



Press release

CMT MEDICAL TECHNOLOGIES LTD. ANNOUNCES APPROVAL OF MERGER TRANSACTION

Yoqneam (Israel), July 8, 2010 - CMT Medical Technologies Ltd. (ENXTPA: CMD) announced today that at the annual and special general meeting of the shareholders of CMT Medical Technologies Ltd. (“**CMT**”) held today, the shareholders of CMT have approved the proposed merger transaction with CTH Acquisition Company Ltd. (“**CTH**”), an Israeli company wholly-owned by Thales, a société anonyme organized and existing under the laws of France (“**Thales**”), pursuant to which CTH will merge with and into CMT. CMT will be the surviving company in the merger and will become a wholly-owned subsidiary of Thales.

Upon consummation of the merger, each of the CMT shares outstanding immediately prior to the effective time of the merger (other than shares already held by Thales or CMT or any other wholly-owned subsidiary of Thales or CMT) will automatically be converted into, and represent solely, the right to receive from Thales an amount of € 7.10 per share in cash.

The merger is expected to be completed on or about August 8, 2010. Promptly after the merger is completed, CMT will request Euronext Paris to issue a notice indicating the timetable and the payment process of the merger consideration. As of a date to be set by Euronext Paris, the total amount required for payment of the merger consideration will be deposited by Thales in an account opened for such purpose with a paying agent, which will centralize the process of payment of the merger consideration. After the closing of individual accounts by Euroclear France, the account-holding institutions will credit CMT's shareholders accounts with the merger consideration to which they are entitled to with respect to the shares held by them as of the effective date of the merger.

At the annual and special general meeting of the shareholders of CMT the shareholders also approved: (i) the re-election of each of Messrs. Jacques Belin, Paul Maisonnier, Dominique Barbe and Jean Louis Villoutreix and Ms. Michèle Bogatirsky to serve as a director of CMT until CMT's next annual general meeting or until a respective successor is duly elected; and (ii) the appointment of the accounting firm Kost Forer Gabbay & Kasierer, a member of Ernst & Young Global, as CMT's independent auditors for the fiscal year ending December 31, 2010.

Further information may be obtained by directing a request via mail, phone, fax or e-mail to Ms. Nadine Tomaschoff, CMT's CFO, at the CMT's offices at HaCarmel Street, Building 7/2 Yoqneam Ilit P.O.B. 111, Israel 20692, Facsimile No. +972-4-856-6298, Tel No. +972-4-856-6220, email: Nadine@cmt.co.il.



About CMT Medical Technologies Ltd.:

CMT Medical Technologies Ltd. is an Israeli company which designs, develops, manufactures and markets digital image processing systems for use in medical diagnostic imaging applications. CMT is also engaged in the development of X-ray detectors for various medical applications.

The company's stock is publicly traded on Euronext Paris. Thales currently holds 94.6% of the company's capital shares.

If you wish to receive further information by e-mail, please contact:
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