



PAYTON GROUP
INTERNATIONAL

PRESS RELEASE

May 23, 2012

Payton Planar Magnetics to negotiate with main constructors to complete the construction of Payton's industrial building.

Rishon Le Zion (Israel) – May 23, 2012- Payton Planar Magnetics today announces that it is conducting negotiations with several contractors in order to complete the construction of the industrial property purchased last year according to Payton's needs.

The industrial property is planned to house the activities of the three currently-leased local facilities in one single new building. The management expects that centralizing the activities in the new building will lead to economies of scale and also offer opportunities for synergies between product lines.

The property area is 4,500 square meters and located in the central area of Israel. It consists of a basement/parking lot of 2,000 square meters and two floors above, each of 2,000 square meters. The foundation and framing phases of the industrial building have been finalised and Payton anticipates that it could take about one year to be fully operational.

Agreements are subject to the board approval. Additional notice will be given if and when agreements will be executed.

<p>For more information, please visit Payton's web site at www.paytongroup.com or contact Michal Lichtenstein, CFO at 00- 972-3-9611164 -Michal@paytongroup.com or Philip Swinnen at 00-32-2-7130733 - pswinnen@citigate.be</p>
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About us

Payton Planar Magnetics Ltd., an Israeli-based high-tech company, designs, manufactures and markets Planetics[®], its customized line of planar transformers and inductors to Original Equipment Manufacturers and their suppliers of power electronics. The group currently employs 166 people. Planar Magnetic Components are used in end products in various industries, including Telecommunications, cellular infrastructure, welding machines, Military/Avionics, portable equipment and consumer goods. Planar Magnetics is a revolutionary design technology that is superior to conventional transformers and inductors, and has already been accepted by electronics design engineers as the state-of-the-art in high frequency power electronics design. Payton Planar Magnetics is a subsidiary of Payton Industries, headquartered in Israel, and has manufacturing and marketing operations in Israel and in the United States. Payton Planar Magnetics is publicly traded on the Euronext stock exchange in Brussels (ticker: PAY).