

Ad-Hoc Release

Metis Capital Ltd.: Agreement to sell leasing business of subsidiary

Tel Aviv/ Israel; August 29, 2008 – Metis Capital Ltd. (Prime Standard: EIC; TASE: hereby announces that on 28.8.2008 the Company's board of directors approved the entry into engagement by Metis Capital Registered General Partnership ("the Partnership"), which is held by the Company through corporations under its full control, by way of an agreement with the company Ampha Capital Lease Car Ltd. ("Ampha"), pursuant to which Ampha will acquire from the Partnership its the leasing operations, including about 785 cars, car lease agreements, maintenance agreements and the stream of payments that is expected to be received by the Partnership from its customers, and this against the assumption of the Partnership's obligations toward the entities that have made available bank funding and extra-banking funds in connection with the purchase of the vehicles thus sold ("the Financing Entities") and cash payment, in the sum total of about 46 million NIS ("the Agreement"). Ampha likewise undertook to completely release the Company from all the securities it had furnished to the Financing Entities for the seller.

The Company stands surety for all the Partnership's obligations and liabilities pursuant to the agreement.

The completion of the transaction is subject to the suspensory conditions provided in the agreement, including obtaining the consent of the Financing Entities and receiving authorizations required by any law.

The target date for completing the transaction shall be within 7 business days after the fulfillment of all the suspensory conditions set forth in the agreement, but not earlier than 1.10.2008 and not later than within 60 days from the date of signing the agreement.

For further information, please contact:

Metis Capital Ltd.

28/08/2008

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