

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**SCHEDULE 13D**  
Under the Securities Exchange Act of 1934  
(Amendment No. 16) \*

Elron Electronic Industries Ltd.

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(Name of Issuer)

Ordinary Shares

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(Title of Class of Securities)

290160-10-0

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(CUSIP Number)

Shirit Caplan, Adv.  
Discount Investment Corporation Ltd.  
The Triangular Tower, 44<sup>th</sup> Floor  
3 Azrieli Center, Tel Aviv 67023  
Israel  
Tel: +972 3 6075888

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(Name, Address and Telephone Number of Person Authorized to  
Receive Notices and Communications)

July 12, 2005

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(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§240.13d-1(e), 240.13d-1(f) or 249.13d-1(g), check the following box.

**Note:** Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See §240.13d-7 for other parties to whom copies are to be sent.

\* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

SCHEDULE 13D/A

CUSIP NO. 290160-10-0

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1. Names of Reporting Persons.  
 I.R.S. Identification Nos. of above persons (entities only)

PEC Israel Economic Corporation  
 13-1143258

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2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a)  \_\_\_\_\_

(b) \_\_\_\_\_

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3. SEC Use only \_\_\_\_\_

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4. Source of funds (See Instructions) Not Applicable

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5. Check if disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e) \_\_\_\_\_

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6. Citizenship or Place of Organization Maine

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Number of Shares Beneficially Owned by Each Reporting Person With:		7. Sole Voting Power	0
		8. Shared Voting Power	360,484
		9. Sole Dispositive Power	0
		10. Shared Dispositive Power	360,484

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11. Aggregate Amount Beneficially Owned by Each Reporting Person 360,484

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12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) \_\_\_\_\_

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13. Percent of Class Represented by Amount in Row (11) 1.23%

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14. Type of Reporting Person (See Instructions) CO

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SCHEDULE 13D/A

CUSIP NO. 290160-10-0

1. Names of Reporting Persons. I.R.S. Identification Nos. of above persons (entities only)		
Discount Investment Corporation Ltd.		
2. Check the Appropriate Box if a Member of a Group (See Instructions)		
(a)	X	
(b)		
3. SEC Use only		
4. Source of funds (See Instructions) Not Applicable		
5. Check if disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)		X
6. Citizenship or Place of Organization		Israel
Number of Shares Beneficially Owned by Each Reporting Person With:	7. Sole Voting Power	0
	8. Shared Voting Power	14,008,768.78
	9. Sole Dispositive Power	0
	10. Shared Dispositive Power	14,008,768.78
11. Aggregate Amount Beneficially Owned by Each Reporting Person		14,008,768.78
12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)		
13. Percent of Class Represented by Amount in Row (11)		47.62%
14. Type of Reporting Person (See Instructions)		CO

SCHEDULE 13D/A

CUSIP NO. 290160-10-0

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1. Names of Reporting Persons.  
I.R.S. Identification Nos. of above persons (entities only)

IDB Development Corporation Ltd.

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2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a)  \_\_\_\_\_

(b) \_\_\_\_\_

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3. SEC Use only \_\_\_\_\_

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4. Source of funds (See Instructions) Not Applicable

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5. Check if disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e) \_\_\_\_\_

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6. Citizenship or Place of Organization Israel

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Number of Shares Beneficially Owned by Each Reporting Person With:	7. Sole Voting Power	0
	8. Shared Voting Power	14,008,768.78
	9. Sole Dispositive Power	0
	10. Shared Dispositive Power	14,008,768.78

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11. Aggregate Amount Beneficially Owned by Each Reporting Person 14,008,768.78

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12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) \_\_\_\_\_

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13. Percent of Class Represented by Amount in Row (11) 47.62%

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14. Type of Reporting Person (See Instructions) CO

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SCHEDULE 13D/A

CUSIP NO. 290160-10-0

1. Names of Reporting Persons.  
I.R.S. Identification Nos. of above persons (entities only)

IDB Holding Corporation Ltd.

