

NEWS RELEASE

Prism Medical Ltd. (PM:TSX-VEN) Reports Third Quarter 2008 Financial Results

VAUGHAN, ONTARIO, October 28, 2008

Prism Medical Ltd. (“Prism” or “the Company”) (PM:TSX-VEN) today announced its results for the third quarter ended August 31, 2008.

Net income for the third quarter of 2008 increased to \$1.065 million (\$0.16 per share on a diluted basis) versus \$0.908 million (\$0.12 per share on a diluted basis) for the same period in 2007.

During the third quarter of 2008, revenues were \$12.5 million compared to \$10.7 million in 2007, an increase of 17%.

North American revenues increased 43% in 2008 over 2007 driven by strong institutional demand for our products serviced by additional sales personnel and the positive effect of the acquisition of Patient Lifts of New England. UK sales volume increased 5%, offset by an exchange rate decline of 6%.

Gross profit increased \$976 (21%) in 2008 over 2007 driven by the sales increase and cost efficiencies resulting from increased UK production.

Earnings per share on a diluted basis for the nine months ended August 31, 2008 were \$0.45, an increase of 73% over the same period in the previous year.

Andrew McIntyre, Chairman and CEO of Prism stated, “The third quarter of 2008 was very positive for the Company as we saw continued institutional demand for our products, improved manufacturing efficiencies and greater geographic coverage. Further improvements in US sales representation and dealer market share should result in future profitable growth.”

The board of directors of Prism has approved payment on November 25, 2008 of a dividend of 4 cents per common share to the shareholders of record on November 11, 2008. A dividend policy has been established to pay a quarterly dividend of 4 cents per common share, although this dividend policy may change based on future circumstances.

NEWS RELEASE

Prism Medical Ltd. is a provider of durable medical equipment and related services to the mobility disadvantaged in Canada, the USA and the United Kingdom. While Prism's history dates back to 1996, Prism's subsidiaries and divisions have been servicing the mobility disadvantaged since the mid 1980s in their homes, long-term care facilities and acute care facilities. Prism includes Waverley Glen Systems, North America's premier ceiling lift manufacturer with distribution across Canada and the US; Patient Lifts of New England with distribution across the northeastern USA; Westholme and Care Free Lifting & Handling, leading distributors of moving and handling products in the UK; and Freeway Health Care, a UK-based manufacturer of ceiling hoists and shower chairs.

Forward-looking Information

Certain statements in this release may constitute forward-looking statements. Such forward-looking statements involve risks, uncertainties and other factors, which may cause actual results, performance or achievements of the Company to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements.

For further information, please contact:

David Minas
Chief Financial Officer
Prism Medical Ltd.
Tel: (905) 850-0093 ext. 242
Fax: (905) 850 0061
dminas@prismmedicaltd.com
www.prismmedicaltd.com