



## Medicsight PLC Provides Business Update

NEW YORK, Feb 24, 2009 /PRNewswire-FirstCall via COMTEX News Network/ -- Medicsight PLC, a subsidiary of MGT Capital Investments, Inc. (NYSE Alternext US: MGT) and an industry leader in the development of Computer-Aided Detection (CAD) and image analysis software, which assists radiologists in the early detection of disease, today provided an update on recent events.

The proposed decision of the CMS (Center for Medicare and Medicaid Services) in the U.S. not to reimburse CT colonography for colorectal cancer screening has been made in spite of consistent lobbying made by professional groups and advisors. Although this proposed decision comes as a disappointment for Medicsight, the CMS continues to cover CT colonography as a diagnostic procedure (i.e. where the patient has already presented symptoms of bowel disease) and the Company is confident that the decision will not affect the long term viability of the business model. A number of the private health insurers currently do reimburse CT Colonography both as a standard screening procedure and a diagnostic procedure, and the number is expected to gradually increase. The general consensus within the industry is that the CMS will revisit this decision.

One of the reasons cited for the proposed CMS decision was that CT colonography is not as accurate for detecting polyps as the current gold standard, optical colonoscopy when the scans are read by less experienced reviewers. Software such as Medicsight's ColonCAD(TM), which assists radiologists in their detection of polyps, could significantly help to overcome this problem.

Medicsight has global partnership agreements in place with leading visualization and PACS/ OEM partners that provide access to the U.S., Japan, Europe, China and other markets. Medicsight's ColonCAD application is already installed (but not activated) on a significant number of these partner workstations. Upon the Company receiving FDA and MHLW clearance, Medicsight and its partners will immediately start marketing the software in the U.S. and Japan respectively.

Current economic conditions mean that hospitals are experiencing pressure to reduce capital expenditure on items costing over \$1 million. At a transfer price of \$10,000 per license, Medicsight's software license is considerably below this threshold, therefore the Company believes that these cost constraints in hospital expenditure should not have too large an impact on the business.

David Sumner, Executive Chairman of Medicsight, said: "The CMS proposed decision and the current economic climate are unfortunate setbacks for Medicsight. However, whilst the CMS' proposed decision will impact more on the elderly population, there remains a large proportion of the at-risk U.S. population in the 50 to 65 year-old age range who will increasingly be covered by the private health insurers for colorectal cancer screening by CT colonography. We have 18 million pounds Sterling of cash in our year end balance sheet, and have recently implemented a plan to streamline our costs. We continue to seek new marketing partners and believe that when ColonCAD gains FDA and MHLW approval we will be well placed to begin an aggressive sales and marketing drive in the U.S. and Japan."

About MGT Capital Investments, Inc.

MGT Capital Investments, Inc. is a technology holding company that focuses on investments in the global healthcare information technology market. The Company has two subsidiaries, Medicsight PLC and Medicexchange PLC.

Medicsight PLC (AIM: MDST) is a UK-headquartered, research driven, leading developer of computer-aided detection (CAD) and image analysis software for the medical imaging market. The CAD software automatically highlights suspicious areas on computerized tomography (CT) scans of the colon and lung, helping radiologists to identify, measure and analyze potential disease and early indicators of disease. Medicsight's CAD software has been validated using one of the world's largest and most population diverse databases of verified patient CT scan data. Medicsight's ColonCAD(TM) and LungCAD(TM) software products are seamlessly integrated with the advanced 3D visualization workstations of several industry-leading imaging equipment partners.

Medicexchange PLC provides medical imaging professionals with a global web portal containing an online sales, jobs and information channel for diagnostic, treatment and surgery planning solutions. This combined with a variety of relevant clinical papers, training materials and content gives these professionals access to information and products that they otherwise would have difficulty accessing.

Additional information can be found at [www.mgtci.com](http://www.mgtci.com).

All forward-looking statements are made pursuant to the 'safe harbor' provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on current management expectations that involve risks and uncertainties that may result in such expectations not being realized. Potential risks and uncertainties include, but are not limited to, the risks described in company filings with the Securities and Exchange Commission.

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