



Press Release

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FOR IMMEDIATE RELEASE

MediVision Presents Management's Report for the period ended March 31, 2008

Yokneam Elit, Israel, MediVision Medical Imaging Ltd. ("MediVision", EURO.NM: MEDV) released today (May 22, 2008) information concerning its operations and financial results for the period ended March 31, 2008. MediVision consolidated revenues for the three months period ended March 31, 2008 aggregated to \$3,601,000 compared to revenues of \$4,589,000 for the comparable period of 2007, reflecting a decrease of 22%.

Highlights of the three months period ended March 31, 2008

Purchase of Acermed assets by OIS - In January 2008, OIS purchased substantially all of the assets of Acermed, Inc., a leading software developer for Electronic Medical Records (EMR) and Practice Management (EPM) software. The acquisition was done through OIS's newly established subsidiary, *Abraxas Medical Solutions, Inc.*, and was approved by the California Central Bankruptcy Court.

Merger with OIS – During the first quarter, MediVision signed a Merger agreement with OIS, under which the Company will become a subsidiary of OIS in a stock transaction. According to the Merger agreement and subject to the conditions of the agreements, MV ACQUISITIONS Ltd ("MVA"), an Israeli company under incorporation and a wholly-owned subsidiary of OIS, and the Company intend to effect the merger of MVA with and into MediVision (the "Merger"), following which, MVA will cease to exist, MediVision's outstanding shares will be converted into shares of OIS common stock, and the Company will become a wholly-owned subsidiary of OIS.

At the effective time of the merger each MediVision ordinary share will be converted into 1.66 shares of OIS common stock ("OIS Shares"). OIS Shares will be listed for trade on the NASDAQ OTC Bulletin Board.

This ratio reflects the approximately 9.4 million OIS Shares held by MediVision for 9.4 million OIS Shares and an additional aggregate amount of approximately 1.9 million shares of OIS common stock (taking into account MediVision's current outstanding share capital), reflecting the following assets and liabilities:

- MediVision's product pipeline;
- MediVision's research and development capabilities;
- MediVision's sales and distribution capabilities;
- MediVision's German-based subsidiary; and
- MediVision's debt to banks of approximately \$2.85 million

In addition, outstanding options and warrants to purchase MediVision shares shall also be converted into options or warrants in the same exchanged ratio, as the case may be, to purchase shares of OIS Common Stock. The Merger agreement also includes additional provisions regarding certain rights of major shareholders of MediVision, voting arrangements, registration rights and provisions applicable to share transfers.

The Merger which was unanimously approved by both companies' Boards of Directors, OIS' special independent committee and MediVision's audit committee, is expected to close by the end of the third quarter of 2008 and will be subject to approval by OIS and MediVision's shareholders in special shareholders meetings, as well as securing all other approvals and consents which are legally required.

Information in regards to the Financial Situation for the three months ending March 31, 2008

CONSOLIDATED STATEMENTS OF OPERATIONS (U.S. Dollars in thousands, except per share data)

	Period ended March 31,	
	2008	2007
Sales	3,601	4,589
Cost of sales	1,775	1,899
Gross profit	1,826	2,690
Operating expenses:		
Research and development expenses, net	579	434
Selling and marketing expenses	1,197	1,058
General and administrative expenses	747	687
Total operating expenses	2,523	2,179
Operating income (loss)	(697)	511
Financial expenses, net	205	34
Profit (loss) for the period before other income	(902)	477
Other expenses, net	-	14
Profit (loss) for the period before taxes on income	(902)	463
Income tax expense	13	14
Net (loss) Profit for the period	(915)	449
Attributed to:		
Equity holders of the parent	(798)	171
Minority interest	(117)	278
	(915)	449
Basic earnings per share (in Dollars)	(0.12)	0.02
Diluted earnings per share (in Dollars)	(0.12)	0.02

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

Sales - The consolidated Sales for the period ended March 31, 2008 aggregated to \$3,601,000 compared to sales of \$4,589,000 for the comparable period of 2007, reflecting a decrease of 22%. The decrease in revenues between the quarters is due to a decrease of product sales in the three months ended March 31, 2008 of approximately \$1,054,000, offset by an increase in service revenue of approximately \$66,000.

Gross Profit - Gross profit for the period ended March 31, 2008 were \$1,826,000 or 51% of sales revenues, as compared with \$2,690,000 which were 59% of sales revenues for the comparable period of 2007. Gross margins decreased due to the decrease in sales with fixed overhead costs.

Research and Development Expenses - Net R&D expenses for the period ended March 31, 2008 amounted to \$579,000 or 16% of Sales revenues. During the comparable reported period, the Company recognized development costs in the amount of \$285,000 as an intangible asset in accordance with the criteria for recognition as set forth in IAS 38 "Intangible Assets". The total R&D spending during the period was \$579,000 or 16% of Sales revenues compared to \$719,000 or 16% of Sales revenues in the comparable period of 2007.

Selling and Marketing Expenses - Total Selling and Marketing expenses for the three months period ended March 31, 2008 amounted \$1,197,000 which are 33% of total Sales revenues, as compared with \$1,058,000 which were 23% of total Sales revenues for the comparable period in 2007.

General and Administrative Expenses - General and Administrative expenses include mainly salaries, professional services, rental, maintenance and various provisions. Total General and Administrative expenses for the three months period ended March 31, 2008 were \$747,000 which are 21% of the total Sales, as compared to \$687,000, which were 15% of total Sales in the comparable period of 2007.

Minority Interest - Minority interest for the three months period ended March 31, 2008 are attributed mainly to the part of OIS minority shareholders in the loss of OIS. In addition part of the minority interest is attributed to the minority shareholders of CCS Pawlowski GmbH, the company's German subsidiary.

Balance Sheet Information

	March 31, 2008	December 31, 2007
Assets		
Current Assets		
Cash and cash equivalents	5,935	7,992
Restricted cash	170	168
Trade receivables, net	2,972	3,472
Other accounts receivable and prepaid expenses	791	702
Inventories	1,641	1,198
Total Current Assets	11,509	13,532
Property and Equipment, net	581	575
Deferred Tax Asset	1,238	1,342
Goodwill and Other Assets	6,928	6,012
Total Assets	20,256	21,461
Liabilities and Equity		
Current Liabilities		
Short-term bank credit and current maturities	3,270	2,862
Trade payables	1,442	1,728
Other accounts payable and accrued expenses	4,139	4,314
Total Current liabilities	8,851	8,904
Long-Term Liabilities		
Long-term loans, net of current maturities	2,345	2,663
Other Liabilities	187	171
Total long-term liabilities	2,532	2,834
Total liabilities	11,383	11,738
Equity		
Share Capital	165	165
Additional paid-in capital	8,794	8,775
Foreign currency translation differences	211	132
Capital reserve	(311)	(311)
Accumulated deficit	(4,580)	(3,725)
	4,279	5,036
Minority interest	4,594	4,687
Total Equity	8,873	9,723
Total liabilities and equity	20,256	21,461

Long-term debt - Long-term debt during the period ended March 31, 2008 decreased due to repayments of loans and higher allocation to current maturities.

Total equity - During the period ended March 31, 2008, total equity was decreased by \$850,000 or 9% reaching \$8,873,000.

About MediVision - MediVision specializes in digital imaging devices for medical 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 has significant market share and is a market leader in the ophthalmic digital imaging field. As of the balance sheet date, the Company owns 56% interest in Ophthalmic Imaging Systems Inc. based in Sacramento, California, USA and 63% interest in CCS Pawlowski GmbH based in Jena, Germany.

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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