

VIKING SYSTEMS, INC. AND LIVEDATA COLLABORATE TO INTEGRATE CLINICAL DATA IN MINIMALLY INVASIVE SURGERY AND INFOMATIX™ OFFERINGS

SAN DIEGO, Oct. 9, 2006 -- Viking Systems, Inc. (OTC BB:VKSX.OB), a designer, manufacturer and marketer of 3-D and 2-D vision systems for use in minimally invasive surgical (MIS) procedures, has signed a letter of intent for an Original Equipment Manufacturing (OEM) agreement with LiveData, Inc. of Cambridge, Massachusetts. With this agreement, Viking Systems will integrate the LiveData OR-Dashboard product and other associated technologies into Viking's 3-D and 2-D vision systems and exclusive Infomatix™ platform.

The LiveData OR-Dashboard combines information from electronic patient records and surgical information from physiology monitors, medical devices, and surgical technologies to provide a single, real-time and integrated view of patient information during surgical procedures. Viking Systems' Infomatix™ platform, which includes voice command capabilities, integrated information flow, and live video of the surgical field, will be expanded to provide pre-operative history, laboratory results, and diagnostic images delivered directly to the surgeon and surgical team through Viking's head mounted displays (HMD's).

This partnership allows the surgeon access to critical information without diverting attention from the surgical field and provides the entire surgical team with an information immersive environment. The partnership also provides the basis for integrating the video, equipment, and other devices essential to creating a fully integrated, digital operating room (OR).

"Our agreement with LiveData is integral to the further development of our highly differentiated vision technologies and our exclusive Infomatix™ platform technology," stated Donald E. Tucker, Chairman, President and Chief Executive Officer of Viking Systems. "We are excited to take this important step toward addressing the needs of surgeons and the surgical team for integrated information, imaging, and surgical control in the new digital operating room environment. At Viking Systems, we are dedicated to delivering high performance solutions to the surgeon and surgical team, and this partnership with LiveData underscores that commitment."

Viking Systems' Infomatix™ platform provides the surgeon and surgical team with a real-time 3-D or 2-D image of the surgical field, and integrates the real-time image with live secondary video sources, diagnostic reference images, and image-guided information in a picture-in-picture format. The LiveData OR-Dashboard improves situational awareness to the OR staff by displaying relevant patient and surgical information. The LiveData Clinical Portal allows doctors to look into a surgery from remote devices including a PDA. The LiveData technology was developed in partnership with CIMIT (The Center for the Integration of Medicine and Innovative Technology) and Massachusetts General Hospital's Operating Room of the Future, and has been deployed at leading medical centers in the United States.

The Viking Systems and LiveData agreement includes collaboration on product development programs, clinical development, and market based activities.

About Viking Systems, Inc.

Viking Systems, Inc. is a designer, manufacturer and marketer of FDA-cleared, CE-marked, high-performance laparoscopic vision systems. The Company's primary branded product is the Viking 3Di Digital Vision System, an advanced three-dimensional (3-D) vision system used by surgeons for complex minimally invasive surgery, with an initial focus on applications in urology, gynecology, bariatrics and general surgery. Viking also manufactures advanced two-dimensional (2-D) Viking 2Di Digital Vision Systems for targeted configurations and channels, as well as 2-D cameras and components, sold through strategic partner and OEM programs.

About LiveData

LiveData, Inc. is the leading innovator of realtime integration and data visualization technology. LiveData solutions continuously monitor, synthesize and respond to highly complex, multi-faceted processes in real time, spanning a broad mix of distributed devices, diverse vendors' systems, protocols and databases. The LiveData OR-Dashboard system has been installed and is fully operational in the CIMIT / MGH Operating Room of the Future, and at Memorial Sloan-Kettering Cancer Center, in its 21 new operating rooms. Founded in 1991, LiveData serves customers in healthcare, electric power and utilities, and manufacturing industries, as well as state and local governments. For more information, visit <http://www.livedata.com>.

LiveData and all products carrying the LiveData name, including LiveData OR-Dashboard and LiveData Clinical Portal, are trademarks of LiveData, Inc. All other marks are the property of their respective owners, and are used for identification purposes only.

Safe Harbor Statement

This press release includes forward-looking statements including, but not limited to, our ability to execute on our business plan during 2006 and beyond, our strategic planning and business development plans, our future financing needs, impacts on our financial results, and our future growth. These forward-looking statements are subject to a number of risks and uncertainties that may cause actual results to differ materially from those described in the forward-looking statements. These risks include, but are not limited to, our ability to market our products, the success of business development efforts, competition in the industry, and our ability to manage growth, as well as the risks and other factors set forth in our periodic filings with the U.S. Securities and Exchange Commission (including our Form 10-KSB for the year ended December 31, 2005 and our Form 10-QSB from the quarter ended June 30, 2006).