

MAGAL WINS A \$2.1 MILLION CONTRACT TO SECURE PERIMETERS OF TWO PRISONS IN LATIN AMERICA

Yehud, Israel – Jan. 23, 2012 - Magal Security Systems Ltd. (NASDAQ GMS: MAGS) today announced that it has won a US\$2.1 million contract to supply and install multi-layer Perimeter Intrusion Detection Systems (PIDS) for two new high security prisons in Latin America.

The multi layered solutions are mostly based on Magal's core products: volumetric covert buried cable detection systems, microwaves systems, fence mounted cable sensors and several third party complementary products. The contract also includes integration through Magal's proprietary control system and into a third party software system.

"In 2011, we saw substantial revenue growth in Latin America over the previous year," commented **Mr. Eitan Livneh, President and CEO of Magal S3**. "This new win is an excellent start to what we expect will be another good year for Magal in this strategic region."

About Magal S³

Magal S3 is a leading international provider of security, safety and site management solutions and products. Over the past 40 years, Magal S3 has delivered tailor-made solutions and turnkey projects to hundreds of satisfied customers in over 80 countries.

Magal S3 offers a broad portfolio of unique homegrown products used to protect sensitive installations in some of the world's most demanding locations and harshest climates. This portfolio covers the following three categories:

- **Perimeter Intrusion Detection Systems (PIDS)** - a variety of smart barriers and fences, fence mounted detectors, virtual gates, buried and concealed detection systems
- **Close Circuit TV (CCTV)** – a comprehensive management platform with a leading Intelligent Video Analytics (IVA) and Video Motion Detection (VMD) engine
- **Command and Control systems** - with **Fortis^{4G}** flagship – a new generation cutting edge Physical Security Information Management system (PSIM) that enhances command, control and dispatch, both during routine operations and crisis situations.

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