



**UNITRONICS (1989) (R" G) LTD.**

**PRESS RELEASE**  
**Airport City, Israel,**  
**March 07, 2019**

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

**An immediate report, Regards of Conversion to share capital and premium**

**Airport City, Israel –March 07, 2019** - Unitronics published the attached Immediate Report pursuant to the requirements of the Israeli law, in connection with Receipt of loan from a banking corporation.

**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 Automated Solutions 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 autonomous 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: An immediate report, Regards of Conversion to share capital and premium**

**Pursuant to regulation 36(a)  
to the Israeli Securities Regulations (Periodic and Immediate Reports), 1970**

Further to the publication of the Split Prospectus and the listing for trade on the Tel Aviv Stock Exchange Ltd. dated February 28, 2019, which was reported on February 28, 2019 (reference no: 2019-01-017856) (hereinafter: "the Prospectus") regarding the split of Unitronics' activity (1989) ("Splitting" and "Unitronics", respectively), the Company wishes to update that today, on March 7, 2009, the payments on account of Unitronics' shares and loans were converted into share capital and premium of Unitronics Automatic Solutions Ltd. (Hereinafter: "Unitronics Solutions").

The conversion to capital as aforesaid shall be as follows: (a) all the payments made by Unitronics through receipts on account of Unitronics Automatic Solutions shares from July 1, 2008 until the closing date of the split in the amount of NIS 15,000 thousand were converted into share capital and premium of Unitronics Solutions; (b) All payments made by Unitronics through receipts on account of shares of Unitronics Automatic Solutions from January 1, 2018 until June 30, 2018 in the amount of NIS 10,182 thousand were converted into share capital and premium of Unitronics Solutions (c) Unitronics Solutions' debt balances towards Which accrued up to December 31, 2017 in the amount of NIS 120,081 thousand Share capital and premium of Unitronics Solutions (hereinafter together: "the converted amount.")

For further details, see Note 3 to Utron LTD Proforma carve-out financial statements as of June 30, 2018 attached to the prospectus.

It should be noted that as at this date Unitronics Solutions is a wholly owned subsidiary of Unitronics. Upon the completion of the split (which will take place on March 12, 2019), Unitronics will transfer the automated solutions operation (executed through Unitronics and through the subsidiary, Unitronics Solutions), including its holdings in Unitronics Solutions to the Utron LTD, as detailed in the prospectus.

Date and time when the corporation first learned of the event or interest:

07/2/2019 at 14:34

Respectfully,

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