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a) X

(b) \_\_\_\_\_

3. SEC Use  
only \_\_\_\_\_

4. Source of funds (See Instructions) Not Applicable

5. Check if disclosure of Legal Proceedings Is Required Pursuant  
to Items 2(d) or 2(e) \_\_\_\_\_

6. Citizenship or Place of Organization Israel

Number of Shares Beneficially Owned by Each Reporting Person With:	7. Sole Voting Power	<u>0</u>
	8. Shared Voting Power	<u>14,008,768.78</u>
	9. Sole Dispositive Power	<u>0</u>
	10. Shared Dispositive Power	<u>14,008,768.78</u>

11. Aggregate Amount Beneficially Owned by Each Reporting Person 14,008,768.78

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) \_\_\_\_\_

13. Percent of Class Represented by Amount in Row (11) 47.62%

14. Type of Reporting Person (See Instructions) CO

SCHEDULE 13D/A

CUSIP NO. 290160-10-0

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1. Names of Reporting Persons.  
I.R.S. Identification Nos. of above persons (entities only)

Nochi Dankner

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2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a)  \_\_\_\_\_

(b) \_\_\_\_\_

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3. SEC Use only \_\_\_\_\_

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4. Source of funds (See Instructions) Not Applicable

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5. Check if disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e) \_\_\_\_\_

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6. Citizenship or Place of Organization Israel

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Number of Shares Beneficially Owned by Each Reporting Person With:		7. Sole Voting Power	0
		8. Shared Voting Power	14,008,768.78
		9. Sole Dispositive Power	0
		10. Shared Dispositive Power	14,008,768.78

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11. Aggregate Amount Beneficially Owned by Each Reporting Person 14,008,768.78

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12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) \_\_\_\_\_

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13. Percent of Class Represented by Amount in Row (11) 47.62%

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14. Type of Reporting Person (See Instructions) IN

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SCHEDULE 13D/A

CUSIP NO. 290160-10-0

1. Names of Reporting Persons.  
I.R.S. Identification Nos. of above persons (entities only)

.....  
Shelly Bergman  
.....

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a)       X      

(b) \_\_\_\_\_

3. SEC Use  
only \_\_\_\_\_

4. Source of funds (See Instructions)       Not Applicable

5. Check if disclosure of Legal Proceedings Is Required Pursuant  
to Items 2(d) or 2(e) \_\_\_\_\_

6. Citizenship or Place of Organization       Israel

Number of Shares Beneficially Owned by Each Reporting Person With:		7. Sole Voting Power	..... 0
		8. Shared Voting Power	..... 14,008,768.78
		9. Sole Dispositive Power	..... 0
		10. Shared Dispositive Power	..... 14,008,768.78

11. Aggregate Amount Beneficially Owned by Each Reporting Person       14,008,768.78

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) \_\_\_\_\_

13. Percent of Class Represented by Amount in Row (11)       47.62%

14. Type of Reporting Person (See Instructions)       IN

SCHEDULE 13D/A

CUSIP NO. 290160-10-0

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1. Names of Reporting Persons.  
I.R.S. Identification Nos. of above persons (entities only)

Ruth Manor

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2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a)  \_\_\_\_\_

(b) \_\_\_\_\_

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3. SEC Use only \_\_\_\_\_

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4. Source of funds (See Instructions) Not Applicable

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5. Check if disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e) \_\_\_\_\_

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6. Citizenship or Place of Organization Israel

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Number of Shares Beneficially Owned by Each Reporting Person With:		7. Sole Voting Power	0
		8. Shared Voting Power	14,008,768.78
		9. Sole Dispositive Power	0
		10. Shared Dispositive Power	14,008,768.78

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11. Aggregate Amount Beneficially Owned by Each Reporting Person 14,008,768.78

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12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) \_\_\_\_\_

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13. Percent of Class Represented by Amount in Row (11) 47.62%

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14. Type of Reporting Person (See Instructions) IN

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SCHEDULE 13D/A

CUSIP NO. 290160-10-0

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1. Names of Reporting Persons.  
I.R.S. Identification Nos. of above persons (entities only)

