

Corporate News

Metis Capital Ltd.: Barzilay completed the acquisition of capital issued by Metis – request for arbitration between Mirage and Barzilay

Tel Aviv/ Israel; February 4, 2008 – Metis Capital Ltd. (Prime Standard: EIC; TASE: MTSC) Pursuant to the immediate reports of February 28, 2007, of January 10, 2008 and of January 30, 2008, Metis Capital Ltd. is honored to announce that Amnon Brazilay, the Company's controlling shareholder, has informed Metis on February 3, 2008 as follows:

1. On February 3, 2008 the transfer of shares from Gmul Investments Company Ltd to a private company controlled by Amnon Brazilay and held also by Shimon Harel, as stated in the immediate report of January 30, 2008, has been completed.

Therefore, the private company holds 3,841,470 shares of the Company, which form approximately 47.72% (46.03% with full dilution) of the total issued share capital of Metis Capital Ltd.

Gmul Investments Company Ltd holds 1,675,242 shares of the Company, which form approximately 20.81% (20.07% with full dilution) of the total issued share capital of Metis Capital Ltd.

The remainder of the shares, 2,533,288 shares of the Company, which form approximately 31.47% of the total issued share capital of the Company, is held by the public.

2. Gad Ze'evi and Mirage Development Israel Ltd, a company controlled by Gad Ze'evi, have addressed Amnon Brazilay with a letter on January 30, 2008 and an additional letter on January 31, 2008, with various claims from which it can be deduced that the contractual agreement between Amnon Brazilay and Shimon Harel and the company in his control, as stated in the immediate report of January 10, 2008, allegedly forms a breach of the provisions of the agreement of February 27, 2007 between them and Amnon Brazilay as stated in the immediate report of February 28, 2007, and therefore they wish to appoint an arbitrator in order to clarify the disagreements between the parties.

Amnon Brazilay informed the Company that he rejects these claims altogether, and considers, with his legal consultants, the manner in which to respond to the claims of Gad Ze'evi and the company in his control.

For further information, please contact:

Metis Capital Ltd.
Eran Gluksman, CFO
Phone: +972-3-537 3000
E-mail: investor@metis-capital.com

Kirchhoff Consult AG
Janina Wismar
Phone: +49-40-609 186-50
E-mail: janina.wismar@kirchhoff.de