



UNITRONICS (1989) (R"G) LTD.

PRESS RELEASE
Airport City, Israel,
March 21, 2013

*****For Immediate Release*****

Voluntary Waiver of 2012 Annual Bonus by CEO

Airport City, Israel – March 21, 2013 - Unitronics published the attached Immediate Report pursuant to the requirements of Israeli law, in connection with the voluntary waiver of 2012 annual bonus by the Company's CEO.

About Unitronics

Unitronics (1989) (R"G) Ltd. is an Israeli company that designs, develops, produces and markets Programmable Logic Controllers (PLCs), the computer 'brains' that enable control of automated production lines, storage systems and machines. Unitronics' products include controllers designed to enable bi-directional man-machine interaction through simple user-friendly interface (including integrated graphic operator interface), as well as products embedded with Internet and Intranet capabilities, intended for remote diagnostics and communications on the Internet and Ethernet/LAN levels, and GSM enabled PLC's designed to allow remote control and m-commerce solutions. Unitronics' international distribution network composes of approximately 140 distributors and sales representatives spanning Europe, America, Israel and the Far East, as well as most of the states of the USA, whose efforts are coordinated and supported through Unitronics' wholly owned US subsidiary, Unitronics, Inc.

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 concerning a transaction with a "control holder" or director, which does not require Shareholders' approval.

Pursuant to regulation 37a(5) to the Israeli Securities Regulation (Periodic and Immediate Reports), 5766 - 2006.

1. Unitronics hereby files a report concerning the approval of a transaction according to regulation 1B(1) of the Israeli Companies Regulations (relieves in interested parties' transactions) - 2000.
2. Date of approval of the transaction by the Board of Directors: March 21, 2013.
3. Description of the main aspects of the transaction and a summary of the Company's Audit Committee and Board of Directors' reasons for approving the transaction:

A. Description of the main aspects of the transaction:

On March 14, 2013 and March 21, 2013 respectively, the Audit Committee and the Board of Directors approved the voluntary and unilateral waiver by Mr. Shani, controlling shareholder and chairman of the Board of Directors, of his right to receive the bonus payment to which he is entitled under the terms of his employment agreement in connection with the financial results of 2012.

For the avoidance of any doubt, Mr. Shani's waiver is strictly limited to the bonus to which he is entitled under the terms of his existing employment agreement in respect of the financial results of the Company for the year ended December 31st, 2012 only, without waiving or otherwise affecting Mr. Shani's right to receive other bonus payments to which he is entitled in accordance with the terms of his existing employment agreement.

B. A summary of the Company's Audit Committee and Board of Directors' reasons for approving the transaction:

The aforesaid unilateral waiver conforms to the directive of regulation 1B(1) of the Companies Regulations (relieves in interested parties' transactions) – 2000, i.e. it is solely for the benefit of the Company.

4. Regulation 1c. of the Companies Regulations (relieves in interested parties' transactions), 5760-2000 follows: (a) The relieves in accordance with regulations 1 through 1b. shall not apply to a public company if one or more shareholders, holding at least one percent of the issued capital or of the voting rights in the company, notifies of his objection to the grant of relief as aforesaid, provided the objection had been submitted in writing no later than fourteen days from the day that the public company had published a report in accordance with the Securities Law concerning the adoption of the resolution, or from the day of publishing a report amending the aforesaid report. (b) In the event that an objection has been submitted as aforesaid in sub-regulation (a), the transaction would require approval in accordance with the provisions of Section 273 or 275, as applicable.

Respectfully,

Unitronics (1989) (R"G) Ltd.