

**- FOR IMMEDIATE RELEASE -**

**ELRON ANNOUNCES SALE OF APPROXIMATELY 850,000 SHARES OF ZIX CORPORATION.**

**Tel Aviv, November 23, 2003 - Elron Electronic Industries Ltd. (NASDAQ; ELRN)** today announced that it completed sales of approximately 850,000 shares of common stock of Zix Corporation ("Zix") for approximately \$7.1 million, which shares were received as part of the sale of the assets and business of Elron's majority-owned subsidiary, Elron SW, Inc. (formerly Elron Software, Inc.) to Zix in September this year. Elron still holds approximately 850,000 shares of Zix and a \$1.0 million convertible note.

As a result of the sales, Elron will record, in the fourth quarter of this year, an estimated gain, after tax, of approximately \$2.7 million.

*Elron Electronic Industries Ltd. is a multinational high technology holding company based in Israel. Through affiliates, Elron is engaged with a group of high technology operating companies in the fields of advanced defense electronics, communication, software, information technology, medical devices, semiconductors and amorphous metals.*

*For further information, visit <http://www.elron.com>*

Contact:

Tal Raz

Elron Electronic Industries Ltd.

Tel. 972-3-6075555

[raz@elron.net](mailto:raz@elron.net)

*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.*