



UNITRONICS (1989) (R"G) LTD.

PRESS RELEASE
Airport City, Israel,
January 8th, 2013

*****Regulated Information*****
*****For Immediate Release*****

Approval In Principle For Raising Debt

Airport City, Israel – January 8th, 2013 - Unitronics published the attached Immediate Report pursuant to the requirements of Israeli law, in connection with an approval in principle for raising debt.

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: Approval In Principle For Raising Debt

Further to the Company's immediate report dated December 25, 2012, the Company hereby reports that on January 8th, 2013 the Company's board of directors adopted a resolution in principal to authorize management to pursue raising debt from the public by way of an offering in Israel (only) of Debentures (series 4) of the Company, in the scope of approximately NIS 50 million (EUR 10.1 million).

The forgoing issuance (if and to the extent consummated) is to be effected pursuant to a Shelf Offering report under the Company's Shelf Prospectus dated February 23, 2011, as amended on March 17, 2011 and a further amendment to be effected thereto, by way of a Uniform Offering (as such term is defined under the relevant Israeli regulations).

The issuance is subject to a final resolution of the Company's board of directors regarding the terms, scope and structure of the offering and the publishing of a Shelf Prospectus amendment and shelf offering report and to securing all approvals required under applicable law including the approval of the Israeli Securities Authority and the approval of the Tel-Aviv Stock Exchange for listing the securities to be so offered.

There is no assurance as to the exact scope of the offering, its timetables or its execution.

Respectfully,

Unitronics (1989) (R"G) Ltd.

Date: January 8th, 2013.

Name of the signatory: Mr. Yair Itscovich.

Position of Signatory in the reporting corporation: CFO.