



UNITRONICS (1989) (R"G) LTD.

**PRESS RELEASE**

**Airport City, Israel**

**September 4th, 2014**

**\*\*\*Regulated Information\*\*\***

**\*\*\*For Immediate Release\*\*\***

**Re: An immediate report concerning the outcome of the meeting to approve a transaction with a controlling shareholder and/or the approval of a private offering and/or approval of a dual term of Chairman and CEO and/or the appointment of an external director**

**Airport City, Israel – September 4th, 2014** –Unitronics published the attached Immediate Report, pursuant to the requirements of Israeli law, in concerning with the outcome of the meeting to approve a transaction with a controlling shareholder and/or the approval of a private offering and/or approval of a dual term of Chairman and CEO and/or the appointment of an external director.

#### **About Unitronics**

Unitronics (1989) (R"G) Ltd. is an Israeli company that engages, through its Products Department, in the design, development, production, marketing and sale of industrial automation products, mainly Programmable Logic Controllers ("PLCs"). PLCs are computer-based electronic products (hardware and software), used in the command and control of machines performing automatic tasks, such as production systems and automatic systems for industrial storage, retrieval and logistics. The Company also engages, through its Systems Department and/or its subsidiaries, in the design, construction and maintenance services in the framework of projects for automation, computerization and integration of computerized production and/or logistics systems, mainly automated warehouses, automated distribution centers and automated parking facilities. The Company's PLCs are distributed by over one hundred and forty distributors (and a wholly owned US subsidiary) in approximately fifty countries throughout Europe, Asia, America and Africa. The services of the Systems Department are provided to customers in Israel and also outside Israel.

This press release contains certain forward-looking statements and information relating to the Company that are based on the beliefs of the Management of the Company as well as assumptions made by and information currently available to the Management of the Company. Such statements reflect the current views of the Company with respect to future events, the outcome of which is subject to certain risks and other factors which may be outside of the Company's control. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results or outcomes may vary materially from those described herein as projected, anticipated, believed, estimated, expected or intended.

**Unitronics (1989) (R"G) Ltd.**  
**(the "Company")**

**Re: Immediate report on the outcome of the meeting to approve a transaction with a controlling shareholder and/or the approval of a private offering and/or approval of a dual term of Chairman and CEO and/or the appointment of an external director**

Pursuant to Section 13 of the Securities Regulations (Transaction between a Company and a Controlling Shareholder Therein), 2001

Or Section 22 of the Securities Regulations (Private Offering of Securities in a Listed Company), 2000

Section 36D (b) of the Securities Regulations (Periodic and Immediate Reports), 1970

*If there were other issues on the meeting agenda, they are to be listed in Section 3*

1. In the meeting convened on *04/09/2014*, for which notice of its convening was published in the form reference number *2014-01-119502*, the following issues were raised on the agenda:

Ser. No	Type of Transaction/Voting Item	Item Summary
1	Appointment of an external director	<i>Appointment of Mr. Joel Sela as an external director of the Company for a third term of office</i>
2	Conditions of the term of office and the transaction of the controlling shareholder	<i>Re-approval of the employment agreements of Mr. Haim Shani and Mrs. Bareket Shani, the controlling shareholder and his wife, for a further period of three years from the date of the meeting until September 4, 2017, pursuant to Section 275 (1A) of the Companies Law</i>
3	Conditions of the term of office and the transaction of the controlling shareholder	<i>Amendment of the employment agreements of Mr. Haim Shani and Mrs. Bareket Shani</i>
4	Indemnification, immunity and/or insurance	<i>Re-approval of the deed of indemnity and immunity for Mr. Haim Shani and Mrs. Bareket Shani</i>

The following resolutions were adopted:

