



NEWS

FOR IMMEDIATE RELEASE

Scitex Corporation Announces Third Quarter 2003 Results

Strong Quarter Marks Company's 'Return to Profitability'

Tel Aviv, Israel – November 3, 2003. Scitex Corporation Ltd. (NASDAQ & TASE: SCIX), a world leader in industrial inkjet digital printing solutions, today announced its unaudited financial results for the third quarter ended September 30, 2003.

Scitex's revenues for the third quarter of 2003 were \$71.5 million, an increase of 24% from \$57.7 million in the third quarter of 2002. Operating income was \$6.2 million (before amortization of intangibles of \$1.5 million), compared to operating income of \$2.1 million in the third quarter of 2002 (before amortization of intangibles of \$0.8 million). Other income includes a gain of \$3.7 million from the sale of Scitex's remaining shares in Creo Inc. Net profit for the quarter was \$5 million, compared to a net loss of \$0.8 million in the corresponding quarter of 2002.

Geographically, Europe contributed 45% of the revenues in the third quarter of 2003, followed by the Americas with 36% of revenues, and the Far East with 17% of revenues.

"I am excited about Scitex's return to profitability" commented Nachum "Homi" Shamir, President and CEO of Scitex. "These results validate our strategic direction for renewed focus on the core inkjet technology business. I am very pleased with the continued revenue growth and improved operating profitability of both Scitex Digital Printing and Scitex Vision."

Scitex's Subsidiaries

Scitex Digital Printing, Inc.

Revenues of Scitex Digital Printing, a wholly owned subsidiary based in Dayton, Ohio, for the third quarter of 2003 were \$ 44.9 million, an increase of 29% from \$34.8 million in the third quarter of 2002 and an increase of 2% from \$43.9 million in the second quarter of 2003. Operating income was \$5.4 million (12.1% of revenues), compared to \$0.5 million in the third quarter of 2002 and \$3.9 million in the second quarter of 2003 (figures are before amortization of intangibles).

Scitex Digital Printing used Xplor International, a major trade show for transactional printers, to introduce new products in its Scitex VersaMark family of printing systems targeted for this market. VersaMark JetBlack, a black-and-white printing system offers customers an affordable entry point to the Scitex VersaMark technology and is upgradeable in terms of speed, layout and

color. New models of VersaMark Vantage continue to expand the availability of Scitex Digital Printing's award-winning Business Color technology.

"Providing a full range of product capability is significant to the success of our transactional and commercial printers customers," said Mr. Shamir. "The introduction of new products in our Scitex VersaMark family is in direct response to the high level of interest in digital color printing coupled with the need for capital preservation. With the hallmark, modular architecture of our printing systems, a user can now start with a monochrome digital printing solution and select a color solution from a wide range of digital color printing systems as business needs grow and change. This announcement of a complete upgrade path in our system family is exciting for us and the industry."

Scitex Vision Ltd.

Revenues of Scitex Vision, a majority owned subsidiary based in Netanya, Israel, for the third quarter of 2003 were \$26.7 million, an increase of 16.6% from \$22.9 million in the corresponding quarter of 2002 and an increase of 8.5% from \$24.6 million in the second quarter of 2003. Scitex Vision had an operating income of \$1.5 million, compared to operating income of \$2.3 million in the third quarter of 2002 and operating loss of \$0.1 million in the second quarter of 2003 (figures are before amortization of intangibles).

Scitex Vision reported a record quarter driven by the strong sales level in the graphic arts market, and renewed sales activity in the packaging market. Scitex Vision completed the integration of all of its manufacturing locations (following the combination of Scitex Vision and Aprion Digital) and is now operating from a centralized, state of the art, ISO 9001 certified facility, in Netanya, Israel. Major product introductions also highlighted the quarter that saw the launch of the Scitex Vision TURBOjet, currently, the industry's fastest high-quality, wide format digital press.

"I am particularly pleased with the continuation of revenue growth at Scitex Vision and its return to operating profitability," concluded Shamir. "With the successful launch of groundbreaking products like TURBOjet, Scitex Vision is clearly positioned to be the leader in the industrial graphic arts inkjet market."

