

Applisonix Completes First Milestone of Prototype Development of Its Ultrasonic Long-Term Hair Removal Device

Rehovot, Israel – 28/3/2007 - Applisonix LTD (TASE: APLS) announced that it had successfully completed the first phase of developing the clinical prototype of its product for the professional hair removal market, according to the company development plan.

The first phase of the post-IPO development plan included the computerized simulation infrastructure for effective design of the prototype configuration. The simulation model that was developed by the company is a planning and forecasting tool, which allows effective design of the system and its performance. This infrastructure will continue to evolve and support the design of future products as well.

With the on-time completion of this development phase, the company achieved the first milestone of its plan, as described in the Initial Public Offering in January 2007 in the Tel Aviv Stock Exchange. Prior to the public offering, Applisonix conducted successful feasibility studies of its proprietary technology and secured funding through a private investment round.

The company moved on to the next phase of the prototype optimal configuration design for the clinical trials. The company estimates that this phase will be completed at the end of Q2 2007, as planned.

Alon Goren, Applisonix CEO, said that “The long-term hair removal products we are developing use a new, innovative, and revolutionary ultrasonic technology. They are expected to have significant advantages over most of the existing solutions in the market, that are based on light and laser, including: negligent (if any) pain for the patient, no significant side effects, efficacy that does not depend on hair or skin color, and much lower cost of treatment”.

About Applisonix:

Applisonix is an esthetics device company, focused on developing and marketing breakthrough innovative hair removal solutions.

Applisonix was incorporated in early 2004 and operated for the first two years under the auspices of Ma'ayan Technology Incubator. The company completed a private investment round in 2006 and subsequently a public round in the Tel Aviv Stock Exchange (TASE) early in 2007.

Applisonix is backed up by some of the most important investment companies in Israel:

- Infinity, which is a leading Israeli-related technology fund managing more than \$270M. Infinity is IDB's (Israel's largest holding company, with major holdings in a variety of industry sectors) principal vehicle for venture capital management
- Maayan Ventures (TASE: MAYN), which is a leading early stage investment group and technology incubator that specializes in building value
- Canit Investments, which is the part of the Azrieli Group, and invests in real estate, high-tech, and bio-technology