



PRESS RELEASE

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RADVISION REPORTS SECOND QUARTER 2005 RESULTS

FAIR LAWN, New Jersey, July 19, 2005 -- RADVISION (Nasdaq: RVSN) today announced that revenues for the second quarter of 2005 were \$17.5 million, versus a forecast of \$18.0 million, representing an 11% increase from the second quarter of 2004.

Operating income for the second quarter of 2005 increased to \$2.2 million, as forecasted, from \$688,000 in the 2004 second quarter.

Net income for the 2005 second quarter was \$2.9 million or \$0.13 per diluted share, versus a forecast of \$2.7 million or \$0.12 per diluted share, compared with \$1.1 million or \$0.05 per diluted share reported in the 2004 second quarter.

Business Unit revenues for the second quarter of 2005 consisted of \$11.9 million in Networking Business Unit (NBU) sales and \$5.6 million in Technology Business Unit (TBU) sales, representing increases of 5% and 27%, respectively, over the second quarter of 2004.

For the first six months of 2005, revenues were \$33.8 million, operating income was \$4.1 million and net income was \$5.4 million or \$0.24 per diluted share. For the first half of 2004, revenues were \$30.0 million, operating income was \$995,000 and net income was \$1.8 million or \$0.09 per share.

The Company ended the second quarter of 2005 with approximately \$112.4 million in cash and liquid investments, an increase of \$5.1 million over Q1 2005, and equivalent to \$5.35 per basic share. The increase reflects cash flow of \$3.7 million from operations and income of \$1.9 million from the exercise of options, offset by \$500,000 in capital expenditures.

Gadi Tamari, Chief Executive Officer, commented: “In the second quarter we stayed focused on all our markets— on desktop, 3G and in the traditional room conferencing market as well as in the developer market.

“In desktop, we achieved good initial sales in the U.S. federal market of Click to Meet™, which we acquired in March, as well as in the commercial markets in Asia Pacific and EMEA. Going forward, our primary goal is to integrate Click to Meet™ technology and sell it within Microsoft solutions. During the quarter, we demonstrated it in China and the U.S. In addition, we are integrating Click to Meet with our VialIP platform for comprehensive room/desktop/3G solution.”

“Our 3G hardware revenues were solid in the second quarter, still mainly from trials and pilots. We expect that market to develop more in the future, by which time we expect our revenues to ramp up significantly. Our positive expectations are reaffirmed by both the growing number of Service Provider trials and deployments as well as the growing demand for our 3G developer products in the TBU.

“Our TBU also made additional inroads with our chipset and telecom equipment customers in the second quarter as our toolkits increasingly win against open source-based internal development.

“In the room conferencing market, our sales through Cisco exceeded our expectations in the second quarter. However, sales in our other traditional channels in the U.S., except for federal, were below the level expected. We have named a new VP of NBU Sales for the Americas to drive growth in our channel sales. We also intend to increase our share of the room conferencing market by working with major partners such as Aethra, with whom we announced an important new agreement today. Aethra is one of the largest videoconferencing suppliers in the world. We already announced a similar relationship with Sony, one of the top four suppliers in this market”

Mr. Tamari concluded: “We see increasing market validation that our vision of the personal multimedia communications market was right from the start. We will continue focusing on enabling that market and executing our plan.”

Guidance

The following statements are forward-looking, and actual results may differ materially.

The Company expects third quarter 2005 revenues to be approximately \$18.5 million and net income to approximate \$3.4 million or \$0.15 per diluted share. This compares to third quarter 2004 revenues of

\$16.7 million and net income of \$1.4 million or \$0.07 per diluted share. (Full details are available on the Company's web site at www.radvision.com.)

Second Quarter 2005 Earnings Conference Call/Webcast

RADVISION will hold a conference call to discuss its second quarter 2005 results and third quarter outlook, today, Tuesday, July 19, 2005 at 9:00 a.m. (Eastern). To access the conference call, please dial 1-888-455-9744 (International dialers can call +1-210-234-0002) by 8:45 a.m. The passcode "RADVISION" will be required to access the live conference call. A live webcast of the conference call also will be available in the Investor Relations section of the company's website at www.radvision.com and archived on the site until the next quarter. Simply point to Corporate Information and click on Investors.

