

## **ELRON HIGHLIGHTS DEVELOPMENTS IN GROUP COMPANIES**

- ❖ **ATLANTIUM: EWT, A GLV SUBSIDIARY, NAMED EXCLUSIVE US SELLER & DISTRIBUTOR OF ATLANTIUM HOD SYSTEM FOR DRINKING WATER**
- ❖ **WAVION WINS TWO PROJECTS FOR THE DEPLOYMENT OF ITS BASE STATIONS IN URUGUAY AND ARGENTINA**

Tel Aviv, Israel, July 10, 2008 - **Elron Electronic Industries Ltd.** (NASDAQ: ELRN) (TASE: ELRN) ("Elron") highlighted today various developments in group companies.

*Atlantium Technologies Ltd.* ("Atlantium"), 33% held by Elron, signed an agreement appointing Eimco Water Technologies (EWT), a subsidiary of GLV (TSX: LVG.A, LVG.B), as the exclusive distributor and seller of Atlantium's Hydro-Optic Disinfection™ (HOD) system for the municipal market in the US. GLV, with annual revenues of above \$500 million, is a leading global provider of technologies designed for various environmental, municipal and industrial applications. EWT, a major provider of drinking water and wastewater solutions, has extensive experience in helping their municipal customers comply with strict Environmental Protection Agency (EPA) regulations, and thus has strong penetration into the US municipal market. The fact that the Atlantium system has been validated according to the EPA regulations for drinking water, played a critical role in concluding the agreement between the two companies.

Atlantium's HOD system delivers a uniform UV dose to the entire volume of water treated, achieving very high levels of microbial inactivation of remarkable quality. Likewise, the system is part of a complete solution that comes fully-equipped with monitoring and control software to ensure water is adequately and continuously treated, and receives real-time data from sensors that continually monitor the system's actions. Atlantium systems are installed worldwide in a number of industries and applications, such as food and beverage, dairies and aquaculture, as well as at major clients, such as Coca-Cola and Pepsi. During the past year Atlantium has gained international recognition, winning various prestigious awards, such as the Red Herring 100 Global Award, which identifies leading early stage companies.

*Wavion Inc.* ("Wavion"), 66% held by Elron, announced that it won two projects to deploy its new category of Wi-Fi Base Stations in Uruguay and Argentina. Wavion is transforming the metro Wi-Fi and rural markets with a new category of spatially adaptive base stations. The company's digital beam-forming and SDMA technologies are the first to resolve the significant performance, penetration and cost challenges facing large scale metro and rural deployments, achieving four times the coverage area and downstream capacity.

Wavion's base stations will deliver high speed wireless internet (Wi-Fi) to schools in Uruguay in several provinces and to the towns and villages as part of the LATU's (Technological Laboratories of Uruguay) pioneering One Laptop Per Child (OLPC) project. OLPC is a non-profit organization whose mission is to foster the children's innate capacities to learn, share, and create on their own by providing them each with a laptop computer.

In addition, Wavion's base stations will deliver high speed wireless internet to the San Luis province in Argentina, its schools and town. The project is being carried out in cooperation with the University of La Punta, whose role is to foster progress and growth in the San Luis province, and Xiden Networking, a Latin-American provider of high-performance IT integration solutions. The aim of the project is to foster economic development and tourism in the province and will help close the digital divide by enabling the children in the province to access the Internet at school and at their homes.

### **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](http://www.elron.com)

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### ***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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