

Press release

December 18th 2007

The BIRD Foundation, the Israel-U.S. Binational Industrial Research and Development Foundation, will invest about \$13 Million in 15 advanced development projects in Life Sciences, Homeland Security, Advanced Video Technology, Ultra-Fast Optic Communications and more.

Included among the American partners are companies such as Texas Instruments, Amphenol, General Dynamics, Herley, Warner Chilcott and Schering Plough.

Dr. Eitan Yudilevich, foundation Executive Director: "The BIRD Foundation, which just this year celebrated its 30th birthday, is wrapping up a very successful year, with 32 approved projects in various innovative fields,"

Tel-Aviv, December 18th: in a meeting of its Board of Governors today in Jerusalem, The BIRD Foundation, the bi-national Israeli-U.S. industrial cooperation foundation, approved investments totaling some \$14 million for 15 new projects, the total budgets of which equal some \$45 million, the product of collaboration between Israeli and U.S. companies.

The BIRD Foundation acts to encourage collaborations between Israeli and U.S. companies in various technological fields, and helps locate strategic partners in both countries for the purpose of developing a joint product. The projects approved in the Board meeting are added to the 740 projects in which the BIRD Foundation has invested over \$250 million over the course of 30 years of activity. These projects have, to this day, yielded over \$8 billion in direct and indirect sales.

Among the projects approved in the latest Board meeting are several homeland security-related initiatives, a field that has received a great deal of attention since 9/11. Innovative Israeli technologies have aided multi-billion dollar companies in finding system solutions for law enforcement and firefighting systems, infrastructure security and critical data survivability.

The surge in the life sciences continues with several pharmaceutical and biotechnology projects, including several mature developments, such as the Foamix-Warner Chilcott project for the development of acne treatments, based on an innovative technology originated with the Israeli company. Schering Plough – Animal Health, a leading animal healthcare company, makes its Israeli debut, adopting unique technology developed at the Vulcani Institute and implemented via the Israeli startup Mileutis.

Two additional trends noticeable in the approved project list are in the field of Entertainment Technology, including a project for HDTV and developments in ultra-fast networks, which support broad bandwidth internet video.

Dr. Eitan Yudilevich, who has served as the foundation's Executive Director for the past two years, expresses a great deal of satisfaction with the quality of the submitted projects. "It is no secret that the BIRD Team, in Israel and in the U.S., is proactive in delivering the Foundation's message and identifying opportunities. A significant percent of our time is spent on visiting companies in Israel and in the U.S. I'm a strong believer on this way of doing our business".

The table in the next page contains the list of approved projects.

Israeli Company	U.S. Company	Project	Area
Axxana	U.S Company	AxxBox – Data Recovery System	Electronics/ Data Recovery
BioCancell Therapeutics	Virginia Biosciences Development Center (VBDC)	Project Phase 1 Safety and dosing Trial for Pancreatic Cancer Therapy	Life Sciences/ Biotechnology
Camero-Tech	GDATP	Development of Xaver™ 400	Electronics/Homeland Security
Cellular Systems International	BIRD Technologies Group	Management System for Remote Base Stations	Cellular Communications
Exatel Visual Systems Ltd.	Conexant Systems	Ultimate Digital Media Center (U-DMC)	Communications
Foamix	Warner Chilcott	Minocycline Foam	Life Sciences/ Pharmaceutical
Human Monitoring	Texas Instrument	High Definition H.264 Encoder for DaVinci DSPs	Software/ Entertainment
ImmuneArray	20/20 GeneSystems	A blood test for early diagnosis of non small cell lung cancer	Life Sciences/ Biotechnology
Mileutis	Schering Plough Animal Health	Dry Cow Therapy and Mastitis Treatment.	Life Sciences/ Animal Health
Nebo Media	SeaChange International	VOD Recommendation Engine	Software/ Entertainment
Optium Israel	Sierra Monolithics (SMI)	Short reach transponder for 100G Ethernet applications	Communications
OzVision	Life Alert Emergency Response	Cellular Personal Emergency Response System	Electronics
Paragon Communications	Herley Industries	Wide area networking for HLS	Electronics/ Homeland Security
Winbond Israel	Ricavision International	SideShow	Electronics
Xloom Communications	Amphenol TCS	HD-SFP (High Density Small Form-Factor Pluggable)	Electronics/Fiber Optics

About the BIRD Foundation

The BIRD (Binational Industrial Research and Development) Foundation works to encourage cooperation between Israeli and American companies in the various areas of technology, and provides free assistance in locating strategic partners from both countries for developing joint products.

During its 30 years, the BIRD Foundation has invested in more than 740 projects, which have yielded direct and indirect revenues of about \$8 billion.

The BIRD Foundation supports projects without receiving any rights in the participating companies or in the project itself. The financial assistance is repaid as royalties from sales. The Foundation provides support of up to 50% of a project's budget, beginning with R&D and ending with the initial stages of sales and marketing. The Foundation shares the risk and does not demand that the investment be repaid if the project fails to reach the sales stage.

The BIRD Foundation works in full cooperation with the Chief Scientist's Office at the Ministry of Trade, Industry and Employment in Israel, and with the U.S. Commerce Department's National Institute of Standards and Technology (NIST)