A PowerPoint presentation highlighting key financial metrics as well as the third quarter 2005 estimate also will be available in the Investor Relations section of the company's website. The presentation will be available beginning at 8:00 a.m. (Eastern) on July 19th and will be archived on the website until the end of the third quarter. A replay of the call will be available beginning approximately one hour after the conclusion of the call through 11:00 p.m. (Eastern) on July 26th. To access the replay, please dial 1-888-562-2893 (International dialers can call +1-402-530-7604).

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. 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 20-F 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 per share data)

	Three months ended		Six months ended	
	June 30,		June 30,	
	2005	2004	2005	2004
	Unaudited			
Revenues	\$ 17,473	\$ 15,705	\$ 33,753	\$ 29,966
Cost of revenues	3,103	3,398	5,879	6,495
Gross profit	14,370	12,307	27,874	23,471
Operating costs and expenses:				
Research and development	5,054	4,282	9,709	8,062
Marketing and selling	6,006	6,127	11,763	11,964
General and administrative	1,152	1,210	2,311	2,450
Total operating costs and expenses	12,212	11,619	23,783	22,476
Operating profit	2,158	688	4,091	995
Financial income, net	768	432	1,329	844
Income before taxes	2,926	1,120	5,420	1,839
Taxes on income	(30)	-	(30)	-
Net income	<u>\$ 2,896</u>	<u>\$ 1,120</u>	<u>\$ 5,390</u>	<u>\$ 1,839</u>
Basic net earnings per Ordinary share	<u>\$ 0.14</u>	<u>\$ 0.06</u>	<u>\$ 0.26</u>	<u>\$ 0.09</u>
Weighted Average Number of Shares Outstanding During the Period – Basic	<u>20,994,973</u>	<u>19,710,729</u>	<u>20,854,595</u>	<u>19,597,463</u>
Diluted net earnings per Ordinary share	<u>\$ 0.13</u>	<u>\$ 0.05</u>	<u>\$ 0.24</u>	<u>\$ 0.09</u>
Weighted Average Number of Shares Outstanding During the Period – Diluted	<u>22,020,946</u>	<u>21,400,404</u>	<u>22,027,068</u>	<u>21,483,594</u>

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

	<u>June 30, 2005 (Unaudited)</u>	<u>December 31, 2004 (Audited)</u>
Assets		
Cash and cash equivalents (* see below)	\$ 18,223	\$ 20,206
Short-term bank deposits (* see below)	68,112	51,411
Trade receivables, net	11,101	10,063
Other receivables	2,969	3,900
Inventories	1,011	1,220
Total current assets	<u>101,416</u>	<u>86,800</u>
Severance pay fund	2,608	2,733
Long-term securities and bank deposits (* see below)	26,052	38,749
Total long-term assets	<u>28,660</u>	<u>41,482</u>
Property and Equipment		
Cost	15,681	14,584
Less accumulated depreciation	<u>12,646</u>	<u>11,937</u>
	<u>3,035</u>	<u>2,647</u>
Other assets, net	<u>7,238</u>	<u>953</u>
Total assets	<u>140,349</u>	<u>131,882</u>
Liabilities and Equity		
Trade payable	1,925	1,939
Other payables and accrued expenses	18,393	19,466
Current liabilities	<u>20,318</u>	<u>21,405</u>
Accrued severance pay	3,597	3,701
Total liabilities	<u>23,915</u>	<u>25,106</u>
Shareholders' Equity		
Share capital	207	196
Additional paid in capital	111,524	107,267
Accumulated deficit	4,703	(687)
Total shareholders' equity	<u>116,434</u>	<u>106,776</u>
Total liabilities and shareholders' equity	<u>140,349</u>	<u>131,882</u>
(*)Total cash and liquid investments	<u>\$ 112,387</u>	<u>\$ 110,366</u>