

**-FOR IMMEDIATE RELEASE-**

**ELRON ANNOUNCES ANNUAL GENERAL MEETING OF  
SHAREHOLDERS ON JUNE 7, 2005**

**Tel Aviv, May 8, 2005 - Elron Electronic Industries Ltd. (NASDAQ & TASE:ELRN)** today announced that it will hold its Annual General Meeting of Shareholders at 3.00 pm, Israel time, on June 7, 2005, at the Company's offices at 3 Azrieli Center, the Triangle Building, 42<sup>nd</sup> Floor, Tel Aviv, Israel.

At the shareholders meeting, the shareholders will be asked to:

- (1) elect ten (10) directors to the Board of Directors of the Company;
- (2) approve the compensation of the directors of the Company as a group;
- (3) to appoint Kost Forer Gabbay & Kasierer, A Member of Ernst & Young Global as the Company's auditors until the Company's next annual general meeting and to authorize the Audit Committee and the Board of Directors to determine the audit fees; and
- (4) to receive and consider the Auditors' Report, the Management Report and the Financial Statements of the Company for the fiscal year ended December 31, 2004.

Shareholders on record at the close of business on May 9, 2005 shall be entitled to notice of and to vote at, the shareholders meeting. The Company expects to mail a detailed notice and proxy statement to the shareholders on or about May 13, 2005.

*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 medical devices, communication, IT Software, semiconductors and advanced materials. For further information, visit*

*<http://www.elron.com>*

**Contact:**

**Tal Raz**  
**Elron Electronic Industries Ltd.**  
**Tel. 972-3-6075555**  
**[raz@elron.net](mailto:raz@elron.net)**

*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.*