

DSIT, an Acorn Energy Company, to Build a Sonar Simulator for an Asian Defense Contractor

GIVAT SHMUEL, Israel, August 21, 2012 -- DSIT Solutions Ltd., a subsidiary of Acorn Energy, Inc. (NASDAQ: ACFN), announced today that it has received an order for an advanced Sonar Simulator from a leading defense contractor in Asia. The value of the contract is approximately \$700K.

This order follows a lengthy bidding and evaluation process in which DSIT was selected as the supplier for the sonar trainer. The trainer will realistically simulate the operation of a hull mounted sonar system. This advanced sonar simulator is the latest in the Company's list of simulators and trainers supplied to navies around the world.

Dan Ben-Dov, DSIT's VP Sales & Marketing, commented, "DSIT entered the field of sonar simulation over ten years ago with the development of our Generic Sonar Simulator software package. This package served as the basis for most of the sonar trainers built by the Company. Two years ago we strengthened our excellent reputation as a supplier of sophisticated sonar simulators and trainers with the supply of a Full Mission Submarine Tactical Trainer to the Israeli Navy. This true to life simulator has been operating around the clock since its introduction, reducing the required sea training time by 40%. Our experienced sonar development team is equipped to adapt our simulators to the specific needs of each individual customer while keeping costs at an economical level."

"The Israeli Navy views their Submarine trainer as a large and vital part of the training for all submariners and submarine officers," added Benny Sela, CEO of DSIT. "Their endorsement is a source of pride for us. Many of our team of experts in the field of sonar simulation received their first taste of sonar operation during their service in the Israeli Navy and their knowledge and experience enhance our abilities to provide top of the line sonar simulation systems. The hull mounted sonar simulator we are providing here has been developed based on customer specifications to provide a very life like experience for trainees."

About DSIT

DSIT develops sonar and acoustic solutions and acts as a system integrator for advanced Security Command and Control systems. The Company's offerings are designed to provide the latest in technology and its intelligent application for the energy, commercial, defense and homeland security markets. The Company's offerings include: AquaShield™ Diver Detection Sonar (DDS), PointShield Portable DDS, Sonar Simulators and Trainers, MAR Portable Acoustic Ranges, Underwater Acoustic Signal Analysis (UASA) systems, and Sonar Upgrade Programs (SUP). For more information visit www.dsit.co.il.

About Acorn Energy, Inc.

Acorn Energy, Inc. (NASDAQ: ACFN) is a holding company focused on making energy better by providing digital solutions for energy infrastructure asset management. The four businesses in which it has controlling interests improve the world's energy infrastructure by making it: more secure - providing security solutions for underwater energy infrastructure (DSIT); more reliable - providing condition-based monitoring to critical assets on the electric grid (GridSense, OmniMetrix) and more productive and efficient - increasing oil and gas production while lowering costs through use of permanent ultra-high sensitive seismic tools that allow for a more precise picture of reservoirs (US Seismic). For more information visit: <http://www.acornenergy.com>.

Safe Harbor Statement

This press release includes forward-looking statements, which are subject to risks and uncertainties. There is no assurance that Acorn Energy, Inc. or its operating companies will continue to grow their respective businesses, or that any of them will meet the expectations or execute the initiatives described or referred to above. A complete discussion of the risks and uncertainties which may affect Acorn Energy's business generally and the businesses of its subsidiaries is included in "Risk Factors" in its most recent Annual Report on Form 10-K and its most recent 10-Q as filed by Acorn Energy with the Securities and Exchange Commission.