

Micromedic Technologies Ltd. Reports Success in Clinical Pilot of its Cervical Cancer Diagnostic Product in a Central Hospital in Beijing

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The Results of the Pilot Show That in 95% of Cases the Test Showed Differential Staining and Succeeded in Identifying the Cancer and Pre-Cancer Cells

**Cervical cancer is the fourth most common cause of death from
cancer among women worldwide**

Receives Order for Cervical Cancer Diagnostic Product in China for ~100,000 Additional Tests From Biomics Co., it's Strategic Distributor of the Product

Micromedic Technologies (TASE: MCTC), a development and commercialization company working to create value through a cluster of cancer diagnostics companies, is expanding its penetration in the Chinese market.

The Company reported positive results in its pilot study conducted in Peking Union Medical College Hospital (Union Hospital), a central hospital in Beijing, using the CellDetect® product for the detection and identification of cervical cancer. The Company also announced the receipt of a second significant order for the purchase of cervical cancer detection kits from its strategic partner in China, Biomics Co., comprising kit materials for approximately 100,000 tests. This follows the first commercial consignment that Micromedic sent to Biomics, containing kit materials for 20,000 tests.

Micromedic believes that the positive results in the Union Hospital pilot study are an important step in its strategy to penetrate the Chinese market and expand sales. Micromedic's CellDetect® product was tested for on 172 cases of women with cervical cancer or pre-cancer. The Union hospital reported that in 95% of the cases, the product successfully showed differential staining, enabling the correct identification of the cancerous cells. In addition, the product facilitated the analysis made by pathologists, and therefore can shorten the time needed for analyzing. Subsequently, the report recommended promoting the use of the product in physical examination or general inspection for cervical cancer.

Biomics Biotechnologies Co. (Biomics), Micromedic's Chinese partner, believes that these positive results will enable further penetration into the Chinese market.

Similar results were obtained from an interim analysis reported by another central hospital in Beijing that also takes part in the pilot trials. Biomics believes that the final results from this second hospital are expected towards the end of the first quarter of 2014.

In March 2013, Micromedic signed a strategic agreement with Biomics, where Biomics has become the supplier and distributor of Micromedic's CellDetect product for the detection and identification of cervical cancer in China. Biomics has obtained The Chinese Food and Drugs Authority (CFDA) regulatory approval for the marketing of this product.

Steven Eitan, Micromedic's CEO commented, "We are very excited with the success of our product in its pilot trial in this central hospital in China, and intend to harness this success to expand our sales in the Chinese market. The fact that our Chinese partner, Biomics, placed a second order, in significant higher quantities, is an indication of the growing interest in the product in the Chinese market, and may be an important growing engine for Micromedic in the coming years."

Micromedic believes that its product for the detection and identification of cervical cancer has a competitive advantage in developing markets such as Far East countries China and India, with the Chinese market being one of the main target markets for sales of the Company's products.

Micromedic also reports the publication of results from another clinical examination of the product in a respected peer reviewed journal. The research, lead by Dr. Chen from the Department of Pathology, Affiliated Tumor Hospital, Nantong University, Nantong, China, was published in the *Gynecologic Oncology Journal*, a well considered journal. The study examined the company product on cytological preparations taken from around 600 women tested for cervical cancer. The results showed that the company's product was capable to accurately identify cervical cancer with high sensitivity and specificity. The study concludes that the CellDetect product allows distinguishing between specific cell populations using the unique dual color discrimination and morphological analysis, and that it has the potential to become one of the most effective methods for cervical screening and early diagnosis.

About Cervical Cancer

Cervical cancer is the second most common cause of death from cancer among women worldwide. About 85% of all cases of cervical cancer diagnosed worldwide were diagnosed in developing or under-developed regions.

About CellDetect[®]

The CellDetect technology is designed to allow cancerous cells and healthy cells to be distinguished using special differential staining. The company is presently using this technology to focus the development of products for the detection and identification of cervical cancer and monitoring the recurrence of bladder cancer. The cervical cancer detection

screening diagnostic test kit is at its initial marketing stage. In parallel, the Company is advancing in a clinical trial to prove the ability of the product to monitor recurrence of bladder cancer. Micromedic believes that the underlying CellDetect technology has applications for other additional cancer indications.

The CellDetect product for the detection and identification of cervical cancer has regulatory certificates for marketing in Europe and in Israel.

About Micromedic

Micromedic, from the BioLight Group, engages in the investment, management and promotion of unique solutions, which aim to address the real need that exists in the field of cancer diagnostics - Early detection of cancers and matching personal treatment to the patient. Micromedic implements a unique business model which aims to create synergies between its technologies, expanding exposure to new ideas and approaches, exploiting economies of scale, reducing time to market and increasing shareholder value. Micromedic has extensive collaboration with and research institutions worldwide.

For further information please visit www.m-medic.com

Forward-Looking Statements

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