<p><b>1</b></p> <p>Type of transaction / Voting Item: <i>Appointment of an external director</i></p> <p>Item Summary: <i>The appointment of Mr. Joel Sela as an external director in the Company for a third term</i></p> <p>Summary of proposed resolution: <i>The appointment of Mr. Joel Sela as an external director in the Company for a further term of three years</i></p> <p>The meeting resolved: <i>To approve</i></p> <p>Number of shares/securities participating in the vote: <i>7,249,669</i></p> <p>Number of shares/securities that voted in favor: <i>7,182,162</i></p> <p>Number of shares/securities participating in the vote that were not classified as shares whose holders have a personal interest/shares of non-controlling shareholders or of a shareholder that has a personal interest in approving the appointment, excluding a personal interest that is not the result of associations with the controlling shareholder: <i>1,157,174</i> of which <i>1,089,667</i> voted in favor of approving the transaction and <i>67,507</i> voted against approval of the transaction.</p> <p>Number of shares participating in the vote that were not classified as shares whose owners are controlling shareholders in the Company/ as shares having a personal interest in approving the resolution <i>1,157,174</i> of which <i>1,089,667</i> voted in favor of approving the transaction.</p> <p>Number of shares/securities that voted against: <i>67,507</i></p>
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Percentage of votes in favor of approval of the transaction out of the total number of voters who do not have a personal interest in the transaction/ are not controlling shareholders or have a personal interest in approving the appointment, excluding a personal interest that is not a result of associations with the controlling shareholder: 94.17%

Percentage of votes in favor of approval of the transaction out of the total number of voters who are not controlling shareholders/do not have a personal interest in the approval of the decision: 94.17%

Percentage of votes against from the total voting rights in the Company: 0.67%

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## 2

Type of transaction / Voting Item: *Conditions of service and employment of the controlling shareholder*

Item Summary: *The re-approval of the employment agreements of Mr. Haim Shani and Mrs. Bareket Shani, the controlling shareholder in the Company and his wife, for a further period of three years from the date of the meeting, until September 4, 2017 pursuant to Section 275 (1A) of the Companies Law*

Summary of proposed resolution: *To re-approve the employment agreements of Mr. Haim Shani, Chairman of the Board of Directors, CEO and controlling shareholder of the Company, and Mrs. Bareket Shani, the wife of Mr. Shani, who serves as a Director and Vice President Human Resources in the Company, in accordance with Section 275 (1A) of the Companies Law, for a further period of three years from the date of the meeting, until September 4, 2017.*

The meeting resolved: *To approve*

Number of shares/securities participating in the vote: 7,249,669

Number of shares/securities that voted in favor: 6,913,162

Number of shares/securities participating in the vote that were not classified as shares whose holders have a personal interest/shares of non-controlling shareholder or of a shareholder that has a personal interest in approving the appointment, excluding a personal interest that is not the result of associations with the controlling shareholder: 1,157,174 of which 820,667 voted in favor of approving the transaction and 336,507 voted against approval of the transaction.

Number of shares participating in the vote that were not classified as shares whose owners are controlling shareholders in the Company/ as shares having a personal interest in approving the resolution 1,157,174 of which 820,667 voted in favor of approving the transaction.

Number of shares/securities that voted against: 336,507

Percentage of votes in favor of approval of the transaction from the total number of voters who do not have a personal interest in the transaction/ are not controlling shareholders or have a personal interest in approving the appointment, excluding a personal interest that is not a result of associations with the controlling shareholder: 70.92%

Percentage of votes in favor of approval of the transaction from the total number of voters who do not have a personal interest in the transaction/are not controlling shareholders or have a personal interest in the approval of the decision: 70.92%

Percentage of votes against from the total voting rights in the Company: 3.36%

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## 3

Type of transaction / Voting Item: *Conditions of service and employment of the controlling shareholder*

Item Summary: *The amendment of the employment agreements of Mr. Haim Shani and Mrs. Bareket Shani.*

