SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

For the quarterly period ended: September 30, 1997

Commission file No. 0-23336

ELECTRIC FUEL CORPORATION

Exact name of registrant as specified in its charter

Delaware	95-4302784
(State or other jurisdiction incorporation or organization)	(I.R.S. Employer Identification No.)

885 Third Avenue, New York, New York 10022 - Suite 2900

(Address of principal executive offices) (Zip Code)

(212) 230-2172

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No

APPLICABLE ONLY TO CORPORATE ISSUERS:

The number of shares outstanding of the issuer's common stock as at November 7, 1997 was 14,218,161.

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CONSOLIDATED BALANCE SHEETS

<TABLE>
<CAPTION>

ASSETS	December 31, 1996 (Audited)	September 30, 1997 (Unaudited)
<S>	<C>	<C>
CURRENT ASSETS:		
Cash and cash equivalents	$12,662,776	$12,500,209
Marketable debt securities	11,296,382	6,274,840
Accounts receivable:		
Trade	369,442	512,660
Other	1,915,628	2,718,106

Inventories	915,032	675,545
Total current assets	27,159,260	22,681,360
INVESTMENT- Investee company	35,849	35,849
FIXED ASSETS:		
Cost	8,754,771	9,157,038
Less - accumulated depreciation and amortization	1,451,095	2,142,154
	7,303,676	7,014,884
OTHER ASSETS AND DEFERRED CHARGES net of accumulated amortization	23,333	15,833
	$34,522,118	$29,747,926

</TABLE>

The accompanying notes are an integral part of the Financial Statements.

CONSOLIDATED BALANCE SHEETS

<TABLE>
<CAPTION>

LIABILITIES AND STOCKHOLDERS' EQUITY	December 31, 1996 (Audited)	September 30, 1997 (Unaudited)
<S>	<C>	<C>
CURRENT LIABILITIES:		
Accounts payable and accruals:		
Trade	$ 1,079,284	$ 1,011,626
Other	3,505,594	3,367,332
Advances from Customers	926,599	1,104,607
Total current liabilities	5,511,477	5,483,565
LIABILITY FOR EMPLOYEE RIGHTS UPON RETIREMENT net of amount funded	1,141,030	1,455,257
Total Liabilities	6,652,507	6,938,822
STOCKHOLDERS' EQUITY:		
Common stock -- $0.01 par value; authorized -- 28,000,000 shares; issued - 14,257,508 shares as of December 31, 1996 and 14,216,161 as of September 30, 1997; outstanding - 14,185,208 shares as of December 31, 1996 and 14,216,161 as of September 30, 1997	142,575	142,162
Preferred stock - $0.01 par value; authorized - 1,000,000 shares, no shares outstanding		
Additional paid-in capital	57,341,451	57,028,535
Accumulated deficit	(26,890,958)	(31,996,785)
Unrealized gain on available-for-sale securities	3,157	0
Treasury stock, at cost (common stock--72,300 shares as of December 31, 1996)	(456,394)	0
Notes receivable from stockholders	(2,270,220)	(2,364,808)
Total Stockholders' Equity	27,869,611	22,809,104
	$ 34,522,118	$ 29,747,926

</TABLE>

The accompanying notes are an integral part of the Financial Statements.

CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

<TABLE>
<CAPTION>

Nine months ended September 30,	Three months ended September 30,

	1996	1997	1996	1997
<S>	<C>	<C>	<C>	<C>
REVENUES	$3,618,289	$3,931,087	$1,123,682	$1,099,531
RESEARCH AND DEVELOPMENT EXPENSES AND COST OF REVENUES:				
Expenses incurred	10,316,159	8,361,287	2,959,957	3,014,360
Less - royalty-bearing grants	908,000	1,838,867	908,000	1,238,867
	9,408,159	6,522,420	2,051,957	1,775,493
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	2,534,914	2,985,555	1,020,859	935,421
	11,943,073	9,507,975	3,072,816	2,710,914
OPERATING LOSS	(8,324,784)	(5,576,888)	(1,949,134)	(1,611,383)
FINANCIAL INCOME - NET	641,092	591,894	261,188	199,595
LOSS BEFORE TAXES ON INCOME	(7,683,692)	(4,984,994)	(1,687,946)	(1,411,788)
TAXES ON INCOME	63,435	120,833	11,859	105,833
LOSS FOR THE PERIOD	(7,747,127)	(5,105,827)	(1,699,805)	(1,517,621)
LOSS PER SHARE	$ (0.67)	$ (0.37)	$ (0.14)	$ (0.11)
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING	11,618,955	13,844,911	12,214,392	13,894,608

</TABLE>

The accompanying notes are an integral part of the Financial Statements.

