

FOR IMMEDIATE RELEASE

Prism Medical Ltd. (PM:TSX-VEN)

Restated third quarter 2006 Diluted Earnings Per Share

MISSISSAUGA, ONTARIO, March 9, 2007 - Prism Medical Ltd. (“Prism” or “the Company”) (PM:TSX-VEN) today announced it has revised the calculation of its third quarter 2006 diluted earnings per share.

On September 8, 2005, the Canadian Institute of Chartered Accountants, Emerging Issues Committee issued abstract 155 [“EIC-155”]. Under EIC-155, the effect of contingently convertible instruments should be included in diluted earnings per share (if dilutive) regardless of whether the market price trigger has been met.

This abstract is applicable to all financial statements for interim and annual reporting periods beginning on or after October 1, 2005 and is to be applied retroactively with restatement of prior period diluted earnings per share.

This abstract was not applied during the first three quarters of 2006. When applied to the third quarter 2006 calculation of diluted earnings per share, the diluted earnings per share decreases by \$0.04 to \$0.13 per share from \$0.17 per share. The application of the abstract did not affect the amounts reported in the first two quarters. All other reported amounts remain unchanged.

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 have been servicing the mobility disadvantaged since the mid 1980’s 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, Westholme and Care Free Lifting & Handling, leading distributors of moving and handling products in the UK and Freeway Healthcare, 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.

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The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this press release.

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