

ELBIT VISION SYSTEMS LTD.

FOR IMMEDIATE RELEASE

FITE AND MIVTACH SHAMIR TO INVEST \$7.6 MILLION IN ELBIT VISION SYSTEMS LTD.

Kadima, Israel January 25, 2007 — Elbit Vision Systems Ltd. (OTCBB: EVSNF.OB) today announced that it has entered into a term sheet with First Israel Turnaround Enterprise Fund (FITE) and Mivtach Shamir Holdings Ltd. (TASE: MISH. TA) pursuant to which FITE will invest \$4.1 million at a price per share of \$0.23 and Mivtach Shamir will invest \$3.5 million. Mivtach Shamir's investment shall be divided as follows: (i) \$2 million as new funds at a price per share of \$0.23, and (ii) the conversion of its currently outstanding \$1.5 million convertible loan at a conversion rate of \$0.23 per share (with the Company waiving its right to receive the remaining \$1.5 million under such convertible loan). Additionally, the Company will grant the investors warrants to purchase an aggregate of 4 million ordinary shares. The warrant previously granted to Mivtach Shamir to purchase 4 million ordinary shares, will be cancelled. Completion of the transaction is also subject to completion of due diligence, execution of definitive documents, approval of the Company's shareholders and other customary closing conditions. In addition the company is negotiating with Elbit Ltd, one of its current share holders, the possibility to convert a \$0.4M loan into equity under the same conversion terms.

Following completion of the transaction, FITE will hold approximately 28% of the Company's issued and outstanding share capital and Mivtach Shamir will hold will hold approximately 28% of the Company's issued and outstanding share capital.

About FITE:

FITE – the First Israeli Turnaround Fund is a private equity fund focusing on Turnaround investment opportunities. FITE creates substantial returns through the acquisition of control in mature Israeli companies that can be enhanced through improved operational and financial management. The fund has over \$130M in committed capital.

About Mivtach Shamir:

Mivtach Shamir holdings Ltd. is an investment company traded in Tel-Aviv Stock Exchange, with an approximate market cap of \$150 million. Its principal areas of investment are technology and communications, real-estate, venture capital and others. Mr. Meir Shamir is its main shareholder (holding approximately 40%) and serves as its CEO and Chairman of the Board.

About Elbit Vision Systems Ltd. (EVS): www.evs.co.il

EVS offers a broad portfolio of automatic in-line inspection and quality monitoring systems used to improve product quality and increase production efficiency. The Company's Industrial Division provides automatic optical inspection (AOI) and non-destructive ultrasound inspection systems for heavy manufacturing (automotive, aeronautics, steel and others). EVS maintains headquarters and manufacturing in Israel, R&D operations in Israel, and offers global sales and support coverage.

Safe Harbor:

This press release contains forward-looking statements. Such statements are subject to certain risks and uncertainties, such as market acceptance of new products and our ability to execute production on orders, which could cause actual results to differ materially from those in the statements included in this press release. Although EVS believes that the expectations reflected in such forward-looking statements are based on reasonable assumptions, it can give no assurance that its expectations will be achieved. EVS disclaims any intention or obligation to update or revise any forward-looking statements, which speak only as of the date hereof, whether as a result of new information, future events or otherwise. EVS undertakes no obligation to update forward-looking statements to reflect subsequently occurring events or circumstances.

This press release and other releases are available on www.evs.co.il

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