ELECTRONIC FUEL CORPORATION

<TABLE>

<CAPTION>

CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY (unaudited)

	Common Stock			
	Shares	Amount	Additional paid-in capital	Accumulated deficit
<S>	<C>	<C>	<C>	<C>
BALANCE AT JANUARY 1, 1997	$ 14,257,508	$ 142,575	$57,341,451	$ (26,890,958)
CHANGES DURING THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 1997:				
Shares issued in connection with the exercise of option	30,953	310	25,071	
Option issued as compensation for services rendered by consultant			9,000	
Treasury stock retired	(72,300)	(723)	(455,671)	
Accrued Interest on notes receivable from stockholders			108,684	
Payments of interest and principal on notes receivable from stockholders				
Realization of gain on available-for-sale securities				
Loss				(5,105,827)
BALANCE AT SEPTEMBER 30, 1997	14,216,161	$ 142,162	$57,028,535	$ (31,996,785)

<CAPTION>

	Unrealized gain on available-for-sale securities	Treasury Stock	Notes receivable from shareholders	Total
<S>	<C>			
BALANCE AT JANUARY 1, 1997	3,157	(456,394)	(2,270,220)	$27,869,611
CHANGES DURING THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 1997:				
Shares issued in connection with the exercise of option				25,381
Option issued as compensation for services rendered by consultant				9,000
Treasury stock retired		456,394		0
Accrued Interest on notes receivable from stockholders			(108,684)	0
Payments of interest and principal on notes receivable from stockholders			14,096	14,096
Realization of gain on available-for-sale securities	(3,157)			(3,157)

Loss				(5,105,827)
BALANCE AT SEPTEMBER 30, 1997	$ 0	$ 0	$(2,364,808)	$22,809,104

</TABLE>

The accompanying notes are an integral part of the Financial Statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

<TABLE>
<CAPTION>

<S>	Nine month ended September 30, 1996 <C>	1997 <C>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Loss for the period	$ (7,747,127)	$ (5,105,827)
Adjustments required to reconcile loss to net cash used in operating activities:		
Depreciation and amortization	775,310	698,559
Loss (gain) from marketable debt securities, net	50,176	(15,029)
Capital loss from disposal of fixed assets	777	
Liability for employee rights upon retirement - net	255,846	314,227
Interest accrued on notes and loan to stockholders	(66,478)	
Changes in operating asset and liability items:		
Decrease (increase) in accounts receivable	334,188	(945,696)
Decrease (increase) in inventories	(311,832)	239,487
Decrease in accounts payable and accruals	(4,929,714)	(205,920)
Increase (decrease) in advances from customers	(3,438,212)	178,008
Net cash used in operating activities	$ (15,077,066)	$ (4,842,191)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of fixed assets	(2,015,573)	(402,267)
Investment grant relating to fixed assets	317,723	
Purchase of marketable debt securities		(6,315,586)
Proceeds from disposal of fixed assets	1,371	
Amounts carried to other assets and deferred charges	(44,967)	
Proceeds from sale of marketable debt securities	2,112,000	11,349,000
Net cash provided by investing activities	$ 370,554	$ 4,631,147
FORWARD	$ (14,706,512)	$ (211,044)

</TABLE>

The accompanying notes are an integral part of the financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

<TABLE>
<CAPTION>

<S>	Nine month ended September 30, 1996 <C>	1997 <C>
FORWARD	$(14,706,512)	$ (211,044)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Issue of share capital (including additional paid in capital), net of offering expenses	22,310,699	
Loans granted to stockholders	(1,545,895)	
Payment on note receivable from Stockholders		14,096
Proceeds from exercise of warrants and options	1,529,823	34,381
Net cash provided by financing activities	22,294,627	48,477
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	7,588,115	(162,567)
BALANCE OF CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	5,364,867	12,662,776
BALANCE OF CASH AND CASH EQUIVALENTS AT END OF PERIOD	$ 12,952,982	$ 12,500,209