Balance Sheet and Cash Flow

Cash and short-term investments on hand (not including restricted deposit funds) increased to \$70.7 million due to the sale of the Creo shares. Accounts receivable increased to \$107.5 million as a result of the increased activity, and inventories also increased to \$60.4 million.

Additional Information

Effective January 1, 2003, Scitex consummated a transaction to combine the business of its wholly-owned subsidiary, Scitex Vision Ltd., with that of venture-backed Aprion Digital Ltd. Scitex held approximately 42.5% of Aprion's share capital and certain major shareholders of Scitex held approximately 28.5% of Aprion's share capital prior to the closing of the transaction. Consequently, commencing on January 1, 2003, Scitex consolidates in its financial statements a

majority owned company – the combined Aprion Digital/Scitex Vision entity, in which it holds approximately 75.5%. It previously incorporated the results of Scitex Vision's as a wholly-owned subsidiary. As a result, all assets and liabilities of the combined entity are included in Scitex's balance sheet, with a deduction of the relative minority interest in the combined entities equity. Scitex fully consolidates the combined entities Statement of Income, with a deduction of the relative minority interest in the combined entities Statement of Income. Similarly, Scitex's financial results for 2002 did not include figures for Aprion Digital Ltd. (on a consolidated basis, as Scitex then held only a minority interest in Aprion), and Scitex Vision's financial results for 2002 did not include figures for Aprion Digital Ltd. (as the Aprion Digital/Scitex Vision combination transaction occurred on January 1, 2003).

In October 2003, a NIS 14 million (approximately \$3.1 million) lawsuit was filed against Scitex, Scitex Vision and others, including other shareholders of Scitex Vision (among them, Scitex's two largest shareholders, Clal Industries and Investments Ltd. and Discount Investments Corporation Ltd.) and the directors of Aprion Digital in the period relevant for the lawsuit (three of whom are present or former office holders of Scitex). The lawsuit was brought by C.D.I. Technologies (1999) Ltd, a shareholder of Scitex Vision, in connection with the transaction to combine Scitex Vision and Aprion that was completed in January 2003. In particular, the lawsuit alleges that the terms of the transaction and the manner in which it was effected prejudiced the rights of CDI as a minority shareholder of Scitex Vision. While Scitex and Scitex Vision intend to vigorously defend the lawsuit, the outcome of the claim cannot be predicted at this time.

Conference Call

Scitex will be holding a conference call to discuss its third quarter 2003 results on November 3, 2003 at 10:00 a.m. EST (7:00 a.m. Pacific time, 3:00 p.m. GMT, 5:00 p.m. Israel time). Investors will have the opportunity to listen to a live simultaneous Webcast of the analyst conference call in connection with Scitex's third quarter 2003. All interested parties will have the opportunity to listen to a live simultaneous Webcast of the conference call by connecting online through www.scitex.com.

A replay of the conference call will be available during the seven days following the conference call (until November 10, 2003) at the following numbers:

US:	1 (800) 475-6701
Intl:	(320) 365-3844
Access Code:	703444

About Scitex Corporation Ltd.

Scitex Corporation Ltd. is a world leader in industrial inkjet digital printing solutions. Through its subsidiaries and affiliates, Scitex strengthens its market position in this specialized sector. Scitex shares trade on NASDAQ and The Tel Aviv Stock Exchange under the symbol "SCIX". For more information, please visit our Web site at www.scitex.com.

Except for the historical information herein, the matters discussed in this news release include forward-looking statements within the meaning of the "safe harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements that are based on various assumptions (some of which are beyond the Company's control) may be identified by the use of forward-looking terminology, such as "may", "can be", "will", "expects", "anticipates", "intends", "believes", "projects", "potential", "are optimistic", "view" and similar words and phrases. Actual results could differ materially from those set forth in forward-looking statements due to a variety of factors, including, but not limited to, (1) risks in product and technology development, (2) market acceptance of new products and continuing product demand, (3) the impact of competitive products and pricing, (4) changes in domestic and foreign economic and market conditions, (5) timely development and release of new products by strategic suppliers, (6) the impact of the Company's accounting policies, (7) risks relating to the integration of new businesses, (8) uncertainty of outcome of shareholders litigation and (9) the other risk factors detailed in the Company's most recent annual report and other filings with the US Securities and Exchange Commission. Except as may be required by law, the Company does not undertake, and specifically disclaims, any obligation to publicly release the results of any revisions Which may be made to any forward-looking statements to reflect the occurrence of anticipated or unanticipated events or circumstances after the date of such forward-looking statements.

