



## Press Release

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**FOR IMMEDIATE RELEASE**

### ***MediVision Presents Management's Report for Third quarter of 2010***

Haifa, Israel, MediVision Medical Imaging Ltd. ("MediVision", "MV", EURO.NM: MEDV) released today (Monday, November 22nd, 2010) information concerning its operations and financial results for the period ended September 30<sup>th</sup>, 2010.

#### **CONSOLIDATED STATEMENT OF OPERATIONS FOR THE NINE MONTH ENDED SEPTEMBER 30, 2010: (in thousands U.S. Dollars, except per-share data)**

	2010	2009
	unaudited	
	\$000	\$000
Sales	-	6376
Cost of sales	-	(3447)
<b>Gross profit</b>	-	2,929
Other income	955	420
Selling and marketing expenses	-	2,251
General and administrative expenses	141	1,463
Research and development costs, net	-	1344
<b>Operating profit (loss)</b>	<b>814</b>	<b>(1,709)</b>
Financial income	-	68
Financial expenses	(126)	(487)
Share of loss of an associate	(605)	(660)
<b>Profit (loss) before tax</b>	<b>83</b>	<b>(2,788)</b>
Tax expenses	-	(3)
<b>Profit (loss) for the period</b>	<b>83</b>	<b>(2,791)</b>
Attributable to:		
Equity holders of the parent	83	(2,473)
Minority interests	-	(318)
	<b>83</b>	<b>(2,791)</b>
Earnings per share		
Basic, profit (loss) for the period attributable to the ordinary equity holders of the parent	0.010	(0.329)
Diluted, profit (loss) for the period attributable to the ordinary equity holders of the parent	0.007	(0.238)

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

**General and Administrative Expenses** - General and Administrative expenses include mainly professional services, and various provisions. Total General and Administrative expenses for the Nine month ended September 30, 2010 were \$141,000. This is mainly a result of professional services

**Other Income Net** - This income reflects the profit from decreasing MediVision share in OIS as a result of investment of third party in OIS and realization of OIS shares in the total amount of \$782,000 (for further details see note 3 of the financial statement) and profit from an agreement with a supplier to reduce the company debt in the amount of \$173,000.

**CONSOLIDATED BALANCE SHEET AS OF SEPTEMBER 30, 2010:****(in thousands U.S. Dollars, except per-share data)**

	<b>30 September 2010 unaudited \$000</b>	<b>31 December 2009 audited \$000</b>
<b>Assets</b>		
<b>Current assets</b>		
Cash	1	27
Trade and other receivables	58	175
	<u>59</u>	<u>202</u>
<b>Non-current assets</b>		
Investments in an associate	2,477	2,513
<b>Total assets</b>	<u><b>2,536</b></u>	<u><b>2,715</b></u>
<b>Liabilities and equity</b>		
<b>Current liabilities</b>		
Credit from banks	236	(*) 42
Trade and other payables	439	(*) 982
	<u>675</u>	<u>1,024</u>
<b>Non-current liabilities</b>		
Convertible loan from shareholders	1,267	(*) 1,180
Employee benefit liability	61	61
	<u>1,328</u>	<u>1,241</u>
<b>Total liabilities</b>	<u><b>2,003</b></u>	<u><b>2,265</b></u>
<b>Equity</b>		
Issued capital	215	215
Share premium	9,302	9,302
Capital reserve	(311)	(311)
Retained deficit	(8,673)	(8,756)
<b>Total equity</b>	<u>533</u>	<u>450</u>
<b>Total equity and liabilities</b>	<u><b>2,536</b></u>	<u><b>2,715</b></u>

**investments in an associate** - Due to ceasing consolidation of OIS and CCS reports and due to the selling of CCS shares as part of the implementation of the APA agreement this account reflects the investment in OIS (please see note 6 in the financial statements as of December 2009) .

**Long-term debt** - reflects convertible loans from shareholders. According to the agreement the shareholders have the right to convert it at any time. Until the day of publishing the financial reports of the third quarter of 2010 the Company did not receive any order to convert the loans.

**Total equity** - During the Quarter ended September 30<sup>th</sup>, 2010, total equity was decreased by \$342,000 reaching \$533,000. This is mainly a result of losses in OIS during the period (please see note 4 to the financial statements).

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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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