SUPPLEMENTAL DISCLOSURE OF CASH FLOW

INFORMATION -- CASH PAID DURING THE PERIOD FOR:		
Interest	$ 3,758	$ 136
Advances to income tax authorities	$ 120,922	$ 55,790

</TABLE>

The accompanying notes are an integral part of the financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

1. The interim financial statements of Electric Fuel Corporation ("the Company") reflect all adjustments, consisting only of normal recurring accruals, which are, in the opinion of the Company's management, necessary for a fair statement of results for the periods presented. Operating revenue and expenses for any interim period are not necessarily indicative of results for a full year.

   For the purpose of these interim financial statements, certain information and disclosures normally included in the financial statements have been condensed or omitted. These unaudited statements should be read in conjunction with the audited financial statements and notes thereto for the year ended December 31, 1996.

2. EFFECTS OF RECENT PRONOUNCEMENTS

   In February 1997, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards No. 128, Earnings per Share (FAS 128). FAS 128 simplifies the earnings per share computation and is to be applied by the Company commencing with the financial statements for the year ending December 31, 1997. Upon the implementation of FAS 128, all prior period earnings per share data shall be restated to conform with the provisions of this standard. Early adoption of this Statement is not permitted. FAS 128 requires the presentation of both basic and diluted earnings per share, instead of the currently required primary and fully diluted earnings per share. Management believes that the application of FAS 128 should not have a material effect and that both basic and diluted earnings per share as defined in FAS 128 will not be substantially different from earnings per share data as presented in the enclosed financial statements.

ELECTRIC FUEL CORPORATION

Management's Discussion and Analysis of
Financial Condition and Results of Operations

The following discussion and analysis should be read in conjunction with the financial statements and notes thereto appearing elsewhere in this Quarterly Report. Amounts reported here have been rounded to the nearest thousand, unless such amounts are more than 1.0 million, in which event such amounts have been rounded to the nearest hundred thousand.

Forward Looking Statements

When used in this discussion, the words "believes", "anticipated" and similar expressions are intended to identify forward looking statements. Such statements are subject to certain risks and uncertainties which could cause actual results to differ materially from those projected. See "Important Factors Regarding Forward-Looking Statements" attached as Exhibit 99.1 to the Company's Annual Report for the year ended December 31, 1996 on Form 10-K and incorporated herein by reference. Readers are cautioned not to place undue reliance on these forward-looking statements which speak only as of the date hereof. The Company undertakes no obligation to publicly release the result of any revisions to these forward-looking statements which may be made to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

RESULTS OF OPERATIONS:
THREE MONTHS ENDED SEPTEMBER 30, 1997 COMPARED TO THE THREE MONTHS ENDED SEPTEMBER 30, 1996.

REVENUES:

Revenues for the third quarter of 1997 totaled $1.1 million compared with $1.1 million in the comparable period in 1996. Revenues for the third quarter of 1997, were principally derived from activities related to the Deutsche Post AG ("Deutsche Post") Field Test program, as well as from the supply of batteries from a more recent order of the Deutsche Post. Additionally, the Company recognized revenues from the supply of batteries and equipment to Edison Termoelettrica, Spa (Edison). The balance of the revenues in connection with the Field Test is expected to be recognized during the fourth quarter of 1997. Revenues from the Field Test are expected to decrease in 1997, in comparison to prior years, in which the Field Test revenues were primarily recognized. Third quarter 1996 revenues were principally derived from activities relating to the Field Test.

