

OTI Signs \$7 Million Core Technology License Agreement

-Agreement Provides New Revenue Model by Leveraging Portfolio of Proprietary Assets-

Iselin, NJ, November 30, 2011 - On Track Innovations Ltd. (“OTI”) (NASDAQ GM: OTIV) today announced its first non-exclusive license for core technologies within its proprietary portfolio of IP and patents amounting \$7 million USD with a multibillion dollar corporation. OTI anticipates that the revenues from this agreement will be recorded in Q4 2011.

Oded Bashan, OTI’s Chairman and CEO, commented, “This agreement reflects the benefits of our expanded efforts to further leverage our proprietary technology and other intellectual property through licensing and partnership opportunities, and underscores the high value of our technology and solutions to third parties as demonstrated in this agreement, which covers a portion of our technology footprint and is focused on one particular vertical market.”

OTI’s technology, patent and IP portfolio includes, among others, product applications, software platforms, system and product architecture and product concepts in the fields of contactless payments and Near Field Communications (NFC); ID; Petroleum; Parking solutions; and much more.

About On Track Innovations Ltd. (www.otiglobal.com)

On Track Innovations Ltd. (“OTI”) designs, develops and markets secure identification, payment and transaction processing technologies and solutions for use in secure ID, payment and loyalty applications based on its extensive patent and IP portfolio. OTI combines state-of-the-art, contactless microprocessor-based technologies and enabling hardware with proprietary software applications to deliver high performance, end-to-end solutions that are secure, robust and scalable. OTI solutions have been deployed around the world to address homeland security, national ID, medical ID, contactless payment and loyalty applications, petroleum payment, parking and mass transit ticketing. OTI markets and supports its solutions through a global network of regional offices and alliances.

Safe Harbor for Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995 and other Federal securities laws. Whenever we use words such as "will", "believe," "expect," "anticipate," "intend," "plan," "estimate" or similar expressions, we are making forward-looking statements. Because such statements deal with future events and are based on OTI's current expectations, they are subject to various risks and uncertainties and actual results, performance or achievements of OTI could differ materially from those described in or implied by the statements in this press release. For example, forward-looking statements include statements regarding our goals, beliefs, future growth strategies, objectives, plans or current expectations such as statements related to the expected revenues to be generated from the introduction of our parking solutions in Lille, France. Forward-looking statements could be impacted by market acceptance of new and existing products and our ability to execute production on orders, as well as the other risk factors discussed in OTI's Annual Report on Form 20-F for the year ended December 31, 2010, which is on file with the Securities and Exchange Commission. Although OTI believes that the expectations reflected in such forward-looking statements are based on reasonable assumptions, it can give no assurance that its expectations will be achieved. Except as otherwise required by law, OTI disclaims any intention or obligation to update or revise any forward-looking statements, which speak only as of the date hereof, whether as a result of new information, future events or circumstances or otherwise.

The content of websites or website links mentioned or provided herein are not part of this press release.

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