Scitex and the Scitex logo are registered trademarks and registered service marks of Scitex Corporation Ltd. Scitex Versamark, JetBlack, Vantage and Business Color are registered trademarks or trademarks of Scitex Digital Printing, Inc. Scitex Vision, Aprion, and TurboJet are trademarks of Scitex Vision Ltd. or Aprion Digital Ltd.

Yahel Shachar
Scitex Corporation Ltd.
Chief Financial Officer
Tel: +972.3.607.5744
Fax: +972.3.607.5756
Email: yahel.shachar@scitex.com

Carla Stanaford
Scitex Digital Printing, Inc.
Corporate Communications Coordinator
Tel: +1.937.259.3191
Fax: +1.937.259.3386
Email: cstanafa@scitexdpi.com

SCITEX CORPORATION LTD. (AN ISRAELI CORPORATION) AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(U.S. Dollars in thousands, except per share data)

	Three months ended September 30		Nine months ended September 30	
	2003 (Unaudited)	2002* (Unaudited)	2003 (Unaudited)	2002* (Unaudited)
Revenues				
Sales	\$ 40,664	\$ 31,197	\$ 114,409	\$ 101,757
Service and supplies	30,870	26,473	88,300	75,411
Total revenues	<u>71,534</u>	<u>57,670</u>	<u>202,709</u>	<u>177,168</u>
Cost of revenues				
Cost of sales	20,027	14,948	59,030	51,997
Cost of service and supplies	20,019	18,669	58,276	54,307
Total cost of revenues	<u>40,046</u>	<u>33,617</u>	<u>117,306</u>	<u>106,304</u>
Gross profit	31,488	24,053	85,403	70,864
Expenses				
Sales and marketing	11,626	10,432	36,133	31,788
General & administrative	6,971	5,610	19,817	16,552
Research and development, net	6,673	5,924	20,319	17,493
Amortization of intangibles	1,535	814	4,679	2,431
Operating income	4,683	1,273	4,455	2,600
Financial income (expense) - net	611	(395)	(812)	(1,508)
Other income (expense) - net	3,697	(465)	(423)	(827)
Income before taxes on income	8,991	413	3,220	265
Taxes on income	2,501	227	8,839	1,199
	6,490	186	(5,619)	(934)
Share in losses of equity investments	1,690	952	4,116	3,070
Minority interests in losses of a subsidiary	163		3,106	
Net income (loss)	<u>\$ 4,963</u>	<u>(\$ 766)</u>	<u>(\$ 6,629)</u>	<u>(\$ 4,004)</u>
Loss per share - basic and diluted:	<u>\$ 0.12</u>	<u>(\$ 0.02)</u>	<u>(\$ 0.15)</u>	<u>(\$ 0.09)</u>
Weighted average number of shares outstanding (in thousands) - basic	<u>43,018</u>	<u>43,018</u>	<u>43,018</u>	<u>43,018</u>
- diluted	<u>43,018</u>	<u>43,018</u>	<u>43,018</u>	<u>43,018</u>

(*) In January 2002, the Company changed its method of accounting for an investment from cost to equity, as required by generally accepted accounting principles. The prior year financial statements reflect the retroactive adoption of the equity method.

