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VIKING SYSTEMS, INC. EXPECTS OVER 60% REVENUE INCREASE FOR THIRD QUARTER

WESTBOROUGH, MA, October 6, 2011 - Viking Systems, Inc. (OTC BB:VKNG), a leading worldwide developer, manufacturer and marketer of 3D and 2D visualization solutions for complex minimally invasive surgery, today announced that it expects to report a sales increase of over 60% for the quarter ended September 30, 2011. Sales are anticipated to be approximately \$3.0 million, compared with \$1.8 million in revenue reported for last year's third quarter. Sales for the nine months ended September 30, 2011 are expected to be approximately \$8.6 million, an increase of over 50% compared with the \$5.6 million reported for the nine months ended September 30, 2010.

During the quarter, Viking sold fourteen of its recently-released 3DHD Vision Systems. Seven were sold to customers and seven were sold to distributors as demonstration systems. Revenue related to two of the demonstration systems is anticipated to be deferred, and is not included in the estimated third quarter revenue.

Jed Kennedy, President and CEO of Viking Systems said, "We made great progress in promoting Viking's 3DHD Vision System this summer. Although summer months are traditionally slow for medical equipment in Europe, we expect to report overall sales growth of over 60% this quarter. These results are driven by continued sales of our 3HD Vision System, aided by our previously-announced second quarter OEM products shipment delays."

Kennedy went on to say, "We were pleased to recently announce the significant improvements in our distribution coverage in the U.S. We now have 30 sales professionals covering most major markets in the U.S. with ten Viking 3DHD Vision Systems available for clinical demonstrations to interested surgeons and hospitals. By year end we expect the number of U.S. sales professionals to increase to approximately 50, with 20 demonstration systems available to them. Typically, the fourth quarter is the strongest quarter for hospital capital equipment sales, both in the U.S. and in major markets around the world. We anticipate a strong finish to the year for 3DHD Vision System sales."

Viking Systems also reported that, from product launch through September 30, 2011, it had shipped a cumulative total of 66 3DHD systems. These shipments comprised 35 demonstration units, 25 customer systems, two "Center of Excellence" systems for which there was no charge, and four company-owned market development systems to commissioned representatives. Since

nearly all customer sales require “hands-on” demonstrations, placement of demonstration units is critical to future sales success.

The Company previously reported that shipments of approximately \$343,000 of certain OEM product orders were delayed during the second quarter because of component availability issues related to the natural disaster in Japan during the first quarter 2011. The Company shipped all delayed product orders in the third quarter and is back on a normal delivery schedule.

Viking Systems expects to report its full third quarter results on or about November 3, 2011.

About Viking Systems, Inc.

Viking Systems, Inc. is a leading worldwide developer, manufacturer and marketer of 3D and 2D visualization solutions for complex minimally invasive surgery. It actively markets and sells the only stand alone, FDA cleared, cost-effective 3D system for use in minimally invasive laparoscopic surgery. Viking partners with medical device companies and healthcare facilities to provide surgeons with proprietary visualization systems enabling minimally invasive surgical procedures, which reduce patient trauma and recovery time. Viking, through its OEM products business, also designs and manufactures surgical vision systems and components for several leading medical instrument companies worldwide. For more information, please visit our website at www.vikingsystems.com.

This press release contains forward-looking statements. These forward-looking statements are estimates reflecting the best judgment of our management and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. These forward-looking statements should, therefore, be considered in light of various important factors as described in our annual report on Form 10-K under the heading "Risk Factors" as updated from time to time by our quarterly reports on Form 10-Q and our other filings with the Securities and Exchange Commission. Statements concerning forecasts, revenue growth, profitability, production and shipment of units, future financial results, and statements using words such as "estimate", "project", "plan", "intend", "expect", "anticipate", "believe" and similar expressions are intended to identify forward-looking statements. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release. We undertake no obligation to publicly update or release any revisions to these forward-looking statements to reflect events or circumstances after the date of this press release or to reflect the occurrence of unanticipated events.