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- **Stabilization in business environment in second half of 2009**
- **Revenues of \$37.2 million in 2009**
- **Operating loss of \$8.9 million compared to operating loss of 23.9 million in 2008**

Hod-Hasharon, Israel, February 18, 2010- Advanced Vision Technology Ltd. (AVT, Prime Standard of the Frankfurt Stock Exchange, ISIN: IL0010837248), the world's leading supplier of automatic optical inspection and quality assurance systems for the printing industry, announced its financial results for fiscal year ended December 31, 2009.

Revenues in 2009 were \$37.2 million, a decrease of 38.3% compared to revenues of \$60.3 million in 2008. Revenues in Q4 of 2009 were \$9.1 million, similar to Q2 and Q3 2009, and 22.6% less than in Q4 2008.

The ratio of order booking to revenues is revealing an improvement of business performance during 2009 and increased from 83.8% in 2008 to 94.7% in 2009. It is attributable to both, the declined revenue basis as well as the improved order intake in the last 3 quarters of the year. In the 4thquarter order booking reached \$10.2 million, and book-to-bill ratio was greater than 1.0.

As a result of the substantial decline in revenues across both product lines, numerous structural consolidation measures were implemented by AVT beginning in Q4 2008, along with a significant reduction in operational costs. General and administrative expenses declined by 30.1%, selling and marketing expenses by 32.5% and R&D costs declined by 32.2%. As a result, total operating expenses were \$24.9 million in 2009 compared to \$50.2 million in 2008 representing an improvement of 50.5%. AVT's operating loss in 2009 was \$8.9 million albeit lower than the operating loss of \$23.9 million in 2008 mainly due to the much higher goodwill impairment charge recorded in 2008 as compared with 2009.

Net loss for the full year ended December 31, 2009 was \$10.7 million or a loss of \$2.02 per share compared with a loss of \$25.2 million or a loss of \$4.75 per share in 2008. Consolidated proforma net income for 2009 (excluding the impact of non-cash impairment charges, amortization of acquired intangible assets, stock-based compensation expense and extraordinary GMI restructuring and integration costs), was a loss of \$3.6 million compared with proforma net income of \$1.4 million in 2008.

Net cash used operating activities was \$1.5 million compared to \$2.9 million in 2008. Cash and cash equivalents at the end of the year totaled \$11.1 million. In the 4thquarter the net cash provided by operations and investing activities was \$1.0 million.

Shlomo Amir, President and CEO of AVT: "AVT faced many challenges in 2009 due to the global economic crisis and the troubled market environment of the printing industry. However, our order booking for the last 3 quarters of 2009 showed clear signs of stabilization and resumed moderate growth. While future forecasts must be cautious following recent economic whirlwinds, there are developments that should encourage capital investments as different sectors in the printing industry prepare for renewed growth.

We participated successfully in two major trade shows in 2009. At Print '09 in Chicago in September, we introduced ColorQuick/Clarios and the MicroColor/Mercury, the new generation closed loop color control and remote ink control solutions for offset print processes. Our strong presence at LabelExpo Europe was acclaimed by participants and press. Our new PrintVision/Helios II and MicroColor NW remote ink control platform for narrow-web presses were recognized for increasing productivity, reducing print waste during make ready and run time, and improving press and rewinder utilization. An interesting development is the new ProMIS, the Helios II integration with customers' ERP systems in the print production environment.

To sum up, I believe we are a leaner company moving rapidly towards a one-stop solution provider for diverse printing sectors. I look forward for year of resumed growth and return to profitability".

About AVT and GMI

Advanced Vision Technology (AVT) develops and manufactures automatic inspection systems for web

applications in the packaging, labels, forms and converting sectors. Today, more than 2,100 PrintVision systems are installed worldwide. On October 1, 2007, the Company completed the purchase of all outstanding shares of GMI and the related intellectual property.

Graphic Microsystems, Inc, (GMI) is the world's premier supplier of closed loop colour control systems with over 850 installations, and of colour management and reporting software and remote digital ink fountain control systems with over 3,140 systems installed. The company's products are sold to leading commercial, semi-commercial, newspaper and specialty printers in the heatset and coldset web printing markets as well as to printing press OEMs worldwide.

AVT's headquarters located in Hod-Hasharon, Israel with manufacturing facilities in Israel and the United States and, marketing, sales and support offices in the United States, Europe and China. AVT is a public company listed in the Prime Standard of the Frankfurt Stock Exchange.

Safe Harbor Statement

Certain statements in this press release are forward-looking statements. Because such statements deal with future events, they are subject to various risks and uncertainties and actual results could differ materially from our current expectations. Factors that could cause or contribute to such differences include, but are not limited to: the impact on revenues of economic and political uncertainties and weaknesses in various regions of the world, including the commencement or escalation of hostilities or acts of terrorism; any unforeseen developmental or technological difficulties with regard to our products; changes in the competitive landscape, including new competitors or the impact of competitive pricing and products; a shift in demand for products such as ours; unknown factors affecting third parties with which we have formed business alliances; timely availability and customer acceptance of our new and existing products, and other factors and risks discussed in our Annual Report for the year ended December 31, 2008. We assume no obligation to update information concerning our expectations.

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