

DSIT Receives a \$12.3 Million Order for Underwater Security Systems for Protection of Offshore Rigs and Coastal Energy Terminals

Givat Shmuel, Israel (December 8, 2011) DSIT Solutions Ltd., a subsidiary of Acorn Energy, Inc. (NASDAQ: ACFN), announced today the receipt of its largest order ever for underwater security systems. The contract calls for the delivery of a large number of AquaShield™ Diver Detection Sonar (DDS) and PointShield™ Portable Diver Detection Sonar (PDDS) systems that will protect offshore oil platforms, coastal energy terminals and high value vessels against underwater intrusion and sabotage. The value of the contract between DSIT and an undisclosed Asian customer is \$12.3 million. Initial delivery of systems is scheduled to begin immediately with the remainder in 2012.

Dan Ben-Dov, DSIT's Vice President for Sales & Marketing, said, "As far as we know this is the largest contract for underwater security systems to be ordered by the Oil & Gas industry. This sale firmly establishes DSIT as the world leader in the field of underwater security systems for the energy sector. DSIT pioneered this market in 2007 with the sale of its AquaShield™ Diver Detection Sonar to a leading European Oil Terminal. Since then we have accumulated vast experience in testing and operating our underwater surveillance solutions in many energy sites around the world, including nuclear power facilities."

"The AquaShield™ DDS boasts a unique combination of features, making it an ideal tool in the hands of the security officer. It offers the longest range threat detection, while its advanced classification algorithms guarantee accurate threat identification with very few false alarms. The system is fully automatic, eliminating the need for a trained sonar operator. It is almost maintenance free and -as testified to by our customers every day- its robust design ensures long years of flawless operation."

Benny Sela, DSIT's CEO, commented that, "DSIT's diver detection sonar systems are continuously protecting ports, naval bases, energy installations, ships, and VIP compounds around the world. However, DSIT is constantly improving its systems and developing new solutions to provide our customers with a complete package from detection and classification to response to the threat. We take considerable pride in the satisfaction and trust of our current customers. We believe this is one of the primary reasons for the increase of inquiries and requests for quotes for our underwater protection systems."

John Moore, CEO of Acorn Energy added: "This contract, the largest ever for any of Acorn's subsidiaries, is a major milestone in the process of establishing Acorn as a company defining new categories in the energy world. Through leveraging of its innovative sonar technology, DSIT has succeeded in creating a new energy market niche and answering the growing demand for energy security solutions. We see DSIT's activities as an integral part of our pragmatic energy market vision."

About DSIT

DSIT develops sonar and acoustic solutions and acts as a system integrator for advanced Security and Safety 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: PortView Harbor Surveillance System (HSS), AquaShield™ Diver Detection Sonar (DDS) and PointShield™ Portable Diver Detection Sonar (PDDS), Sonar Simulators and Trainers, Mobile Acoustic Ranges (MAR), Underwater Acoustic Signal Analysis (UASA) systems, and Sonar Upgrade Programs (SUP). For more information visit www.dsit.co.il

About Acorn Energy

Acorn Energy, Inc. is a holding company focused on technology driven solutions for energy infrastructure asset management. Our three businesses in which we have controlling interests, improve the world's energy infrastructure by making it more secure by providing security solutions for underwater energy infrastructure (DSIT), more reliable by providing condition monitoring instruments for critical assets on the electric grid (GridSense) and more productive and efficient by increasing oil and gas production while lowering costs through use of ultra-high sensitive seismic tools for more precise pinpointing of oil and gas reservoirs (US Seismic). For more information visit <http://www.acornenergy.com/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 DSIT or Acorn Energy, Inc. will continue to grow their respective businesses, execute the initiatives described above or meet the expectations described 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 the Company's most recent Annual Report on Form 10-K as filed by the Company with the Securities and Exchange Commission.

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