CONSOLIDATED BALANCE SHEETS
(U.S. Dollars in thousands)

	September 30 2003 (Unaudited)	December 31 2002* (Audited)
<u>Assets</u>		
Current assets:		
Cash and cash equivalents	\$ 68,123	\$ 30,969
Short-term investments	2,583	2,561
Restricted deposit	18,262	20,203
	<hr/>	<hr/>
Total cash and short-term investments	88,968	53,733
Trade receivables - net	107,462	95,054
Other receivables	10,186	9,900
Inventories	60,428	51,561
Deferred income taxes	17,977	20,974
	<hr/>	<hr/>
	285,021	231,222
Investments and other non-current assets	9,316	67,012
Property and equipment - net	36,378	36,857
Goodwill and other intangible assets - net	47,764	34,465
	<hr/>	<hr/>
	\$ 378,479	\$ 369,556
	<hr/> <hr/>	<hr/> <hr/>
<u>Liabilities and Shareholders' Equity</u>		
Current liabilities:		
Short term debt and current maturities	\$ 48,569	\$ 37,184
Creo note		\$ 18,523
Trade payables	25,240	22,200
Accrued and other liabilities	68,224	57,011
	<hr/>	<hr/>
	142,033	134,918
Long-term liabilities:		
Banks	1,392	5,493
Deferred income taxes	1,838	5,033
Other	11,116	2,933
	<hr/>	<hr/>
	14,346	13,459
MINORITY INTEREST	4,415	
Shareholders' equity:		
Share capital	6,205	6,205
Capital surplus	368,104	364,619
Accumulated other comprehensive income (loss)	451	801
Retained earnings (accumulated deficit)	(152,868)	(146,239)
Treasury stock at cost	(4,207)	(4,207)
	<hr/>	<hr/>
	217,685	221,179
	<hr/>	<hr/>
	\$ 378,479	\$ 369,556
	<hr/> <hr/>	<hr/> <hr/>

(*) In January 2002, the Company changed its method of accounting for an investment from cost to equity, as required by generally accepted accounting principles. The prior year financial statements reflect the retroactive adoption of the equity method.

Scitex Digital Printing, Inc.

US Dollar in Thousands

	Three months ended September 30		Nine months ended September 30	
	2003 Unaudited	2002 Unaudited	2003 Unaudited	2002 Unaudited
Revenues				
Equipment	24,925	16,864	70,709	60,845
Service and Consumables	19,945	17,932	57,660	51,517
Total Revenues	<u>44,869</u>	<u>34,796</u>	<u>128,369</u>	<u>112,362</u>
Gross Profit	19,602	12,800	53,725	40,755
Expenses:				
S,G&A	9,994	8,245	29,223	23,450
Research and Development	4,199	4,093	12,184	12,512
Operating Income before Amortization of Intangibles	5,409	462	12,318	4,793
Amortization of Intangibles	<u>89</u>	<u>73</u>	<u>242</u>	<u>220</u>
Operating Income	<u>5,320</u>	<u>389</u>	<u>12,076</u>	<u>4,573</u>

Scitex Vision Ltd. (combined with Aprion Digital Ltd.)

US Dollar in Thousands

	Three months ended September 30		Nine months ended September 30	
	2003 Unaudited	2002* Unaudited	2003 Unaudited	2002* Unaudited
Revenues				
Equipment	15,739	14,333	43,699	40,911
Service and Consumables	10,926	8,541	30,641	23,895
Total Revenues	<u>26,665</u>	<u>22,874</u>	<u>74,340</u>	<u>64,806</u>
Gross Profit	11,886	11,253	31,677	30,109
Expenses:				
S,G&A	7,948	7,123	24,633	22,460
Research and Development	2,473	1,831	8,135	4,954
Operating Income before Amortization of Intangibles	1,465	2,300	(1,091)	2,695
Amortization of Intangibles	<u>1,160</u>	<u>741</u>	<u>3,577</u>	<u>2,212</u>
Operating (Loss) Income	<u>304</u>	<u>1,559</u>	<u>(4,668)</u>	<u>483</u>

* Actual results of Scitex Vision Ltd. Aprion is consolidated commencing January 1, 2003.

Investments at September 30, 2003

US Dollars in Thousands

Company	Total Investment	Holding at September, 2003
Jemtex Ink Jet Ltd.	8,600	49.8%
Objet Geometries Ltd.	8,667	23.0%
RealTimeImage Ltd.	5,300	14.9%
InfoBit Ltd.	1,000	21.3%
XMPie Inc.	500	8.6%
Dor Capital Ventures	2,400	