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**ADVANCED VISION TECHNOLOGY'S SUCCESS
CONTINUES WITH RECORD RESULTS**

Revenues, Margins and Profit Reach All Time High

Net Income in the First Six Months of 2005 More Than Doubled

Hod-Hasharon, Israel, August 1, 2005 – Advanced Vision Technology Ltd (AVT), listed on Prime Standard of Frankfurt Stock Exchange, ISIN IL001837248 (Prime Standard: VSJ) the world's leading provider of automatic inspection and quality assurance systems for the printing industry, today announced its results for the second quarter and the first six months of 2005 showing new records in revenues, margins and profitability.

The trend of the previous 13 quarters continued, and AVT's revenues for the second quarter reached \$6.2 million. This is an increase of 20% compared to the same quarter of the previous year, and an increase of 3.5% over the first quarter of 2005. For the first 6 months of 2005, revenues were \$12.2 million, an increase of 22% over the first half of 2004.

AVT's profitability also continues to grow. Net income for the first half year grew by 116% to \$1.8 million. In the first 6 months of 2005, operating activities produced cash of \$3.5 million compared to \$0.4 million in the same period of 2004.

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“Looking forward, we expect to continue good growth,” says Shlomo Amir, AVT’s President and CEO. “Our order bookings in the first six months were strong with bookings for Q2 2005 reaching \$6.7 million. As of June 30, 2005, our order backlog totalled \$7.8 million, an increase of 5% over March 31, 2005.”

AVT’s worldwide presence continues to grow, notably in China and Southeast Asia. After the opening of the new representative office in Shanghai, in April 2005, AVT accelerated its activities by participating in China Print in Beijing, the leading trade show in China. In the first six months, the Americas accounted for 50% of AVT’s total sales, Europe 33%, and the rest of the world 17%.

Also in April, AVT participated in the CMM trade show in Chicago. At the show, AVT showcased its product range for packaging and converting, which attracted great interest, with more than 200 sales leads collected.

During May and June, AVT participated in three other trade shows around the world. At China Print in Beijing, AVT had its own booth, and also presented the PrintVision/Helios at the Nilpeter booth. This show participation came just two months after the inauguration of AVT’s representative office in Shanghai.

The other two trade shows in which AVT participated included PacPrint in Australia, where AVT was present at the AGFA booth - its local distributor, and RusoPak in Moscow. At both events AVT enjoyed interest from potential customers.

AVT will be showing its solutions for the labels market at Labelexpo Europe 2005, in Brussels, from 21 – 24 September.

About AVT

Advanced Vision Technology develops and manufactures automatic inspection systems for web applications in the packaging, labels, forms and converting sectors. AVT’s flagship platform, **PrintVision/Jupiter for Packaging Printing**, is an advanced video-based inspection system that automatically detects defects in various types of printing processes. The system eliminates the need for human operator judgment to visually monitor and inspect print output.

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For the **Label Printing** market, AVT developed the **PrintVision/Helios**, an automatic 100% inspection system for quality assurance workflow. The system can be mounted on press for in-line inspection or on a rewinder for post press handling.

There are more than 1000 PrintVision systems installed worldwide.

Advanced Vision Technology headquarters and sole manufacturing facility is located in Hod-Hasharon, Israel. AVT is a public company listed in the Prime Standard of the Frankfurt Stock Exchange. The company is based in Israel, with marketing, sales and support offices in the United States and Europe.

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