

17 June 2013

**BATM Advanced Communications Limited
 (“BATM” or “the Group”)**

**Consortium Awarded Contract to Roll-Out Fiber Optic Broadband and Internet
 Services in Conjunction with Israeli Electricity Corporation**

Further to the Group’s update on trading of 6 June 2013, BATM Advanced Communications Limited (LSE: BVC; TASE: BATM), a leading provider of real-time technologies for the networked telecoms and medical laboratory equipment markets, is pleased to announce that a consortium led by ViaEuropa and including BATM was yesterday selected to establish Israel’s third communications infrastructure venture, in conjunction with the Israeli Electricity Corporation (“IEC”), to roll-out fiber optic broadband and Internet services throughout Israel.

The consortium will roll-out fiber optic cables on the electricity network of the IEC. Following the installation of the network, customers will be supplied with a range of advanced services and bandwidth significantly higher than those currently existing in Israel. It is hoped that the project, in connecting every household through a technological revolution of broadband communications, will be of broad benefit to the economy, education, health, technology and society of Israel.

A new company will be established for the purposes of this project and will be 60% owned by the consortium and 40% by the IEC. It is expected that the financial closing of the transaction will take place within a month. Securing this contract was included in the Group’s expectations of its financial performance for both the current and coming year.

In addition to ViaEuropa, the consortium includes Rapac Group, BATM, Zisappel assets and Tamares Holdings, and Cisco Systems will be the technology leader. Under the terms of the agreement, BATM will provide equipment for the fiber optic network together with Cisco Systems and others.

Zvi Marom, CEO of BATM, said: “We are excited to be part of the winning consortium to create a new national infrastructure. It is recognition of our expertise in providing equipment for installation of large fiber optic projects globally and we look forward to being a member of the consortium, and fulfilling our vision of connecting every Israeli home with advanced ultra-fast broadband and internet services.”

Enquiries

BATM Advanced Communications	
Dr Zvi Marom, Chief Executive Officer	+972 9866 2525
Ofer Bar-Ner, Chief Financial Officer	
finnCap	
Stuart Andrews, Henrik Persson – Corporate Finance	+44 20 7220 0500
Brian Patient, Stephen Norcross – Corporate Broking	

Shore Capital	
Pascal Keane	+44 20 7408 4090
Luther Pendragon	
Harry Chathli, Claire Norbury	+44 20 7618 9100