



UNITRONICS (1989) (R"G) LTD.

**PRESS RELEASE**

**Airport City, Israel**

**July 16, 2015**

**\*\*\*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 - July 16, 2015** - 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 sixty distributors (and a wholly owned US subsidiary) in approximately sixty 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 16/07/2015, for which notice of its convening was published in the form reference number 2015-01-024276, 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. Doron Shinar as an external director of the Company</i>
2	Other	<i>Approval of a lease agreement with a company controlled by Mr. Haim Shani, the Company's controlling shareholder, and Mrs. Bareket Shani, Mr. Shani's wife, for an additional three-year period, commencing from August 1, 2015 (the date of expiry of the previous lease), pursuant to section 275(A) of the Companies Law</i>

The following resolutions were adopted:

**1**

Type of transaction / Voting Item: *Appointment of an external director*

Item Summary: *Appointment of Mr. Doron Shinar as an external director in the Company*

Summary of proposed resolution: *To appoint Mr. Doron Shinar as an external director in the Company for a three-year term, beginning on the date of approval of the meeting*

The meeting resolved: *To approve*

Number of shares/securities participating in the vote: *7,661,675*

Number of shares/securities that voted in favor: *7,661,675*

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: *1,569,180* of which *1,569,180* voted in favor of approving the transaction and *0* 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 *1,569,180* of which *1,569,180* voted in favor of approving the transaction.

Number of shares/securities that voted against: *0*

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: *100%*

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: 100%

Percentage of votes against from the total voting rights in the Company: 0%

## 2

Type of transaction / Voting Item: *Other*

Item Summary: *Approval of a lease agreement with a company controlled by Mr. Haim Shani, the Company's controlling shareholder, and Mrs. Bareket Shani, Mr. Shani's wife, for an additional three-year period, commencing from August 1, 2015 (the date of expiry of the previous lease), pursuant to section 275(A) of the Companies Law*

Summary of proposed resolution: *To approve a lease agreement with a company controlled by Mr. Haim Shani, the controlling shareholder of the Company, and Mrs. Bareket Shani, Mr. Shani's wife, for a period of three years commencing on August 1, 2015 in accordance with Section 275(A) of the Companies Law, pursuant to the terms of the New Lease as it is defined in the convening report.*

The meeting resolved: *To approve*

Number of shares/securities participating in the vote: 7,661,675

Number of shares/securities that voted in favor: 7,447,313

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: 1,569,180 of which 1,354,818 voted in favor of approving the transaction and 214,362 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 1,569,180 of which 1,354,818 voted in favor of approving the transaction.

Number of shares/securities that voted against: 214,362

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: 86.34%

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: 86.34%

Percentage of votes against from the total voting rights in the Company: 2.14%

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

1. Presentation of the Financial Statements and Periodic Report of the Company for 2014. 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, 2014 were presented to the General Meeting of the Company.