Avraham Livnat

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2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a)  \_\_\_\_\_

(b) \_\_\_\_\_

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3. SEC Use only \_\_\_\_\_

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4. Source of funds (See Instructions) Not Applicable

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5. Check if disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e) \_\_\_\_\_

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6. Citizenship or Place of Organization Israel

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Number of Shares Beneficially Owned by Each Reporting Person With:	7. Sole Voting Power	0
	8. Shared Voting Power	14,008,768.78
	9. Sole Dispositive Power	0
	10. Shared Dispositive Power	14,008,768.78

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11. Aggregate Amount Beneficially Owned by Each Reporting Person 14,008,768.78

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12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) \_\_\_\_\_

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13. Percent of Class Represented by Amount in Row (11) 47.62%

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14. Type of Reporting Person (See Instructions)

IN

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This Amendment No. 16 on Schedule 13D/A (the "Amendment") amends and supplements, to the extent specified herein, the Statement on Schedule 13D, as amended, previously filed with the Securities and Exchange Commission by the Reporting Persons with respect to the ordinary shares, par value New Israeli Shekel 0.003 per share, of Elron Electronic Industries Ltd. (the "Statement"). Capitalized terms used in this Amendment without being defined herein have the meanings given to them in the Statement.

The following amends and supplements Items 2, 3, 4, 5 and 7 of the Statement.

Item 2. Identity and Background

(a), (b) and (c): The Reporting Persons.

As of July 15, 2005:

IDB Development owned approximately 68.2% of the outstanding shares of DIC.

IDB Holding owned approximately 67.7% of the outstanding shares of IDB Development.

In addition to approximately 31.02% of the outstanding shares of IDB Holding owned by Ganden, which is controlled by Nochi Dankner and Shelly Bergman through Ganden Holdings – Ganden owned approximately 2% of the outstanding shares of IDB Holding; Ganden Holdings itself owned directly approximately 7.1% of the outstanding shares of IDB Holding; and a private Israeli corporation which is wholly owned by Shelly Bergman owned approximately 7.23% of the outstanding shares of IDB Holding. These additional shares of IDB Holding are not subject to the Shareholders Agreement. Substantially all of these additional shares of IDB Holding owned directly by Ganden, by Ganden Holdings and by Shelly Bergman's wholly owned corporation as set forth above were acquired with borrowed funds and are subject to the rights of each respective shareholder's lending institution in the event of default.

The name, citizenship, residence or business address and present principal occupation of the directors and executive officers of DIC are set forth in Schedule C attached hereto and incorporated herein by reference. This Schedule replaces Schedule C attached to the previous amendment of the Statement. There is no change in Schedules A, B, D and E attached to the previous amendment of the Statement.

(d) To the knowledge of the Reporting Persons, none of the directors or executive officers named in Schedule C attached to this Amendment, has, during the last five years, been convicted in any criminal proceeding, excluding traffic violations and similar misdemeanors.

(e) To the knowledge of the Reporting Persons, none of the directors or executive officers named in Schedule C attached to this Amendment, has, during the last five years, been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction which as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, Federal or state securities laws or finding any violation with respect to such laws.

Item 3. Source and Amount of Funds or Other Consideration

On June 30, 2005 DIC Loans purchased 37,253 Ordinary Shares for a total purchase price of NIS 2,160,202 (approximately \$472,279), excluding commissions, in cash, using its own funds to pay such total purchase price.

Item 4. Purpose of Transaction

The Ordinary Shares acquired by DIC Loans as set forth in this Amendment were purchased for investment purposes.

On July 12, 2005, DIC made filings with the appropriate Israeli regulatory authorities to obtain the requisite regulatory approval to make purchases of Ordinary Shares which will result in the Reporting Persons owning in excess of 50% of the outstanding Ordinary Shares.

Item 5. Interest in Securities of the Issuer

As of July 15, 2005:

PEC beneficially owned 360,484 Ordinary Shares, or approximately 1.23% of the outstanding Ordinary Shares. PEC shares the power to vote and dispose of the Ordinary Shares owned by it.