EXPENSES:

Research and development expenses and cost of revenues for the third quarter of

1997 were $3.0 million compared with $3.0 million for the third quarter of 1996. The Company believes that, given the Company's stage of development, it is not, at this

time, meaningful to distinguish between R&D expenses and cost of revenues. While there was no change in the overall expenses, the internal division of expenses changed between the periods. There was a reduction of expenses in connection with the Deutsche Post Field Test, particularly the costs of the construction of the regeneration plant in Bremen, production costs related to the supply of batteries for the Field Test, and operating costs in Bremen. This reduction was offset by increased R&D expenses, both for electric vehicles as well as for batteries for portable electronic devices. During the third quarter of 1997, the Company recorded $1.2 million of royalty bearing grants from the Chief Scientist's Office, including an increase of $582,000 in grants in connection with the Company's 1996 research and development program. During the third quarter of 1996, $908,000 of royalty-bearing grants was recognized, which reduced R&D expenses during this period. Expenses related to the Field Test are expected to continue through the end of 1997 as the Company continues to operate the Bremen regeneration plant, and service Field Test vehicles. In addition, R&D expenses are expected to continue to rise as the Company expands its engineering efforts for electric vehicle development, and uses its resources to research and develop batteries for portable electronic devices.

The provision for anticipated program losses previously recorded by the Company reflects the program losses currently estimated by management and accordingly no increase to the provision was recorded in the third quarter of 1997. In the future, however, the provision may be increased to reflect any revised estimates of project costs or any costs related to terminating the program if no definitive agreement is reached between the Company and the Deutsche Post (see discussion in "Liquidity and Capital Resources" below). The balance of the provision for the uncompleted portions of the program, including potential termination costs, amounts to $2.2 million as at September 30, 1997. The overall provision includes cost estimates based on the Company's production experience to date for the supply of batteries and battery-vehicle interface equipment, the estimated service expenses for the Field Test fleet and costs related to the 100 kg/hour regeneration plant in Bremen, Germany which is supporting the Field Test vehicles in service at September, 1997. To date, the costs of the Field Test incurred by the Company have exceeded the related program budgeted amounts by more than 20%, and during 1996, the Company, pursuant to the terms of the Field Test Partners Agreement, entered into discussions to obtain additional funding from the Deutsche Post. To date, the Company has not obtained any such funding. Accordingly, the Company anticipates that only a limited number of vehicles will continue to be tested through the fourth quarter of 1997. In the fourth quarter of 1996, the Deutsche Post requested that the Company refund the sum of approximately DM 1.8 million (approximately $1.0 million) representing milestone payments on account of Opel batteries, which are the subject of a dispute between the Deutsche Post and the Company. The advances were made in accordance with mutually agreed contractual milestones, previously acknowledged by the Deutsche Post as having been achieved, and therefore the Company does not believe that it is required to refund any of the payments. However, until the resolution of this issue, the Company has eliminated the payments from its budgeted Field Test revenues, in addition to other anticipated revenues related to the supply of the Opel batteries.

Selling, general and administrative expenses for the third quarter of 1997 were

$935,000 vs. $1.0 million in the third quarter of 1996. The Company anticipates increases in marketing expenses for the fourth quarter related to its participation in the 14th International Electric Vehicle Symposium (EVS-14), and Exposition, which will take place in Orlando, Florida in December.

NINE MONTHS ENDED SEPTEMBER 30, 1997 COMPARED TO NINE MONTHS ENDED SEPTEMBER 30, 1996.

REVENUES:

Revenues for the first nine months of 1997 amounted to $3.9 million vs. $3.6 million in the comparable period in 1996, an increase of $300,000. Revenues for the first nine months of 1997, were principally derived from fees collected in relation to a preliminary license agreement completed with Vattenfall under which Vattenfall exercised its right for a license to establish and operate the Electric Fuel infrastructure for the territory of Sweden, Denmark, Norway, Finland and St. Petersburg, Russia. Additional revenues related to Vattenfall will be recognized only after a definitive license agreement has been signed. It is currently anticipated that the definitive license agreement will only be executed after the successful conclusion of joint venture negotiations with the Deutsche Post (see discussion in "Liquidity and Capital Resources" below). Additionally, the Company continued to recognize revenues relating to its activities in the Deutsche Post Field Test program. The balance of the revenues in connection with the Field Test is expected to be recognized during the fourth quarter of 1997. Revenues from the Field Test are expected to decrease in 1997, in comparison to prior years, in which the Field Test revenues were primarily recognized. The Company completed recognition of revenues from Phase 2 of its agreement with STN Atlas Elektronic GmbH (STN) to develop a high power zinc oxygen battery for torpedoes. In addition, the Company recognized revenues from the supply of batteries and equipment to Edison. Revenues for the first nine months of 1996 were principally derived from activities relating to the Deutsche Post Field Test program. Additionally, the Company completed recognition of revenues related to phase 1 of its development program with STN.

