unique".

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### **About OTI**

Established in 1990, OTI (NASDAQ-GM: OTIV) designs, develops and markets secure contactless microprocessor-based smart card technology to address the needs of a wide variety of markets. Applications developed by OTI include product solutions for petroleum payment systems, homeland security solutions, electronic passports and IDs, payments, mass transit ticketing, parking and loyalty programs. OTI has a global network of regional offices to market and support its products. The company was awarded the Frost & Sullivan 2005 and 2006 Company of the Year Award in the field of smart cards.

For more information on OTI, visit [www.otiglobal.com](http://www.otiglobal.com), the content of which is not part of this press release.

### **Safe Harbor for Forward-Looking Statements:**

*This press release may contain forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995 and other Federal securities laws. Whenever we use words such as "believe," "expect," "anticipate," "intend," "plan," "estimate" or similar expressions, we are making forward-looking statements. Because such statements deal with future events and are based on OTI's current expectations, they are subject to various risks and uncertainties and actual results, performance or achievements of OTI could differ materially from those described in or implied by the statements in this press release. For example, when we say that the expected revenues from the contract are close to \$2 million with deliveries expected to commence in the second half of the year, or that the new contract reflects OTI's strategy to leverage the success and the already made marketing investment in a specific country, or that we continue to enhance our leadership position in the electronic ID solutions globally, or that our ability to provide-end-to-end secured solutions independent of a*

*country's existing infrastructure, while maintaining the highest level of service and security for both urban and rural areas that require mobile capabilities, makes OTI's solution even more unique, we are using forward-looking statements. Forward-looking statements could be impacted by market acceptance of new and existing products and our ability to execute production on orders, as well as the other risk factors discussed in OTI's Annual Report on Form 20-F for the year ended December 31, 2009, which is on file with the Securities and Exchange Commission. Although OTI believes that the expectations reflected in such forward-looking statements are based on reasonable assumptions, it can give no assurance that its expectations will be achieved. Except as otherwise required by law, OTI disclaims any intention or obligation to update or revise any forward-looking statements, which speak only as of the date hereof, whether as a result of new information, future events or circumstances or otherwise.*

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