Summary of proposed resolution: *To approve the cancellation of the company share options bonus clause in the employment agreements of Mr. Haim Shani, Chairman of the Board of Directors, CEO and controlling shareholder, and Mrs. Bareket Shani, Director and Vice President Human Resources In the Company and to approve the cancellation of the requirement for a majority of 75% of the Board of Directors to end the employment agreement of Mr. Haim Shani, all as set forth in Section 3.2 of the notice of the convening of the meeting.*

The meeting resolved: *To approve*

Number of shares/securities participating in the vote: 7,249,669

Number of shares/securities that voted in favor: 6,913,162

Number of shares/securities participating in the vote that were not classified as shares whose holders have a personal interest/shares of non-controlling shareholder or of a shareholder that has a personal interest in approving the appointment, excluding a personal interest that is not the result of associations with the controlling shareholder: 1,157,174 of which 820,667 voted in favor of approving the transaction and 336,507 voted against approval of the transaction.

Number of shares participating in the vote that were not classified as shares whose owners are controlling shareholders in the Company/ as shares having a personal interest in approving the resolution 1,157,174 of which 820,667 voted in favor of approving the transaction.

Number of shares/securities that voted against: 336,507

Percentage of votes in favor of approval of the transaction from the total number of voters who do not have a personal interest in the transaction/ are not controlling shareholders or have a personal interest in approving the appointment, excluding a personal interest that is not a result of associations with the controlling shareholder: 70.92%

Percentage of votes in favor of approval of the transaction from the total number of voters who do not have a personal interest in the transaction/are not controlling shareholders or have a personal interest in the approval of the decision: 70.92%

Percentage of votes against from the total voting rights in the Company: 3.36%

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#### 4

Type of transaction / Voting Item: *Indemnity, immunity and/or insurance*

Item Summary: *Re-approval of the deed of indemnity and immunity for Mr. Haim Shani and Mrs. Bareket Shani*

Summary of proposed resolution: *To re-approve the deed of indemnity and immunity for Mr. Haim Shani, Chairman of the Board of Directors, CEO and controlling shareholder in the Company and Mrs. Bareket Shani, Director and Vice President Human Resources of the Company, as set forth in Section 3.3 of the notice of convening of the meeting.*

The meeting resolved: *To approve*

Number of shares/securities participating in the vote: 7,249,669

Number of shares/securities that voted in favor: 6,913,162

Number of shares/securities participating in the vote that were not classified as shares whose holders have a personal interest/shares of non-controlling shareholder or of a shareholder that has a personal interest in approving the appointment, excluding a personal interest that is not the result of associations with the controlling shareholder: 1,157,174 of which 820,667 voted in favor of approving the transaction and 336,507 voted against approval of the transaction.

Number of shares participating in the vote that were not classified as shares whose owners are controlling shareholders in the Company/ as shares having a personal interest in approving the resolution 1,157,174 of which 820,667 voted in favor of approving the transaction.

Number of shares/securities that voted against: 336,507

Percentage of votes in favor of approval of the transaction from the total number of voters who do not have a personal interest in the transaction/ are not controlling shareholders or have a personal interest in approving the appointment, excluding a personal interest that is not a result of associations with the controlling shareholder: 70.92%

Percentage of votes in favor of approval of the transaction from the total number of voters who do not have a personal interest in the transaction/are not controlling shareholders or have a personal interest in the approval of the decision: 70.92%