EXPENSES

Research and development expenses and cost of revenues were $8.4 million in the first nine months of 1997 vs. $10.3 million in the comparable period in 1996.

The Company believes that, given the Company's stage of development, it is not, at this time, meaningful to distinguish between R&D expenses and cost of revenues. The decrease in expenses of $1.9 million from the first nine months of 1996 was principally attributable to a reduction of expenses in connection with the Deutsche Post Field Test, particularly the costs of the construction of the regeneration plant in Bremen, and production costs related to the supply of batteries for the Field Test. This overall decrease was partially offset by increased R&D expenses, both for electric vehicles as well as for batteries for portable electronic devices. With regard to the Company's R&D program, the Company's 1997 grant application has been approved by the Research Committee of the Office of the Chief Scientist of the Ministry of Industry and Trade. The total grant approved for 1997 amounts to approximately $1.9

million. During the first nine months of 1997, $1.8 million of royalty-bearing grants were recognized, including an increase of $582,000 in grants in connection with the Company's 1996 research and development program. During the first nine months of 1996, $908,000 of royalty-bearing grants were recognized, which reduced R&D expenses during this period. Expenses related to the Field Test are expected to continue through the end of 1997 as the Company continues to operate the Bremen regeneration plant, and service Field Test vehicles. In addition, R&D expenses are expected to continue to rise as the Company expands its engineering efforts for electric vehicle development, and uses its resources to research and develop batteries for portable electronic devices.

The provision for anticipated program losses previously recorded by the Company reflects the program losses currently estimated by management and accordingly no increase to the provision was recorded in the first nine months of 1997. In the future, however, the provision may be increased to reflect any revised estimates of project costs or any costs related to terminating the program if no definitive agreement is reached between the Company and the Deutsche Post (see discussion in "Liquidity and Capital Resources" below). The balance of the provision for the uncompleted portions of the program, including potential termination costs, amounts to $2.2 million as at September 30, 1997. The overall provision includes cost estimates based on the Company's production experience to date for the supply of batteries and battery-vehicle interface equipment, the estimated service expenses for the Field Test fleet and costs related to the 100 kg/hour regeneration plant in Bremen, Germany which is supporting the Field Test vehicles in service at September, 1997. To date, the costs of the Field Test incurred by the Company have exceeded the related program budgeted amounts by more than 20%, and during 1996, the Company, pursuant to the terms of the Field Test Partners Agreement, entered into discussions to obtain additional funding from the Deutsche Post. To date, the Company has not obtained any such funding. Accordingly, the Company anticipates that only a limited number of vehicles will continue to be tested through the fourth quarter of 1997. In the fourth quarter of 1996, the Deutsche Post requested that the Company refund the sum of approximately DM 1.8 million (approximately $1.0 million) representing milestone payments on account of Opel batteries, which are the subject of a dispute between the Deutsche Post and the Company. The advances were made in accordance with mutually agreed contractual milestones, previously acknowledged by the Deutsche Post as having been achieved, and therefore the Company does not believe that it is required to refund any of the payments. However, until the resolution of this issue, the Company has eliminated the payments from its budgeted Field Test revenues, in addition to other anticipated revenues related to the supply of the Opel batteries.

Selling, general and administrative expenses rose in the first nine months of 1997 to $3.0 million vs. $2.5 million in the comparable period in 1996. This increase was primarily attributable to increased salaries, fees and allocated overhead expenses with respect to the expanded geographic scope of the Company's activities including the United States, Scandinavia, and the Far East, as well as increased severance accruals, incurred during the first quarter of 1997, resulting from annual cost of living increases to certain named executive officers. The Company expects further increases in selling, general and administrative expenses, particularly with respect to marketing expenses,

as the Company continues to focus efforts in these new geographic areas.

