

Ad-hoc release according to Section 15 WpHG

Electronics Line significantly increases Profitability and expects Net Profit of approx. US\$ 1.0 Million for Fiscal 2011

- **Net Profit of around US\$ 0.8 Million in the First Nine Months of 2011**
- **Electronics Line expects Sales of around US\$ 24 million and a Net Profit of around US\$ 1.0 Million for Fiscal 2011**

Rishon Le Zion, Israel (November 17, 2011) – Electronics Line 3000 Ltd. (“the Company” or “EL”) (XETRA: ELN), a global provider of wireless security with remote management solutions, today announced the preliminary financial results for the first nine months of 2011 in U.S. dollars.

In the third quarter of 2011 the Company reached a high gross profitability and thus was able to significantly increase its net profit, which in consequence will lead to a better than expected result for fiscal 2011.

Financial Highlights

- **Revenues** for the first nine months of 2011 were US\$ 18.4 million, compared to US\$ 21.8 million for the same period last year. Revenues for the third quarter of 2011 were US\$ 7.0 million, compared to US\$ 7.6 million for the same period last year.

The decrease in revenues mainly was caused by the change of production to outsourcing which temporarily resulted in a large customer orders backlog during the second quarter and that also affects the 2011 full year revenue. The discontinuation of low-margin products also impacted the Company’s turnover in the reporting period.

- **Gross Margin** during the first nine month of 2011 was ca. 35% compared to 32% for the comparable period of the previous year. Gross Margin for the third quarter of 2011 was 43%, compared to 33% for the same period last year.

During 2011, the Company successfully implemented several streamlining measures, which had a positive effect on the Company’s financial results. The major improvement of the gross margin during the third quarter mainly was due to the Company’s decision to outsource its production activities to sub-contractors and to lower than expected operating costs during the quarter.

- **Net Profit** for the first nine months of 2011 improved considerably to approx. US\$ 0.8 million compared to a net loss of US\$ 2.5 million for the first nine months of 2010.

- **Shareholders Equity** as at September 30, 2011 amounted to approx. US\$ 2.3 million. As at December 31, 2010 the Company had a negative shareholders' equity of US\$ 3.5 million. The net profit and the issuance of 3,550,000 ordinary shares during the reporting period strengthened the financial position of the Company substantially.
- **Estimated Sales and Net Profit for fiscal year 2011:** For fiscal year 2011, the Company expects a turnover of approx. US\$ 24 million and a net profit of around US\$ 1.0 million.

EL will publish a reviewed financial report for the first nine months of 2011 on November 21, 2011, which will be available on the Company's website at www.electronics-line.com in the investors section.

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About Electronics Line (EL):

EL is a pioneer in next-generation security solutions for the residential and small commercial markets. The Company designs and produces cutting-edge solutions for security and control of living and working environments. The EL line provides comprehensive security protection, as well as sophisticated system and home management functionality, for optimal comfort, safety and peace of mind. This new industry standard is further upgraded with enhanced remote management capabilities that give homeowners instant access to their system from anywhere in the world.

Upgrading Everyday Security

EL solutions enable new levels of control and maintenance in protected sites through the ELAS, a proprietary remote management server. The Company enjoys a unique market position in supplying ELAS-governed systems for the home and workplace, which provide the multiple benefits of a virtual security presence, convenient home automation, and energy efficiency, all customized by the end-user and/or the service provider.

EL's extensive product line includes both wired and wireless solutions, as well as the integration of both types into one hybrid system. EL solutions offer enhanced detection and PSTN/IP/GSM/GPRS-based event reporting, along with advanced remote management tools. The back-office support and customized branding of EL solutions provide superior security with significant business benefits and market expansion potential.

Global Partnerships

Nearly three decades of cutting-edge leadership have earned EL a solid market position, allowing users worldwide to benefit from EL's ongoing development of upgraded security solutions. The Company maintains long-term partnerships worldwide.

EL has made emerging technology, user-friendly design and exceptional quality the benchmarks for serving its international network of clients and partners. Drawing on a tradition of pioneering expertise, EL specialists also provide security integration consultancy, installation service, training and technological support.

EL was established in 1982 and is headquartered in Israel. The Company is publicly traded on the Frankfurt Stock Exchange (ELN) and is part of the RISCO Group, an established leader in the international security market.

Disclaimer:

"This release contains forward-looking statements, which express the current beliefs and expectations of management. Such statements involve a number of known and unknown risks and uncertainties that could cause the Company's future results, performance or achievements to differ significantly from those expressed or implied by such forward-looking statements. A number of these risks and other factors that might cause differences, some of which could be material, along with additional discussion of forward-looking statements, are set forth in the Company's Annual Report and its other filings filed with the Israeli Securities Authority. Forward-looking statements speak only as of the date on which they are made and the Company undertakes no obligation to update publicly or revise any forward-looking statement, whether as a result of new information, future developments or otherwise."