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Ad-hoc release according to Section 15 WpHG

Electronics Line sells its UK subsidiary in a Management Buyout transaction for GBP 1.8 Million

Rishon Le Zion, Israel (November 24, 2011) – Electronics Line 3000 Ltd. (“the Company” or “EL”) (XETRA: ELN), a global provider of wireless security with remote management solutions, announces the sale of its 100% subsidiary Electronics Line UK Ltd. (“ELUK”), a sales company for the UK, to a company held by ELUK’s current CEO and other investors (Management Buyout - MBO). The Company’s board of directors approved the transaction in its meeting today.

EL is reorganizing its sales structure in Europe and intends to only focus on products that are EL’s intellectual property. Thus, ELUK, which also was a distributor for other manufacturers, was classified as “Held-for-Sale” in the Company’s last financial statements.

Under the MBO-agreement, the Company receives a consideration of GBP 1.8 million paid in cash at the closing and returned stock of EL IP Products in a total worth of GBP 130,000 . Furthermore, the parties agreed on the termination of the distribution agreement between the Company and ELUK and a mutual non-competition-clause for a period of three years from closing. EL will continue to be able to distribute its IP-products in the UK.

As at September 30, 2011 net book value of ELUK amounted to GBP 2.0 million. The transaction will strengthen the company’s balance sheet and its financial position as it improves the equity ratio to approx. 30%.

The Company believes that in the short term this transaction will reduce its turnover in the UK in the amount equal to its sales of 3rd party products, but will contribute to future growth and profitability.

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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.



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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.”