LIQUIDITY AND CAPITAL RESOURCES

During the second quarter of 1997, the Company and Deutsche Post executed a letter of intent agreeing to enter into negotiations for the establishment of a joint venture entity that would provide the necessary financial and technological resources in order to continue to develop and successfully commercialize the Electric Fuel System in certain European regions. Pursuant to the Letter of Intent, the parties agreed to negotiate a definitive agreement by September 30, 1997. During September, the parties agreed to extend the timetable for negotiations until December 31, 1997. The Letter of Intent does not resolve the funding problems associated with the Field Test, which would only be resolved during the course of, or subsequent to, the negotiations on the joint venture. In addition, the Company expects to resolve the dispute with respect to the Opel refund as part of these negotiations. It is anticipated that following a definitive agreement, the Field Test program would be modified and that the joint venture entity would succeed to certain rights and obligations of the Company with respect to the Field Test. There can be no assurance that a definitive agreement will be reached. In the event a definitive agreement is not reached by December 31, 1997, the Letter of Intent will automatically terminate (unless extended further by the parties). Both the Deutsche Post and the Company have indicated that they expect not to continue the Field Test after this date if no definitive agreement is reached.

Total consideration to the Company, under its current contractual arrangements, for the batteries, equipment and services to be supplied in connection with the Field Test (including DM 1.0 million from Vattenfall) is expected to be DM 22.0

million (approximately $14.5 million), less a contribution to the costs of the Field Test by the Company of DM 7.0 million (approximately $4.6 million), leaving a net balance of approximately DM 15.0 million (approximately $9.9 million). However, in connection with the Company's discussions with the Deutsche Post with respect to the Opel batteries, the Company has reduced anticipated revenues related to the supply of batteries from its budgeted Field Test revenues, resulting in a reduction of anticipated net project revenues to DM 12.2 million (approximately $8.3 million) The Company has recognized to date approximately 88% of the Field Test revenues. The remaining revenues and expenses related to the Field Test are expected to be recognized during the fourth quarter of 1997.

The Company expects that, in connection with its ongoing efforts in the engineering and commercialization of the Electric Fuel System, and in connection with its efforts to research and develop batteries for portable electronic devices, the Company's research and development, operational and selling, general and administrative expenses will continue to increase.

As of September 30, 1997, the Company had cash, cash equivalents and financial investments of approximately $18.8 million compared with $24.0 million as of December 31, 1996.

The Company used available funds in the first nine months of 1997 primarily for

continued research and development expenditures, the advancement of its commitments with regard to the Field Test, and other working capital needs. The Company increased its investment in fixed assets by $400,000 to $9.2 million during the nine months ended September 30, 1997. Fixed assets include $3.2 million related to the value of the Bremen facility after its use in the Field Test, based on construction costs to date.

The Company presently has a line of credit with the First International Bank of Israel Ltd. ("FIBI") (the "Credit Facility"). Borrowings under the Credit Facility bear interest at FIBI's prime rate + 2% per annum, are unconditionally guaranteed by Electric Fuel Corporation ("EFC") and are secured by a pledge of foreign currency deposits in the amount of NIS 750,000 (approximately $214,000). Additionally the Credit Facility imposes financial and other covenants on EFC and EFL and presently expires on January 31, 1998, at which time the Credit Facility will be reviewed for renewal by FIBI. The Credit Facility provides EFL with a line of credit in the maximum principal amount of NIS 3.8 million (approximately $1.1 million), which can be used as credit support for various obligations of the Company, and enables EFL to enter into up to U.S. $ 4.0 million in currency hedging forward contracts with a 5% collateral requirement. As of September 30, 1997 the bank had issued letters of credit and bank guarantees totaling approximately $324,000. At the present time, the Company is not engaged in any hedging activities.

The Company has no long term debt outstanding and expects that its cash flow from operations, together with present cash reserves and amounts available under the Credit Facility, will be sufficient to fund the Company's projected activities through the fourth quarter of 1998. While the Company is negotiating expanding the relationship with Deutsche Post for continued development and commercialization of the Electric Fuel System, as well as for additional funding to support the Field Test, there can be no assurance that the Company will be successful in its negotiations or be able to obtain any such funding. If an agreement with the Deutsche Post is not reached, the Company may decide to scale back certain of its efforts in the Electric Vehicle business. Moreover, if the Field Test or the ongoing commercialization discussions are successful and Deutsche Post, or any other `participant in the Field Test, begins to convert all or a portion of their fleets, to the Electric Fuel System, the Company could be required to produce batteries in increased quantities as well as to construct new regeneration and refueling facilities or expand its existing facility to commercial capacity. Additional strategic alliances may also require the establishment or expansion of facilities in Israel or elsewhere. In addition, the Company may determine that it should invest in certain programs, such as additional electric vehicle demonstration programs, which it believes will advance the development and commercialization of the Electric Fuel System. The Company is also using its resources to research and develop other applications exploiting its proprietary technology, including batteries for portable electronic devices. Accordingly, the Company may be required to seek additional funding or pursue other options, such as joint ventures with Field Test partners or others. The Company continues to consider financing alternatives when presented and, if financing becomes available on satisfactory terms, including price, the Company may obtain additional funding, including through the issuance of equity securities.