Percentage of votes against from the total voting rights in the Company: 3.36%

2. Resolutions of the meeting on other items on the agenda:

1. Presentation of the Financial Statements and Periodic Report of the Company for 2013.  
In a unanimous vote of all the participants in the vote, it was resolved to approve that the audited Financial Statements of the Company, the report of the Board of Directors on the state of the corporation, including the remuneration of the Auditors of the Company for auditing activities and salary for additional activities and the Periodic Annual Report (in the form of the Barnea Commission) for the year ended December 31, 2013 were presented to the General Meeting of the Company.
2. The re-appointment of CPA Amit Halfon as the Auditor of the Company for 2014 and for the period until the next Annual General Meeting of the Shareholders of the Company and the authorization of the Board of Directors to determine his remuneration  
In a unanimous vote of all the participants in the vote, it was decided to approve the re-appointment of CPA Amit Halfon as the Auditor of the Company for 2014 and for the period until the next Annual General Meeting of the Shareholders of the Company and to authorize the Board of Directors to determine his remuneration .
3. The appointment of Mr. Haim Shani and Mrs. Bareket Shani for a further term as Directors (Category C) in the Company.  
A majority of 94.87% of the participants in the vote approved the appointment of Mr. Haim Shani and Mrs. Bareket Shani as Directors (Category C) in the Company for a further term until the date of the Annual General Meeting of the Company in 2017, in accordance with the Company's Articles of Association.

3. Details of the voters at the meeting that are institutions, have a personal interest or are senior officers:  
*The form contains up to 40 rows (each single row for the data of one holder of securities that voted in the meeting). In the event that the number of voters is higher than 40, continue to enter the data for the additional voters on an additional form.*

- \_\_\_\_\_ file. The file shall include the data required on this form for each voter.  
 The voting details are in accordance with the serial numbers listed in section 1 above:

Serial No.	Item Number on the Agenda	Family Name of Holder of Shares or Securities/Name of Corporation (Hebrew) (1)	First Name of Holder of Shares or Securities	Number of Securities	Personal Interest (2)	Manner of Voting	Proxy/Power of Attorney
1	Item						

*Explanations:*

*(1) Enter the full name as registered with the Registrar of Companies or on the ID card .*

*(2) Whether the shareholder or the holder of securities has a personal interest or if the power of attorney has a personal interest.*

*The data in this column of the table shall be entered according to the following details:*

- \* Regarding the approval of the dual role of Chairman and CEO (pursuant to section 121 (c) of the Companies Law) – a voter who is a controlling shareholder or a voter who has a personal interest in the approval of the resolutions shall enter "Yes";*
- \* Regarding the appointment of an external Director (pursuant to section 239 (b) of the Companies Law) - a voter who is a controlling shareholder or a voter who has a personal interest in the approval of the appointment that is not the result of an association with the controlling shareholder shall enter "Yes";*
- \* Regarding an exceptional transaction with a controlling shareholder or if the controlling shareholder has a personal interest therein (pursuant to section 275 of the Companies Law) - a voter who has a personal interest in the approval of the transaction shall enter "Yes";*
- \* Regarding a resolution pursuant to section 350 of the Companies Law, or a resolution to amend the Deed of Trust at a meeting of certificate holders of liability – a voter who has a personal interest in accordance with the resolution shall enter "Yes".*

**1**

Family name of shareholder or holder of securities (Hebrew) / Corporation name (Hebrew):

\_\_\_\_\_

First name of shareholder or holder of securities (Hebrew): \_\_\_\_\_

Family name of shareholder or holder of securities / Corporation name (English):

\_\_\_\_\_

First name of shareholder or holder of securities (English): \_\_\_\_\_

ID number type: \_\_\_\_\_

ID number: \_\_\_\_\_

Participation in the meeting is by virtue of holding securities the number of which is:

\_\_\_\_\_

Place of incorporation of the shareholder or holder of securities / country of passport:

\_\_\_\_\_

Power of attorney name: \_\_\_\_\_

Power of attorney ID number type: \_\_\_\_\_

Power of attorney ID number: \_\_\_\_\_

Country of passport: \_\_\_\_\_

If the company has knowledge of any connection between the voter (who does not have a personal interest) and the Company or any of its controlling shareholders, including employee-employer relationships, business relationships, etc. – provide details of their nature:

