



Press Release

MediVision Medical Imaging Ltd.

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FOR IMMEDIATE RELEASE

S2 Partners buys from MediVision 4% of OIS common stock

Yokneam Elit, Israel, MediVision Medical Imaging Ltd. (the "Company") (EURO.NM: MEDV) a leading provider of ophthalmic digital imaging systems for the ophthalmology market, announced today (June 7, 2004) that it has signed a common stock sale agreement with S2 Partners, L.P. ("S2"), a Minnesota limited partnership, according to which S2 bought 4% of the Company's holdings in its American subsidiary, Ophthalmic Imaging Systems ("OIS") in consideration for \$742,500.

As part of the agreement, MediVision sold 550,000 of OIS common shares at a price per share of \$1.35. The sale of 4% of the Company's holdings in OIS will reduce its holding to 79% of the common stock of OIS.

S2, with holdings of approximately \$32 million, invests primarily in micro/small-cap U.S. stocks with market caps of less than \$500 million. Its main strategy is to pursue post-venture companies that have not yet sparked an institutional following but proven track records including profitable operations, significant sales growth, above average margins and leadership in a small but growing industry or market niche.

Since the acquisition of OIS by MediVision, OIS has increased its revenues from \$4.57 million in FY2000 to \$9.95 million in FY2003, reflecting an increase of 118% over a period of 3 years. OIS profits increased from a loss of \$1.17 million to a profit of \$1.44 million in the corresponding years.

Walter Ramsley, General Partner of S2, commented: "We are excited about our investment in Ophthalmic Imaging Systems. The company has established a strong foundation in a high-growth industry. We look forward to participating in Ophthalmic Imaging System's continued success."

Noam Allon, Chief executive officer of MediVision said: "We are pleased with the growing interest in the Company and the performance of our American subsidiary, OIS. This sale of shares is part of a planned sequence of steps of capital raising measures towards strategic growth. The funds will provide us with additional working capital to support our business expansion and it will allow us to accelerate the strategic growth plan of the Company for mergers and acquisitions."

MediVision recently published its financial results for the three month period ended March 31, 2004. The Company's sales were \$2.5 million; net profit was \$71,000, an increase of 129% compared with a net profit of \$31,000 for the comparable three month period in 2003.

The Company is listed on the EuroNext stock exchange. MediVision provides smart solutions and upgrades for exciting imaging systems. The Company provides advanced diagnostics and analyzing tools for the eye care market. The Company was awarded the 5th place out of 50 ranked companies with 1006% revenue growth in five years period from 1998 to 2002, and climbed up from the 11th place of last year competition. This rank was done as part of the Fast 50 Technology contest held by Deloitte&Touche accounting firm in Israel as part of an international wider contest.

About MediVision

MediVision specializes in digital imaging devices for ophthalmic applications with an emphasis on diagnostics related to the eye retina. MediVision's products are designed to provide digital upgrades for a range of ophthalmic imaging systems, thus significantly enhancing imaging capability and providing its users with advanced diagnostic tools. The company's goals are to achieve significant market share and be a market leader in the ophthalmic digital imaging field. The company owns 79% interest in Ophthalmic Imaging Systems Inc. based in Sacramento, California, USA.

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 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.

End of message

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