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### Highlights

- Order Booking in Q3 2010 totalled \$10.8 million, an increase of 29.8% from \$8.3 million in Q3 2009
- Revenues in Q3 2010 totalled \$10.0 million, an increase of 10.6% from revenues of \$9.1 million in Q3 2009
- Fourth successive quarter in which order booking exceeded revenues: 108% ratio of order booking to revenues in Q3 2010
- Improvements in business conditions in the Packaging and Labels market segments lead to a third successive quarter of total higher revenues compared with the same period in 2009

**Hod-Hasharon, Israel, November 11, 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 today its financial results for the third quarter of 2010 ended September 30, 2010.

**Revenues** in the first nine months of 2010 were \$29.6 million, an increase of 5.1% from revenues of \$28.2 million in the first nine months of 2009. Revenues in the third quarter of 2010 totalled \$10.0 million, representing an increase of 10.6% of the revenues in Q3 of 2009, and an increase of 2.2% from the second quarter of 2010.

The improvement in business conditions in the Packaging and Labels market segments contributed to the higher total revenues recorded in each of the first three quarters of 2010 compared with each of the last three quarters of 2009.

**Order Booking** in the first nine months of 2010 totalled \$31.2 million, representing an increase of 24.4% over the first nine months of 2009 order booking of \$25.1 million. The ratio of order booking to revenues in Q3 2010 was 108% marking the fourth successive quarter, in which order booking exceeded revenues.

**Gross margin** in the first nine months of 2010 was 49.8% compared with 48.1% in the first nine months of 2009. The increase compared with same period last year is due primarily to higher product sales coupled with favorable product mix and lower amount of amortization of acquired intangible assets recorded in the first nine months of 2010, partly offset by unfavorable impact of the Euro and Israeli Shekel exchange rates relative to the US Dollar.

Proforma gross margin (excluding amortization of acquired intangible assets, stock-based compensation expense and in addition, for 2009 excluding GMI restructuring and integration costs) increased from 50.0% in the first nine months of 2009 to 50.8% in the first nine months of 2010. On a quarterly basis, Proforma gross margin increased from 47.5% in the third quarter of 2009 to 50.9% in the third quarter of 2010. The increase in proforma gross margin was due primarily to higher product sales coupled with favorable product mix partly offset by unfavorable impact of the Euro and Israeli Shekel exchange rates relative to the US Dollar.

**Proforma operating income** in the first nine months of 2010 (excluding all expense items cited above) was a profit of \$1.7 million compared with proforma operating loss of \$0.8 million in the first nine months of 2009. The increase in proforma operating income in the first nine months of 2010 as compared with same period last year is attributable primarily to lower operating expenses coupled with higher sales revenues and gross margin.

**Net income** for the nine months ended September 30, 2010 was \$0.4 million or \$0.08 per share (diluted) compared with a loss of \$3.0 million or a loss of \$(0.57) per share (diluted) for the first nine months of 2009. Net income for the third quarter of 2010 was \$0.7 million or \$0.14 per share (diluted) compared with a loss of \$0.8 million or loss of \$(0.15) per share (diluted) for the third quarter of 2009.

Proforma net income for the first nine months of 2010 (excluding amortization of acquired intangible assets, stock-based compensation expense and in addition, for 2009 GMI restructuring and integration

costs), was \$1.2 million compared with proforma net loss of \$0.8 million in the first nine months of 2009.

**Shlomo Amir, President and CEO of AVT:** "During the 3rd quarter of 2010 AVT surpassed its quarterly financial results of the last 2 years. Our new order bookings for the 3rd quarter of 2010 were \$10.8 million, 30% above the same period in 2009, and 4% more than the 2nd quarter of 2010. Around 50% of our third quarter order bookings came from the United States and South America. This development is most encouraging as it is the first quarter since the beginning of the recession that we see significant improvement of business conditions in this region.

In September, AVT presented its labels market solutions at LabelExpo Americas in Chicago. This show was very well attended, and it demonstrated the continued upturn in the packaging and labels markets. Later in September, AVT was present in the GraphExpo show in Chicago. This show aims at the commercial printing market. Many industry players attended this show, which leads us to hope for the initial recovery of this segment at the beginning of 2011.

Our market business conditions continue to improve, and with it our financial results. We look forward to a continuation of these trends".

#### **About AVT**

Advanced Vision Technology, Ltd (AVT) is the world leader in print process control, quality assurance and color control for the packaging, labels, folding cartons and commercial print markets. Today, more than 2,300 PrintVision systems for packaging and labels automatic inspection, are installed worldwide. As a premier supplier in the commercial sector, AVT has over 870 of its closed loop color control systems, and over 3,200 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 OEMs, packaging, labels, commercial, semi-commercial, newspaper and specialty printers in the heatset and coldset web printing markets, worldwide.

Advanced Vision Technology'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](http://www.avt-inc.com)

#### **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, 2009. We assume no obligation to update information concerning our expectations.

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