ELRON | ELECTRONIC INDUSTRIES LTD.

-Press Release-

ELRON ANNOUNCES FILING BY NETVISION OF REQUEST TO REGISTER ITS SHARES FOR TRADING ON THE TEL AVIV STOCK EXCHANGE

Tel Aviv, March 31, 2004 - Elron Electronic Industries Ltd. (Elron) (Nasdaq:ELRN), announced today that NetVision Ltd. ("NetVision"), 46% held by Elron, has filed a request with the Israeli Securities Authority and the Tel Aviv Stock Exchange ("TASE") for a proposed public offering of its shares on the TASE. The other major shareholder of NetVision is Elron's controlling shareholder, Discount Investment Corporation, which also holds 46% of NetVision. The request is a preliminary step in the proposed offering and there is no assurance that the proposed offering will take place.

Founded in 1994, NetVision is one of Israel's largest Internet Service Providers (ISP). NetVision offers a wide range of Internet-related services: high-speed modem dial-up, Cable and ADSL connections, dedicated lines connecting LAN-to-LAN, communication servers, data security system integration and maintenance, private networks for international corporations, application hosting, and custom online services.

Elron Electronic Industries Ltd. is a multinational high technology holding company based in Israel. Through affiliates, Elron is engaged with a group of high technology operating companies in the fields of advanced defense electronics, communication, software, information technology, Medical devices, semiconductors and Amorphous Metals. For further information, visit http://www.elron.com

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(Any statements in this press release that may be considered forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially. Actual results may differ from such forward-looking statements due to the risk factors discussed in periodic reports filed by the Company with the Securities and Exchange Commission, which the Company urges investors to consider.)