



Press Release

MediVision Medical Imaging Ltd.

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FOR IMMEDIATE RELEASE

MediVision Acquires a Majority Stake in a Leading European Ophthalmic Imaging Company

Yokneam Elit, Israel, MediVision Medical Imaging Ltd. (EURO.NM: MEDV) a leading provider of ophthalmic digital imaging systems for the ophthalmology market, announced today (October 19, 2004) that it has acquired 54% of the common stock of a leading European company in the field of ophthalmic imaging. The acquired company manufactures and distributes systems for various ophthalmic applications and is considered to be one of the principal companies in the ophthalmic imaging field in its country. The consideration for the 54% equity of the acquired company is approximately \$650,000 in cash and in common stock of Ophthalmic Imaging Systems (OIS), MediVision's US subsidiary. Additionally, the agreement calls for MediVision to reach 63% of holdings in the acquired company before September 2005 at a price which is based on achievement of certain milestones. MediVision has the option to reach up to 80% of the company's holdings until January 2007.

In addition to the acquisition payments, MediVision will immediately provide the acquired company with a shareholder's secured loan and capital increase of approximately \$80,000.

The results of the acquired company will be consolidated and disclosed in the financial reports of MediVision for the three-month period ended September 30, 2004.

Noam Allon, President and Chief Executive Officer of MediVision: "This investment enhances both companies' strengths, strategies and needs. I believe that the synergies between the two companies will significantly contribute to grow market share and presence of MediVision in the European market. We are very excited with the future opportunities and challenges we are about to face together. The acquired company has a successful management, solid market position and a history of considerable revenues and profits, to secure a significant growth for MediVision in the European market."

MediVision's objective is to increase its market share in the primary European markets, similarly to the significant growth in revenues, profits and market share it has already gained in the US market during the past 4 years, following the acquisition of a majority stake in OIS."

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 a 75% interest in Ophthalmic Imaging Systems 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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