2. Re-appointment of CPA Amit Halfon as the Auditor of the Company for 2015 and for the period until the next Annual General Meeting of the Shareholders of the Company and authorization of the Board of Directors to determine his remuneration.  
A majority of 100% of the participants in the vote, it was decided to approve the re-appointment of CPA Amit Halfon as the Auditor of the Company for 2015 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. Appointment of Mr. Zvi Livne for an additional term as director (Category B) of the company  
A majority of 96.90% of the participants in the vote, it was decided to approve appointment of Mr. Zvi Livne for an addition term as director (Category B) of the Company, up to the date of the annual general meeting of the Company for 2018, in accordance with the Company's articles.
4. Re-approval of the payment of remuneration to Mr. Zvi Livne as director of the Company (category B)  
A majority of 98.50% of the participants in the vote, it was decided to reapprove the payment of participation fee and annual remuneration to Mr. Livne, in accordance with the Company's remuneration policy and with the Companies Regulations (Rules regarding Compensation and Expenses to External Directors – 2000) (hereinafter – “External Directors Compensation Regulations”) at the fixed amount as the term is defined in the said regulations.
5. Re-approval of a letter of exemption and indemnification to Mr. Zvi Livne and Mr. Livne's inclusion in the Company's directors and officers insurance  
A majority of 96.81% of the participants in the vote, it was decided to reapprove a letter of exemption and indemnification to Mr. Zvi Livne in the same wording that was approved and signed with other directors of the Company (for additional details, including the text of the letter of indemnification used by the Company, see immediate report on indemnification of officers, reference no: 2011-01-282483) (hereinafter – “Standard Indemnification Letter”), and Mr. Livne's inclusion in the Company's directors and officers insurance, in accordance with the Company's Remuneration Policy.
6. Amendment of the Company's Articles of Association  
A majority of 99.66% of the participants in the vote, it was decided to approve the amendment in section 65(a) to the Company's Articles of Association, as detailed in the wording attached to the convening report.
7. Approval of payment of remuneration to Mr. Doron Shinar  
A majority of 100% of the participants in the vote, it was decided to approve the payment of a participation fee and annual remuneration to Mr. Doron Shinar, in accordance with the company's Remuneration Policy and the External Directors Compensation Regulations, at a fixed amount as it is defined in the said regulations, commencing from the date of his appointment as an external director.
8. Approval of a letter of exemption and indemnification to Mr. Doron Shinar and Mr. Shinar's inclusion in the Company's directors and officers insurance  
A majority of 96.90% of the participants in the vote, it was decided to approve a letter of exemption and indemnification to Mr. Doron Shinar, in the wording of the Standard Indemnification Letter, and Mr. Shinar's inclusion in the Company's directors and officers insurance, in accordance with the Company's Remuneration Policy, commencing from the date of his appointment as an external director.

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".

<p><b>1</b></p> <p>Family name of shareholder or holder of securities (Hebrew) / Corporation name (Hebrew): _____</p> <p>First name of shareholder or holder of securities (Hebrew): _____</p> <p>Family name of shareholder or holder of securities / Corporation name (English): _____</p> <p>First name of shareholder or holder of securities (English): _____</p> <p>ID number type: _____ ID number: _____</p> <p>Participation in the meeting is by virtue of holding securities the number of which is: _____</p> <p>Place of incorporation of the shareholder or holder of securities / country of passport: _____</p> <p>Power of attorney name: _____</p> <p>Power of attorney ID number type: _____</p> <p>Power of attorney ID number: _____</p> <p>Country of passport: _____</p> <p>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: _____</p>
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Respectfully,

Unitronics (1989) (R"G) Ltd.

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

**Details of voters in the shareholders' meeting of the Company from July 16, 2015, which are institutional investors, interested parties or senior officers**

Participant Name	Number of Shares	Power of Attorney	Appointment of Mr. Dorom Shinar as an External Director	Approval of a lease agreement with a company controlled by Messrs. Shani	Personal Interest
Haim Shani	6,092,495		For	For	V
Hammer Gruppen ApS	685,121	Voting Slip	For	For	
Yelin Lapidot - Provident Funds Management Ltd.	22,750	Voting Slip + Power of Attorney	For	Against	
Modulim Mutual Funds Ltd.	25,950	Voting Slip + Power of Attorney	For	Against	
Tamir Fishman Mutual Funds Ltd.	61,245	Voting Slip + Power of Attorney	For	Against	
Alumut Mutual Funds Management Ltd.	56,000	Voting Slip + Power of Attorney	For	Against	
Meitav Dash Mutual Funds Ltd.	25,196	Voting Slip + Power of Attorney	For	Against	
Mivtahim Social Insurance Institution of employees Ltd.	17,008	Voting Slip + Power of Attorney	For	Against	
Makefet Fund Pension and Remuneration Ltd.	887	Voting Slip + Power of Attorney	For	Against	
Insurance and Pension Fund for agricultural workers Ltd.	1,880	Voting Slip + Power of Attorney	For	Against	
Insurance and Pension Fund of the building workers Ltd.	3,446	Voting Slip + Power of Attorney	For	Against	