DIC Loans beneficially owned 10,124,588.40 Ordinary Shares, or approximately 34.42% of the outstanding Ordinary Shares. DIC Loans shares the power to vote and dispose of the Ordinary Shares owned by it.

DIC owned directly 3,523,696.38 Ordinary Shares, or approximately 11.98% of the outstanding Ordinary Shares. DIC shares the power to vote and dispose of these Ordinary Shares and may be deemed to share to power to vote and dispose of the 360,484 Ordinary Shares owned by PEC and the 10,124,588.40 Ordinary Shares owned by DIC Loans, or a total of 14,008,768.78 Ordinary Shares, constituting approximately 47.62% of the outstanding Ordinary Shares.

DIC, IDB Development, IDB Holding and the Reporting Persons who are natural persons may each be deemed beneficial owner of, and to share the power to vote and dispose of, an aggregate of 14,008,768.78 Ordinary Shares held by PEC, DIC Loans and DIC, constituting approximately 47.62% of the outstanding Ordinary Shares.

Elron advised the Reporting Persons that as of July 15, 2005 there were 29,416,924 Ordinary Shares outstanding, and the percentages of outstanding Ordinary Share set forth above are based on this number.

The following table sets forth the purchases of Ordinary Shares made by DIC Loans on June 30, 2005 (a total of 37,253 Ordinary Shares). All these purchases were made on the Tel Aviv Stock Exchange.

<u>Date of Transaction</u>	<u>Number of Ordinary Shares Purchased</u>	<u>Price Per Ordinary Share</u>
June 30, 2005	2,234	NIS 57.80
	160	57.85
	208	57.98
	560	57.99
	33,186	58.00
	905	58.01

Except as set forth above and in Amendment No. 15 of the Statement, none of the Reporting Persons purchased or sold any Ordinary Shares during the last 60 days preceding July 15, 2005.

Information provided to the Reporting Persons indicates that the executive officers and directors of IDB Holding, IDB Development, PEC, DIC and DIC Loans owned as of July 15, 2005 an aggregate of 77,843 Ordinary Shares (including 77,437 Ordinary Shares that may be acquired pursuant to options which are exercisable within 60 days from July 15, 2005 to purchase such shares from Elron). According to the information provided to the Reporting Persons, none of such executive officers and directors purchased or sold any Ordinary Shares during the last 60 days preceding July 15, 2005.

Item 7. Material to be filed as Exhibits

Schedule C - Name, citizenship, residence or business address and present principal occupation of the directors and executive officers of DIC.

**SIGNATURE**

After reasonable inquiry and to the best of our knowledge and belief, the undersigned certify that the information set forth in this Amendment No. 16 is true, complete and correct.

Date: July 18, 2005

PEC ISRAEL ECONOMIC CORPORATION  
DIC LOANS LTD.  
DISCOUNT INVESTMENT CORPORATION LTD.  
IDB DEVELOPMENT CORPORATION LTD.  
IDB HOLDING CORPORATION LTD.  
NOCHI DANKNER  
SHELLY BERGMAN  
RUTH MANOR  
AVRAHAM LIVNAT

BY: IDB HOLDING CORPORATION LTD.

(signed)

BY: \_\_\_\_\_  
Dr. Zehavit Joseph and Haim Tabouch, authorized signatories of IDB Holding Corporation Ltd., for itself and on behalf of PEC Israel Economic Corporation, DIC Loans Ltd., Discount Investment Corporation Ltd., IDB Development Corporation Ltd., Nochi Dankner, Shelly Bergman, Ruth Manor and Avraham Livnat, pursuant to agreements annexed to Amendment No. 13 of the Statement as Exhibits 3 through 10.

Schedule C

Directors and Executive Officers  
o f  
Discount Investment Corporation Ltd.  
(as of July 15, 2005)

Citizenship is the same as country of address, unless otherwise noted.

