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PROFITABILITY UP IN SECOND QUARTER AT AVT

**Net Income Up 52.9% for Q2;
Half Yearly Net Income Up 58.4%**

18th Successive Quarter of Growth

Hod-Hasharon, Israel, July 31, 2006 - Advanced Vision Technology Ltd. (AVT, Prime Standard of the Frankfurt Stock Exchange, ISIN: IL001837248), the world's leading supplier of automatic optical inspection and quality assurance systems for the printing and packaging industry, announced sales for Q2 2006 of US\$ 7.0 million, 13% above same period in 2005, and up 3% over Q1 2006.

Net income for the quarter rose 52.9% to US\$ 1.7 million (US\$ 1.1 million for the same period in 2005). Net income for the first six months of 2006 rose by 58.4% to US\$ 2.9 million (US\$ 1.8 million for the same period in 2005).

New order bookings for Q2 2006 totalled US\$ 6 million, making a six-month total of US\$ 12.5 million. Solid growth was recorded in Europe and the Americas while new order booking in Southeast Asia was soft.

"AVT's continued growth is proof that the solutions we offer packaging and labels printers and converters are the ones that most fully meet their requirements," said Shlomo Amir, AVT's President and CEO.

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“The steady growth of our profitability is the result of increasing sales and income from service contracts as the number of installations grows,” Shlomo Amir continued.

Service revenues for the first six months of 2006 grew to US\$ 849 thousand, up 55.2% over the same period of 2005. AVT’s commitment to, and investment in, research and development continues. As a result of these activities, more than 1300 systems are now installed worldwide.

“The combination of process control and quality assurance provided by AVT solutions is now widely recognized as driving bottom-line profits at printing companies through savings in time, waste and job rejections,” Shlomo Amir concluded.

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 judgement to visually monitor and inspect print output.

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 1300 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, Europe and China.

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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, 2005. We assume no obligation to update information concerning our expectations.