

Tadiran Telecom Acquired by Afcon Industries

March 29, 2011 - We are pleased to announce that Tadiran Telecom (www.tadirantele.com) was acquired by Afcon Industries (www.afcon-ind.co.il).

Within the framework of the purchase agreement, Afcon Industries will heavily invest in business development and the advancement of Tadiran's three product lines: The Coral IPx; the UCx, a Pure IP solution for the SMB market; and the Sea Softswitch, a Pure IP solution for medium to large distributed enterprises.

With this acquisition, Tadiran Telecom will join the communications and telecom services arm of Afcon Industries that includes, among other businesses and activities, Tadiran Telecom Communications Services in Israel, which distributes and services Tadiran's systems throughout the country, as well as providing IT and integration services.

For close to 50 years, Tadiran has been serving businesses of all sizes, including some of the world's largest companies and organizations in various market segments across 41 countries worldwide.

Mr. Eldad Barak, President and CEO of Tadiran Telecom, is excited about this acquisition. "The Shlomo Group and Afcon Industries investment in Tadiran Telecom is synergistic with their previous acquisitions in the Telecom sector. Their proven success in all areas of their businesses is a model we hope to follow. We are certain that with their financial backing, Tadiran will be able to capitalize on its core technologies and provide leading edge products and services to the market".

About Afcon Industries and Shlomo Group

AFCON INDUSTRIES (www.afcon-ind.co.il) is a publicly traded company and a member of the SHLOMO GROUP. One of the largest industrial conglomerates in Israel, Afcon is involved in the following areas: Electro-Mechanics; Communications & Telecom Services, Software & Electronics, Gas Systems, HVAC and refrigeration and Control Fire & Security.

The SHLOMO GROUP (<http://www.shlomo.co.il/shlomogroup/>) is ranked as one of the top 10 service groups in Israel with more than 5000 employees worldwide and a turnover of well over \$1B in 2009. Excelling in all of its key areas of activities, the Group holdings specialize in developing businesses in the industrial and service sectors including: Automotive, Industry, Telecom, Ports & Maritime, Logistics, Insurance and Real Estate.