



Press Release

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FOR IMMEDIATE RELEASE

MediVision Presents Management's Report for of the Quarter ended at March 31, 2011

Haifa, Israel, MediVision Medical Imaging Ltd. ("MediVision", "MV", EURO.NM: MEDV) released today (Thursday, May 26th, 2011) information concerning its operations and financial results for the period ended March 31th, 2011.

CONSOLIDATED STATEMENT OF OPERATIONS FOR THE TWELVE MONTHS ENDED MARCH 31, 2011: (in thousands U.S. Dollars, except per-share data)

	2011	2010
	Unaudited	
	\$000	\$000
Sales		-
Cost of sales		-
Gross profit		-
Other income (loss)	225	211
Selling and marketing expenses	-	-
General and administrative expenses	(13)	(54)
Research and development costs, net	-	-
Operating profit (loss)	212	157
Financial income	-	-
Financial expenses	(37)	(56)
share of loss of an associate	(432)	* (515)
loss before tax	(257)	(414)
Income tax expenses	-	-
Loss for the year	(257)	(414)
attributable to:		
Equity holders of the parent	(257)	* (414)
Minority interests	-	-
	(257)	(414)
Earnings per share		
Basic, loss for the year attributable to ordinary equity holders of the parent	(0.03)	* (0.048)

Management's Discussion and Analysis of the Financial Condition and Results of Operations of the Company

Other Income Net - This income reflects the profit from decreasing MediVision share in OIS as a result of realization of OIS shares in the total amount of \$326,000 (for further details see note 3 of the financial statement),

CONSOLIDATED BALANCE SHEET AS OF MARCH 31, 2011: thousands U.S. Dollars, except per-share data)

	31 March	31 December
	2011	2010
	unaudited	audited
	\$000	\$000
Assets		

Current assets

Cash	-	-
Trade and other receivables	11	65
	<u>11</u>	<u>65</u>

Non-current assets

Investments in an associate	1,315	1,838
Total assets	<u>1,326</u>	<u>1,903</u>

Liabilities and equity**Current liabilities**

Credit from banks	15	1,892
Trade and other payables	157	178
	<u>172</u>	<u>2,070</u>

Non-current liabilities

Convertible loan from shareholders		
Employee benefit liability	-	-
	<u>-</u>	<u>65</u>
Total liabilities	<u>172</u>	<u>2,135</u>

Equity

Issued capital	379	215
Share premium	10,781	9,302
Capital reserve	(311)	(311)
Retained deficit	(9,695)	(9,438)
Total equity	<u>1,154</u>	<u>(232)</u>
Total equity and liabilities	<u>1,326</u>	<u>1,903</u>

Investments in an associate - During the year end financial closing process OIS discovered errors in the treatment of warrants to purchase shares of OIS common stock and embedded conversion options issued in connection with convertible notes. As a result the management of OIS decided to restate OIS financial statements for 2007, 2008, all quarters of 2009 and 3 first quarters of 2010. Details about the restatement are available in OIS 10K which is available at OIS website:

http://www.oisi.com/index.php?option=com_content&view=section&layout=blog&id=12&Itemid=73

MediVision management decided to restate the financial reports of 2009 and to reflect the influence of the restatement accordingly. These amounts also reflect on the amounts of March 2010 as presented in the financial statements.

Long-term debt - reflects convertible loans from shareholders. According to the agreement with these shareholders they have the right to convert the loans at any time. The company converted all such loans and issued 5,703,270 additional shares.

Total Equity - During the Quarter ended March 31st, 2011, total equity was decreased by \$257,000, a result of losses in OIS during the period (please see note 4 of the financial statements) and the equity increased by \$1,643,000 as a result of the conversion of the shareholders loans,

This Release contains certain forward-looking statements and information relating to the Company that are based on the beliefs of the Management of the Company as well as assumptions made by and information currently available to the Management of the Company. Such statements reflect the current views of the Company with respect to future events, the outcome of which is subject to certain risks including but not limited to as listed below and other factors, which may be outside of the Company's control. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results of outcomes may vary materially from those described herein as projected, anticipated, believed, estimated, expected or intended. Such abovementioned risks include but are not limited to:

1. Uncertain market acceptance of Company products - The Company's future growth and profitability will depend, in large part, on the acceptance by the market of the Company's existing and proposed products. This acceptance will be substantially dependent on educating the market as to full capabilities, distinctive characteristics, perceived benefits and efficacy of the Company's existing and proposed products. In addition, the future success of the Company's products will depend on their acceptance by customers and on such customers' willingness and ability to purchase such products. There can be no assurance that the Company's products will receive the necessary market acceptance. Failure of the Company's existing and/or proposed products to gain market acceptance could have a material adverse effect on the Company's business, financial condition and results of operations.
 2. New products - The Company, through its Research and Development teams, engages in the development of new technologies and products and in the upgrading and improvement of existing ones. There is no certainty that development of these technologies and/or products will be completed, successfully, or at all, or if completed successfully, that a market for them will exist.
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