\_\_\_\_\_

Participant Name	Number of Shares	Certificate of Ownership	Power of Attorney	Appointment of Auditor		Re-appointment of Messrs. Shani as Directors		Appointment of Mr. Joel Sela as an External Director		Approval of Employee Agreements of Messrs. Shani		Amendment of Employee Agreements of Messrs. Shani		Approval of Deeds of Indemnity for Messrs. Shani	
				For	Against	For	Against	For	Against	For	Against	For	Against	For	Against
Haim Shani	6,092,495	V	Power of Attorney	6,092,495		6,092,495		6,092,495		6,092,495		6,092,495		6,092,495	
Marc Cordy	135,546	V	Voting Slip	135,546		135,546		135,546		135,546		135,546		135,546	
Hammer Gruppen ApS	685,121	V	Voting Slip					685,121		685,121		685,121		685,121	
Yelin Lapidot - Provident Funds Management Ltd.	64,007	V	Voting Slip + Power of Attorney		Not participating		Not participating	64,007		64,007		64,007		64,007	64,007
Meitav Dash Mutual Funds	3,500	V	Voting Slip + Power of Attorney	3,500			3,500		3,500		3,500		3,500		3,500
Tamir Fishman Mutual Funds	269,000	V	Voting Slip + Power of Attorney	269,000			269,000	269,000			269,000		269,000		269,000
<b>Total</b>	<b>7,249,669</b>			<b>6,500,541</b>	<b>0</b>	<b>6,228,041</b>	<b>336,507</b>	<b>7,182,162</b>	<b>67,507</b>	<b>6,913,162</b>	<b>336,507</b>	<b>6,913,162</b>	<b>336,507</b>	<b>6,913,162</b>	<b>336,507</b>

**Meeting Results**

<b>Re-appointment of Auditor</b>	Total Participants in the Vote	For	Against
	6,500,541	6,500,541	-
	Percentage	100%	
<b>Re-appointment (Mr. &amp; Mrs. Shani)</b>	Total Participants in the Vote	For	Against
	6,564,548	6,228,041	336,507
	Percentage	94.87%	5.13%
<b>Re-appointment of Mr. Joel Sela as an External Director</b>	Total Participants in the Vote (Including Personal Interest)	For	Against
	7,249,669	7,182,162	67,507
	Percentage	99.07%	0.93%
	Total Participants in the Vote (Without Personal Interest)	For	Against
	1,157,174	1,089,667	67,507
	Of Voters Without a Personal Interest	94.17%	5.83%
	Of Total Voting Rights in the Company	10.89%	0.67%
<b>Re-approval of the Employee Agreements of Mr. Haim Shani and Mrs. Bareket Shani</b>	Total Participants in the Vote (Including Personal Interest)	For	Against
	7,249,669	6,913,162	336,507
	Percentage	95.36%	4.64%
	Total Participants in the Vote (Without Personal Interest)	For	Against
	1,157,174	820,667	336,507
	Of Voters Without a Personal Interest	70.92%	29.08%
	Of Total Voting Rights in the Company	8.20%	3.36%
<b>Amendment of the Employment Agreements of Mr. and Mrs. Shani</b>	Total Participants in the Vote (Including Personal Interest)	For	Against
	7,249,669	6,913,162	336,507
	Percentage	95.36%	4.64%
	Total Participants in the Vote (Without Personal Interest)	For	Against
	1,157,174	820,667	336,507
	Of Voters Without a Personal Interest	70.92%	29.08%
	Of Total Voting Rights in the Company	8.20%	3.36%
<b>Re-approval of the Deed of Indemnity and Immunity</b>	Total Participants in the Vote (Including Personal Interest)	For	Against
	7,249,669	6,913,162	336,507
	Percentage	95.36%	4.64%
	Total Participants in the Vote (Including Personal Interest)	For	Against
	1,157,174	820,667	336,507
	Of Voters Without a Personal Interest	70.92%	29.08%
	Of Total Voting Rights in the Company	8.20%	3.36%