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POINTER TELOCATION LTD.

**For the Annual Meeting of Shareholders
To Be Held On Wednesday, October 13, 2010**

THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS

The undersigned shareholder of Pointer Telocation Ltd. ("Pointer" or the "Company") hereby appoints each of Yossi Ben Shalom, and Adv. Orly Tsioni the true and lawful attorney, agent and proxy of the undersigned, to vote, as designated below, all of the ordinary shares of the Company which the undersigned is entitled in any capacity to vote at the Annual Meeting of the shareholders of the Company which will be held at the offices of Yigal Arnon & Co., 1 Azrieli Center, 46th Floor, Tel-Aviv, Israel, on Wednesday, October 13, 2010, at 11 a.m. (local time), and all adjournments and postponements thereof.

(Continued and to be signed on the reverse side)

ANNUAL MEETING OF SHAREHOLDERS OF
POINTER TELOCATION LTD.

October 13, 2010

Please sign, date and mail
 your proxy card in the
 envelope provided as soon
 as possible.

↓ Please detach along perforated line and mail in the envelope provided. ↓

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THE BOARD OF DIRECTORS OF THE COMPANY RECOMMENDS A VOTE "FOR" EACH OF THE PROPOSALS HEREIN.
 PLEASE SIGN, DATE AND RETURN PROMPTLY IN THE ENCLOSED ENVELOPE. PLEASE MARK YOUR VOTE IN BLUE OR BLACK INK AS SHOWN HERE

1. **TO ELECT** the following persons as directors of the Company for the coming year

	FOR	AGAINST	ABSTAIN
Yossi Ben Shalom	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Barak Dotan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Yoel Rosenthal	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alicia Rotbard	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

2. **TO APPROVE** the payment of a director's fee to Alicia Rotbard, subject to her election as a director of the Company, at the fixed amount rate as set forth in the Companies Regulations (Rules Regarding Compensation and Expenses of an External Director) - 2000.

3. **TO GRANT** to Alicia Rotbard, subject to her election as a director of the Company, options to purchase 3,000 Ordinary Shares of the Company, par value NIS 3.00 each, to vest in three equal installments over a period of three years, commencing as of the date of the Meeting, at an exercise price per share equal to the closing price per share on the date of the Meeting.

4. **TO APPOINT** Kost Forer Gabbay & Kasierer as the independent public accountants of the Company for the year ending December 31, 2010 and to authorize our audit committee (the "Audit Committee") to fix their remuneration in accordance with the volume and the nature of their services, as the Audit Committee may deem fit in their sole discretion.

To change the address on your account, please check the box at right and indicate your new address in the address space above. Please note that changes to the registered name(s) on the account may not be submitted via this method.

Signature of Shareholder Date: Signature of Shareholder Date:

Note: Please sign exactly as your name or names appear on this Proxy. When shares are held jointly, each holder should sign. When signing as executor, administrator, attorney, trustee or guardian, please give full title as such. If the signer is a corporation, please sign full corporate name by duly authorized officer, giving full title as such. If signer is a partnership, please sign in partnership name by authorized person.