

Press Release

AVT Reports Q1 2015 Financial Results

Highlights for Q1 2015:

- **Revenues totaled USD 13.0 million, compared with revenues of USD 13.4 million in Q1 2014**
- **Operating Income totaled USD 1.39 million, compared with USD 1.37 million in Q1 2014**
- **Net Income totaled USD 0.87 million, compared with USD 0.94 million in Q1 2014**
- **New Order Booking totaled USD 12.9 million, compared with USD 13.1 million in Q1 2014**

Hod-Hasharon, Israel, May 20, 2015 – AVT (Advanced Vision Technology Ltd, Prime Standard of the Frankfurt Stock Exchange, ISIN: IL0010837248), a leading provider of process control, quality assurance and color control solutions for the printing industry, announced today the financial results for the first quarter of 2015 ended March 31.

Revenues in the first quarter of 2015 totaled USD 13.0 million, 3.2% lower than the USD 13.4 million generated in Q1 2014. The decrease in total revenues compared with Q1 2014 is due mainly to unfavorable impact of the Euro exchange rate relative to the US Dollar of approximately USD 0.9 million, when compared to foreign currency exchange rates last year.

New order booking in the first quarter of 2015 totaled USD 12.9 million representing a decrease of 1.4% compared with order booking of USD 13.1 million in Q1 2014. The order booking results in Q1 2015 reflect a negative impact of a stronger U.S. dollar vs. other currencies in the amount of approximately USD 1.0 million, when compared to foreign currency exchange rates of Q1 2014.

Gross margin in the first quarter of 2015 was 53.1% compared with 50.4%, in Q1 2014.

Operating income in the first quarter of 2015 totaled \$1.39 million, an increase of 1.4% compared with operating income of USD 1.37 million in Q1 2014.

Net income in the first quarter of 2015 was USD 0.87 million or a profit of USD 0.14 per share (diluted) compared with net income of USD 0.94 million or a profit of USD 0.16 per share (diluted) in Q1 2014.



Jaron Lotan, President and CEO of AVT: “Results of our first quarter of 2015 were slightly less than we expected primarily due to the exchange rate effects of the Euro against the USD. At the same time we see a good business atmosphere in most geographies we are active in and a good pipeline for the balance of the year.

At this point the main potential drawback we see is the Euro/USD exchange rate that will continue to have an adverse effect on our results if it stays at the current rate. “

In addition today AVT and Erhardt+Leimer GmbH (E+L) announced their intent to form a strategic alliance that will provide a wider range of integrated automation solutions for the printing and converting industries.

According to the companies understandings, in a first step AVT will acquire E+L's print inspection solutions and will assume the responsibility to develop and manage these solutions for both companies' customers in the Label and Packaging applications, including the corrugated segment. In return E+L will be entitled to future earn outs and a cash payment as per the set terms. As part of the agreement, Dr. Michael Proeller, E+L's CEO, will be appointed Chairman of AVT's Advisory Board and serve as an observer on AVT's Board of Directors.

While there remain certain outstanding issues, the parties expect that these issues can be resolved in the next few weeks. Following resolutions of these issues, the parties will be able to sign definitive agreements.

The transaction is not expected to have a material effect on our 2015 results, but we expect it to impact positively our results for 2016 and beyond.

About AVT

AVT (Advanced Vision Technology, Ltd) is a leading provider of print process control, quality assurance and color control solutions for the printing industry. AVT offers inspection and process control solutions for Packaging, Labels, Folding Cartons and Metal Decorating applications. Today, more than 3,800 AVT automatic inspection systems for packaging and labels are installed worldwide. As a premier supplier of color control solutions for offset printing, AVT has over 800 of its closed loop color control systems, and over 3,300 color management and reporting software and remote digital ink fountain control systems installed around the world. AVT's products are sold to leading printing press and finishing equipment manufacturers as well as to packaging, labels commercial and specialty printers, both in web and sheet printing, worldwide. AVT's headquarters are located in Hod-Hasharon, Israel with sales, marketing, 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.

Please visit the AVT website: www.avt-inc.com

Safe Harbor Statements

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, 2014. We assume no obligation to update information concerning our expectations.

For further information, please contact:

Udi Bar Sela, CFO

AVT Ltd.

Phone: +972-9-7614444

Fax: +972-9-7614555

Email: udibs@avt-inc.com

