

Metis Capital Ltd.: Court dismisses request filed by Harel

Tel Aviv/ Israel; July 16, 2008 – Metis Capital Ltd. (Prime Standard: EIC; TASE: MTSC) announces that on July 15th, 2008, the District Court dismissed the request filed by Shimon (Moni) Harel (Minority shareholder in Ofakim) and the private company under his control, S. Harmon Holdings and Properties Ltd., for issuing a preliminary injunction. The Court determined that Mr. Moni Harel has a lack of integrity, as they had not laid out before the Court all the facts bearing upon the subject matter of the request and the documents containing the position of the party said order is sought against.

The Court determined that issuing the requested provisional remedies would amount to depriving Ofakim's board of directors of the right to pass resolutions pursuant to its authority concerning signature rights and the sale of Ofakim's holdings in Metis Capital Ltd. for an extended period of several years, and this regardless of the economic circumstances and Ofakim's interests, which is plainly unreasonable. The shares in Metis Capital Ltd. are traded at the Exchange, for which reason they are subject to value fluctuations that might warrant adopting prudent and well-balanced decisions about whether those are to be continued to be held.

Furthermore, it was established that Ofakim's entire property is mortgaged to Mizrahi Tefachot Bank by way of senior lien as a collateral for securing Ofakim's debts to the Bank; pursuant to the Principles Agreement, the full repayment of the debt to the Bank takes precedence over the petitioners' right to demand repayment of the loan granted to Ofakim by S. Harmon, whereby the fear that the shares of Metis Capital Ltd. might be sold without regard for the discharge of the debt to the Bank appears to be unfounded.

The Court condemned Mr. Moni Harel and the S.Harmon Company to pay costs to Ofakim and to its controlling shareholders (Mr. Amnon Barzily and the SMS Company) in the amounts of 50,000 NIS plus VAT.

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