<u>Name &amp; Address</u>	<u>Position</u>	<u>Current Principal Occupation</u>
Nochi Dankner 3 Azrieli Center, The Triangular Tower, 44 <sup>th</sup> floor, Tel-Aviv 67023, Israel	Chairman of the Board of Directors	Chairman and Chief Executive Officer of IDB Holding; Chairman of IDB Development, DIC and Clal Industries and Investments Ltd.; Director of companies.
Shelly Bergman 9 Hamishmar Ha'Ezrachi Street, Afeka, Tel-Aviv 69697, Israel	Director	Director of companies.
Zvi Livnat 3 Azrieli Center, The Triangular Tower, 45 <sup>th</sup> floor, Tel-Aviv 67023, Israel	Director	Executive Vice President of IDB Holding; Deputy Chairman of IDB Development; Co-Chief Executive Officer of Clal Industries and Investments Ltd.
Avi Fischer 3 Azrieli Center, The Triangular Tower, 45 <sup>th</sup> floor, Tel-Aviv 67023, Israel	Director	Executive Vice President of IDB Holding; Deputy Chairman of IDB Development; Co-Chief Executive Officer of Clal Industries and Investments Ltd.
Lior Hannes (1) 3 Azrieli Center, The Triangular Tower, 44 <sup>th</sup> floor, Tel-Aviv 67023, Israel	Director	Executive Vice President of IDB Development; Chairman of Clal Tourism Ltd.
Refael Bisker 3 Azrieli Center, The Triangular Tower, 44 <sup>th</sup> floor, Tel-Aviv 67023, Israel	Director	Chairman of Property and Building Corporation Ltd.
Jacob Schimmel 7 High field Gardens, London W11 9HD, United Kingdom	Director	Chairman and Chief Executive Officer of UKI Investments.
Shaul Ben-Zeev Taavura Junction, Ramle 72102, Israel	Director	Chief Executive Officer of Avraham Livnat Ltd.
Eliahu Cohen 3 Azrieli Center, The Triangular Tower, 44 <sup>th</sup> floor, Tel-Aviv 67023, Israel	Director	Chief Executive Officer of IDB Development.

Gideon Lahav 124 Ehad Ha-Am Street, Tel-Aviv 65208, Israel	Director	Director of companies.
Moshe Arad 14 Shay Agnon Street, Jerusalem 92586, Israel	External Director	Director of companies.
Gideon Dover 11 Hamaalot Street, Herzlia B 46583, Israel	External Director	Chief Executive Officer and director of Dover Medical and Scientific Equipment Ltd.
Isaac Manor (*) 26 Hagderot Street, Savion 56526, Israel	Director	Chairman of companies in the motor vehicle sector of the David Lubinski Ltd. group.
Dori Manor (*) 18 Hareches Street, Savion 56538, Israel	Director	Chief Executive Officer of companies in the motor vehicle sector of the David Lubinski Ltd. group.
Adiel Rosenfeld 42 Ha'Alon Street, Timrat 23840, Israel	Director	Representative in Israel of the Aktiva group.
Ami Erel (2) 3 Azrieli Center, The Triangular Tower, 44 <sup>th</sup> floor, Tel-Aviv 67023, Israel	President and Chief Executive Officer	President and Chief Executive Officer of DIC.
Oren Lieder 3 Azrieli Center, The Triangular Tower, 44 <sup>th</sup> floor, Tel-Aviv 67023, Israel	Senior Vice President and Chief Financial Officer	Senior Vice President and Chief Financial Officer of DIC.
Raanan Cohen 3 Azrieli Center, The Triangular Tower, 44 <sup>th</sup> floor, Tel-Aviv 67023, Israel	Vice President	Vice President of DIC.
Michel Dahan 3 Azrieli Center, The Triangular Tower, 44 <sup>th</sup> floor, Tel-Aviv 67023, Israel	Comptroller	Comptroller of DIC.

(\*) Dual citizen of Israel and France.

(1) As of July 15, 2005 Mr. Hannes owned 406 Ordinary Shares.

(2) As of July 15, 2005 Mr. Erel owned options that are exercisable within 60 days of such date to purchase from Elron 77,437 Ordinary Shares at a price ranging between \$8.44 and \$19.05 per share.