PRESS RELEASE

BrightRock, Provider of South Africa's Newest and Most Innovative Life Insurance Product, Selects Magic xpa Application Platform

BrightRock Selects Magic's Smart Technology to Rapidly Develop and Deploy Specialized Insurance Applications

Or-Yehuda, Israel, October 30, 2012 – Magic Software Enterprises Ltd. (NASDAQ: MGIC), a global provider of software platforms for enterprise mobility, cloud applications, and business integration, announced today that BrightRock (Pty) Ltd, provider of South Africa's newest and most innovative life insurance product – needs-matched insurance - has chosen Magic xpa Application Platform to rapidly develop and deploy specialized insurance products. BrightRock is backed by Lombard Insurance Group, which holds over R1,3 billion in assets.

A long-term user of Magic development products at his previous position, Leopold Malan, Executive Director in charge of processing at BrightRock explains, "We need to empower our front-end employees with a data-rich administration interface as well as a reliable back-end system where data is used in complex calculations and evaluations. All this needs to happen seamlessly and quickly to allow our users to deliver exceptional customer service with all the information they may need immediately at hand. Based on my experience, I knew that Magic xpa would be key to enabling us to accomplish these critical tasks."

The applications developed with Magic xpa are centrally hosted to ensure security and that every user, no matter where they are located, has access to the latest, up-to-date information. The administration interfaces are delivered to staff as user-friendly, rich Internet applications (RIA) via a Citrix infrastructure.

"The Magic xpa platform supports BrightRock's needs for rapid roll-out of complex applications as well as adherence to the company's standards for quality and accuracy," says Hedley Hurwitz, Managing Director of Magic South Africa. "In addition, Magic's advanced technology offers BrightRock the ability to quickly and easily mobilize their enterprise applications for iOS, Android, Windows Mobile and RIM smartphones and tablets with a single development effort."

Magic xpa implements business-centric technology to offer unmatched productivity, enterprise-grade reliability, and integrated scalability to support business growth.

About Magic Software Enterprises

Magic Software Enterprises (NASDAQ: MGIC) empowers customers and partners around the globe with smarter technology that provides a multichannel user experience of enterprise logic and data.

For more information, visit www.magicsoftware.com.

About BrightRock

BrightRock was started in 2011 with the goal of creating insurance products that truly meets consumers' and financial advisers' needs. BrightRock is an underwriting management of Lombard Life Limited and has the backing of the Lombard Insurance Group. Lombard was established over 20 years ago and operates in the short-term, credit risk and long-term insurance industry, currently holding over R1,3 billion in assets. BrightRock's primary reinsurance treaty is with one of the world's three largest reinsurers, which holds an AA- rating from Standard and Poor's. BrightRock is headquartered in Johannesburg with regional hubs in the major centres of Johannesburg, Pretoria, Durban and Cape Town, and a national distribution footprint through independent financial advisers. Visit www.brightrock.co.za for more information.

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