



ELRON GROUP COMPANY, SAFEND, CLOSES FUNDING ROUND;

NAMED WINNER OF INFO SECURITY PRODUCTS GUIDE 2008 GLOBAL EXCELLENCE AWARD

Tel Aviv, Israel, February 19, 2008 - **Elron Electronic Industries Ltd.** (NASDAQ: ELRN) (TASE: ELRN) ("Elron" or the "Company"), highlighted today that Group Company - **Safend Ltd.** ("Safend"), a leading provider of endpoint data leakage prevention solutions, has raised \$9 million in a Series C financing round lead by multi-billion dollar European-based asset management fund. Elron, as well as the Company's other existing investors - Walden Israel and Intel Capital, also participated in the round.

The new funding will enable Safend to accelerate development efforts of its core technology, new solution offerings, and fund continued growth through strategic partnerships and distribution channels worldwide. Following this round Elron holds 27% in Safend.

On February 1, 2008, Info Security Products Guide, a Silicon Valley Communications publication and the world's leading publication on security-related products and technologies, named Safend's solution, Safend Protector, as the **winner of the 2008 Global Product Excellence Award in Endpoint Security Solutions**. Safend Protector won the award based on votes from customers, channel partners, and Info Security Products Guide readers, competing with six other finalists and hundreds of nominations. Safend Protector guards confidential data stored on enterprise PCs and laptops against loss, tampering and theft by both monitoring the transfer of sensitive data as well as controlling access to removable storage devices and wireless communication ports, including USB, FireWire, WiFi, Bluetooth, Infrared (IrDA), and CD/DVDs.

About Elron Electronic Industries

Elron Electronic Industries Ltd. (TASE & NASDAQ: ELRN), a member of the IDB Holding group, is a leading Israel-based technology holding company directly involved in the long-term performance of its group companies. Elron identifies potential technologies, creates strategic partnerships, secures financing, and recruits highly qualified management teams. Elron's group companies currently comprise a diverse range of publicly-traded and privately held companies primarily in the fields of medical devices, information & communications technology, clean technology and semiconductors. For further information, please visit www.elron.com

About Safend Ltd.

Safend Ltd. is a leading provider of endpoint data leakage prevention solutions that protect against corporate data loss via physical, wireless, and removable media ports while ensuring compliance with regulatory data security and privacy standards. Safend's solutions, available through resellers worldwide, are deployed by multinational enterprises, government agencies and small to mid-size companies across the globe. For additional information, visit: www.safend.com.

Forward Looking Statements

Any statements in this press release that may be considered forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially. Actual results may differ from such forward-looking statements due to the risk factors discussed in periodic reports filed by the Company with the Securities and Exchange Commission, which the Company urges investors to consider.

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