PART II

ITEM 4.

1. Annual meeting took place on July 14, 1997
2. Directors elected (class III) - Robert S. Ehrlich and Harvey M. Krueger
3. Directors whose term of office continued after meeting (Class I and II) Yehuda Harats, Dr. Jay M. Eastman, Leon S. Gross, Jack E. Rosenfeld and Lawrence M. Miller.

1. Election of two Class III Directors.

	FOR	WITHHELD
Robert S. Ehrlich	9,798,463	2,717,954
Harvey M. Krueger	9,800,863	2,715,554

2. Proposal to fix the number of Class III directors at two

FOR	AGAINST	ABSTAIN	UNVOTED
10,116,363	2,385,704	14,350	0

3. Proposal to amend the 1993 stock option and restricted stock purchase plan.

FOR	AGAINST	ABSTAIN	UNVOTED
7,233,605	3,120,069	101,965	2,060,778

4. Ratification of the appointment of Kesselman & Kesselman, a member of Coopers & Lybrand (International), as independent accountants of the company.

FOR	AGAINST	ABSTAIN	UNVOTED
12,447,310	61,057	8,050	0

ITEM 6.

1. No reports on Form 8-K were filed during the third quarter of 1997.

SIGNATURES

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

ELECTRIC FUEL CORPORATION

(Registrant)

By: /s/ Robert S. Ehrlich

Name: Robert S. Ehrlich

Title: Chairman of the Board and Chief Financial Officer

Dated: November 7, 1997

<TABLE> <S> <C>

<ARTICLE> 5
<MULTIPLIER> 1

<S>	<C>
<PERIOD-TYPE>	9-MOS
<FISCAL-YEAR-END>	DEC-31-1997
<PERIOD-START>	JAN-01-1997
<PERIOD-END>	SEP-30-1997
<CASH>	12,500,209
<SECURITIES>	6,274,840
<RECEIVABLES>	512,660
<ALLOWANCES>	0
<INVENTORY>	675,545
<CURRENT-ASSETS>	22,681,360
<PP&E>	9,157,038
<DEPRECIATION>	2,142,154
<TOTAL-ASSETS>	29,747,926
<CURRENT-LIABILITIES>	5,483,565
<BONDS>	0
<PREFERRED-MANDATORY>	0
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<COMMON>	142,162
<OTHER-SE>	22,666,943
<TOTAL-LIABILITY-AND-EQUITY>	29,747,926
<SALES>	0
<TOTAL-REVENUES>	3,931,087
<CGS>	0
<TOTAL-COSTS>	6,522,420<F1>
<OTHER-EXPENSES>	0<F1>
<LOSS-PROVISION>	0
<INTEREST-EXPENSE>	(591,894)
<INCOME-PRETAX>	(4,984,994)
<INCOME-TAX>	120,833
<INCOME-CONTINUING>	(5,105,827)
<DISCONTINUED>	0
<EXTRAORDINARY>	0
<CHANGES>	0
<NET-INCOME>	(5,105,827)
<EPS-PRIMARY>	(0.37)
<EPS-DILUTED>	(0.37)

<FN>
<F1>TOTAL COSTS INCLUDES RESEARCH AND DEVELOPMENT EXPENSES AND COST OF REVENUES. BECAUSE OF THE NATURE OF THE COMPANY'S OPERATIONS, MANAGMENT IS OF THE OPINION THAT IT IS NOT MEANINGFUL TO SEGREGATE THESE COSTS.
</FN>

</TABLE>