



PRESS RELEASE

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RADVISION REPORTS SECOND QUARTER 2003 RESULTS IN LINE WITH GUIDANCE

- Accomplishes Turnaround in U.S. Networking Unit -

Glen Rock, New Jersey, July 15, 2003 -- RADVISION (NASDAQ: RVSN) today announced that revenues for the second quarter of 2003 were \$11.6 million and net income was \$142,000 or \$0.01 per basic and diluted share, in line with its previous guidance. This compares to revenues of \$11.7 million and net income of \$292,000, or \$0.02 per basic and diluted share reported in the 2002 second quarter.

As expected, the Company narrowed its operating loss for the 2003 second quarter to \$418,000 from \$551,000 in the first quarter of 2003. These losses were offset by financial income of \$560,000 and \$566,000, respectively, enabling the Company to report positive net income for both periods. In the second quarter of 2002, the operating loss was \$394,000 and financial income was \$686,000 due to higher interest rates during 2002.

Total second quarter 2003 revenues of \$11.6 million consisted of \$8.5 million in Networking Business Unit (NBU) revenues and \$3.1 million in Technology Business Unit (TBU) revenues.

For the six months ended June 30, 2003, revenues were \$22.7 million and net income was \$157,000 or \$0.01 per basic and diluted share, compared with revenues of \$23.3 million and net income of \$564,000 or \$0.03 per basic and diluted share in the prior year period.

The Company ended the quarter with approximately \$92.8 million in cash and liquid investments, an increase of \$2.4 million over the prior quarter, and equivalent to \$5.03 per basic

share. The increase reflects operating cash flow of \$2.1 million and the addition of \$644,000 due to the exercise of options, offset by \$336,000 of capital expenditures.

Gadi Tamari, Chief Executive Officer of RADVISION, commented: “Our actions last quarter to address the execution issue in our U.S. networking business are taking effect and enabled us to achieve a substantial recovery in its sales in the second quarter. To further our progress company-wide, we are continuing to strengthen our leadership team and have added a highly experience general manager in London to head our networking sales effort in Europe and Africa. We also remain focused on our technology leadership and introduced breakthrough infrastructure and developer products in the second quarter offering solutions for the rapidly emerging market based on SIP protocol.

“We also are seeing tangible benefits from our revised channel strategy as our relationship with our reseller partners continues to deepen and we are finding a new level of engagement as we develop our markets together.”

Mr. Tamari concluded: “Videoconferencing today remains mainly in the conference room and we are entering the second half of the year fully engaged in that market. Yet, it is increasingly clear that the future is personal visual communication and we are dedicated to making that opportunity happen.”

2Q03 Earnings Conference Call/Webcast

RADVISION will hold a conference call to discuss its second quarter results and 2003 outlook today, Tuesday, July 15, 2003 at 9:00 a.m. (EDT). To access the conference call, please dial 1-888-390-9070 (International dialers can call +1-773-756-4622) by 8:45 a.m. The passcode “RADVISION” will be required to access the live conference call. A live webcast of the conference call will also be available in the investor relations section of the company's website at www.radvision.com.

A PowerPoint presentation highlighting key financial metrics as well as the quarterly estimates for 2003 will be available in the Investor Relations section of the company's website, www.radvision.com. The presentation will be available beginning at 8:00 a.m. (EDT) on July 15th and will be archived on the website thereafter. A replay of the call will be available beginning approximately one hour after the conclusion of the call through 12:00 midnight (EDT) on July 22, 2003. To access the replay, please dial 1-800-947-5189 (International dialers can call +1-402-220-3478), conference #5421118.

About RADVISION

RADVISION Ltd. (Nasdaq: RVSN) is the industry's leading provider of high quality, scalable and easy-to-use products and technologies for videoconferencing, video telephony, and the development of converged voice, video and data over IP and 3G networks. RADVISION has two distinct business units. RADVISION's Networking Business Unit (NBU) offers one of the broadest and most complete sets of videoconferencing network solutions for IP- and ISDN-based networks, supporting all end points in the industry. The company also provides businesses and service providers with integrated solutions that deliver converged IP-based video telephony applications to employee computer desktops and residential broadband homes worldwide. The Company's Technology Business Unit (TBU) provides protocol development tools and platforms, enabling equipment vendors and service providers to develop and deploy new converged networks, services, and technologies. For more information please visit our website at www.radvision.com.

This press release contains forward-looking statements that are subject to risks and uncertainties. Factors that could cause actual results to differ materially from these forward-looking statements include, but are not limited to, general business conditions in the industry, changes in demand for products, the timing and amount or cancellation of orders and other risks detailed from time to time in RADVISION's filings with the Securities Exchange Commission, including RADVISION's Form 10-K Annual Report. These documents contain and identify other important factors that could cause actual results to differ materially from those contained in our projections or forward-looking statements. Stockholders and other readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date on which they are made. We undertake no obligation to update publicly or revise any forward-looking statement.

- tables follow -

RADVISION LTD.

Consolidated Statements of Income

(U.S. Dollars in thousands, except share and per share data)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Revenues	\$11,605	\$11,707	\$22,658	\$23,264
Cost of Revenues	2,598	2,571	4,959	5,129
Gross Profit	<u>9,007</u>	<u>9,136</u>	<u>17,699</u>	<u>18,135</u>
Operating expenses:				
Research and Development	3,596	3,870	7,160	7,911
Marketing and Selling	4,853	4,587	9,584	9,056
General and Administration	976	1,073	1,924	2,042
Operating Loss	<u>(418)</u>	<u>(394)</u>	<u>(969)</u>	<u>(874)</u>
Financial Income, Net	560	686	1,126	1,438
Net Income	<u>142</u>	<u>292</u>	<u>157</u>	<u>564</u>
Basic Earnings (Loss) per Share	\$0.01	\$0.02	\$0.01	\$0.03
Weighted Average Number of Shares Outstanding During the Period – Basic	18,473,504	18,063,334	18,409,399	18,274,259
Diluted Earnings (Loss) per Share	\$0.01	\$0.02	\$0.01	\$0.03
Weighted Average Number of Shares Outstanding During the Period – Diluted	19,218,782	18,864,264	19,055,293	19,342,119

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RADVISION LTD.
Consolidated Balance Sheet
(U.S. Dollars in thousands)

	June 30, 2003 (Unaudited)	December 31, 2002 (Audited)
Assets		
Cash and cash equivalents (* see below)	\$27,752	\$13,825
Short-term bank deposits (* see below)	32,960	29,591
Trade Receivables, Net	4,856	9,505
Other Receivables	2,813	2,836
Inventories	813	996
Total Current Assets	69,194	56,753
Severance Pay Fund	2,071	1,641
Long-term securities and bank deposits (* see below)	32,126	44,942
Total long-term assets	34,197	46,583
Property and Equipment		
Cost	11,963	11,179
Less Accumulated Depreciation	9,031	7,844
	2,932	3,335
Total Assets	\$106,323	\$106,671
Liabilities and Equity		
Trade Payable	\$918	\$3,347
Other Payables & Accrued Expenses	15,712	15,248
Current Liabilities	16,630	18,595
Accrued Severance Pay	3,587	3,061
Total Liabilities	20,217	21,656
Shareholders' Equity		
Share Capital	187	187
Additional Paid in Capital	104,601	104,586
Treasury Stock	(9,802)	(11,757)
Deferred Compensation	-----	(117)
Accumulated Deficit	(8,880)	(7,884)
Total Shareholders' Equity	86,106	85,015
Total Liabilities and Shareholders' Equity	\$106,323	\$106,671
(*)Total Cash and Liquid Investments	92,838	88,358

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