



FOR IMMEDIATE RELEASE:

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News Release

Attention: Business/Financial Editors:

CEDARA SOFTWARE PARTNERS WITH MEDICAL IMAGING APPLICATIONS LLC (MIA) TO PROVIDE A NEW RANGE OF ULTRASOUND BASED TOOLS FOR CARDIOVASCULAR ASSESSMENT

- **MIA and Cedara enter into an exclusive arrangement for the distribution of MIA's range of sophisticated ultrasound applications**
- **Applications to include unique software solutions designed to assist with early detection of cardiovascular disease risk through specialized ultrasound measurements of the arteries of the neck and arm**
- **Solutions to be available as standalone workstation, or integrated component of existing medical imaging systems**

November 27, 2006 - Toronto, Ontario - Cedara Software, a Merge Healthcare company (NASDAQ: MRGE; TSX: MRG) and a leading independent developer of medical software technologies for the global healthcare market, today announced a strategic partnership with Medical Imaging Applications LLC (MIA) of Coralville, Iowa. Founded in 1998, MIA has developed accurate, validated and industry-recognized software for arterial analysis. MIA's technology has a dominant position in endothelial function assessment via flow-mediated dilatation of brachial artery and carotid intima-media thickness measurement markets. MIA's products include unique software solutions designed to assist with early detection of cardiovascular disease risk through specialized ultrasound measurements of the arteries of the neck and arm. As part of the agreement, Cedara will distribute MIA's vascular software applications to OEM companies through its global distribution network on an exclusive basis. MIA will focus on clinical development and continuing advancement of their powerful toolset.

MIA's technology forms a set of clinical applications for analyzing intima-media thickness (IMT) in carotid and flow mediated dilation (FMD) in brachial arteries using ultrasound scans. Evidence suggests that there is a high correlation between cardiovascular disease risk, and intima-media thickness and FMD. These procedures are non-invasive and inexpensive to perform.

According to Heart Disease and Stroke Statistics for 2006 from the American Heart Association, 1 in 3 adults have some sort of cardiovascular disease. In addition, it is estimated that the cost for cardiovascular disease will reach \$403.1 billion dollars in 2006. On account of these vast human and financial costs healthcare providers increasingly look for the early diagnosis of disease risks for the purposes of prevention, early intervention with therapeutics and lifestyle changes, and proactive disease management.

MIA's quantitative assessment tools have been used in widely recognized studies such as the Framingham study, Muscatine study, and studies at more than 100 leading research universities in the US, Europe, and Asia.

"We are excited to work with Cedara Software," stated Dr. Milan Sonka, co-founder and President of Medical Imaging Applications, LLC. "The technology developed by Medical Imaging Applications LLC is state-of-the-art software for image-based assessment of carotid and brachial arteries. We are looking forward to the wide distribution that Cedara can offer, and to see the greater promise that IMT and FMD presents: to identify the risk of coronary artery disease and/or stroke years, or even decades, before they happen."

Cedara plans to deliver the applications as both workstations and imaging system components using its innovative C4 integration platform. For companies with existing imaging products, C4 provides a new structure for managing advanced visualization, allowing multiple clinical applications and plug-ins to be tightly integrated into a single workstation, sharing system resources. It is expected that MIA's products will be of benefit to ultrasound manufacturers, cardiology companies, businesses in the pharmaceutical and drug-discovery markets and others.

"As a result of the partnership Cedara will be working to build a strong OEM/VAR distribution base for these tools", stated Chris Barlow, Cedara's Director of Strategic Business Development. "We can see interest that spans multiple healthcare disciplines including cardiology, neurology, radiology, vascular surgery, family practice, clinical trials, and drug development. We are very pleased to be working with Dr. Sonka and everyone at MIA. They are experts in vascular analysis and these medical applications do their job very well and are extremely effective."

About Medical Imaging Applications, LLC. With more than 130 systems installed in private practice and universities, Medical Imaging Applications, LLC. is one of the world's leading provider of vascular imaging tools for brachial and carotid arteries. The company focuses on applications where speed, portability, and increased practice efficiency are critically important. Medical Imaging Applications LLC is a privately-held company headquartered in Coralville, Iowa. For additional information, please visit www.mia-llc.com.

Cedara Software is a Merge Healthcare company focused on the development of custom engineered software applications and development tools for the medical imaging OEM and International markets. Cedara software is deployed in hospitals and clinics worldwide and is licensed by many of the world's leading medical device and healthcare information technology companies. Cedara technologies and expertise span all the major digital imaging modalities including computed tomography (CT), magnetic resonance imaging (MRI), digital X-ray, mammography, ultrasound, echo-cardiology, angiography, nuclear medicine, positron emission tomography (PET) and fluoroscopy. Cedara medical imaging offerings are used in all aspects of clinical imaging workflow including the capture of a patient's digital image; the archiving, communication and manipulation of digital images; sophisticated clinical applications to analyze digital images; and the use of imaging in minimally-invasive surgery. For additional information, visit our website at www.cedara.com.

Merge Healthcare is a market leader in the development and delivery of medical imaging and information management software and services. With over twenty years of leadership in the medical imaging and healthcare information technology markets, Merge Healthcare provides innovative solutions for both OEM and the end-user healthcare markets. We custom engineer clinical and imaging applications and development tools that are on the forefront of medicine and its use of medical imaging for OEM and international customers. We develop innovative medical imaging software solutions that support end-to-end business and clinical workflow for radiology department and specialty practices, imaging centers and hospitals. Our innovative software solutions use leading-edge imaging software technologies that accelerate market delivery for our

OEM customers, while our end-user solutions improve our customers' productivity and enhance the quality of patient care they provide. For additional information, visit our website at www.merge.com.

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