

Prism Medical (TSX-V – PM)

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PRISM MEDICAL



Forward-looking statements

This presentation contains forward-looking statements relating to our operations and to the environment in which we operate and our strategy, action plans and investments, which may involve estimates, forecasts and projections. These statements are not guarantees of future performance and involve risks and uncertainties that are difficult to predict and/or are beyond our control. A number of important factors could cause actual outcomes and results to differ materially from those expressed in these forward-looking statements. These factors include those set forth in this presentation and our other public filings. Consequently, readers should not place any undue reliance on such forward-looking statements. These forward-looking statements are made as of the date of this presentation. Prism Medical is under no obligation to update any forward-looking statements contained herein should material facts change due to new information, future events or other factors. All forward-looking statements attributable to Prism Medical are expressly qualified by these cautionary statements.

Prism Medical

Fixed ceiling lifts



Portable ceiling lifts



Floor lifts



Slings



Shower chairs



Repositioning aides



We provide solutions to the mobility challenged to improve their Quality of Life

Global presence

450 employees

\$72M TTM revenue

\$10M TTM EBITDA

Q3 2011

5.9% Yield

February 14, 2012

United Kingdom

2 manufacturing facilities

6 regional service and training centres

United States

Manufacturing facility

5 regional service centres

Training centre

Canada

R&D facility

Contracted third party service

Training centre

18% EPS CAGR last 5 years

Growth business

Aging population

In 2030, 20% of North Americans will be over 65

First baby Boomers turn 65

2011

2030

65%

of healthcare dollars are spent on patients over age 65

25%

of those over age 80 are immobile

Strong demand for mobility equipment

Acute care



Long-term care



Homecare



Two major themes

Safe patient handling

- Reduces caregiver injury

Homecare

- Healthcare system wants to keep patients at home

Healthcare cost pressures intensifying

\$1 B

per year

Cost to the US healthcare system due to workers' compensation

RN injuries due to moving patients

35%

more

Long-term care costs are 35% higher than home care

Global economic situation resulting in budgetary pressures on healthcare spending

Homecare can take billions of costs out of the healthcare system

38% of RNs suffer back pain that requires leave from work

Vertical integration / Local service

Service

- Assess
- Installation
- Maintenance
- Training

Sales

- Direct
- Dealer channels

Manufacturing

- Full range of products
- Engineering and design

Vertical integration means higher margins

Service focus

- Recurring revenue
- Higher customer satisfaction

One stop shop

- Higher customer retention rates
- Repeat business / cross sell

Growth strategy – organic

U.S. market

- Focus on underdeveloped institutional market
- Geographic expansion
- “Made in the USA”

New products

- Distribute a broader range of globally sourced products
- Develop more affordable products at lower cost

Homecare

- Homecare will be the primary delivery channel
- Lead the developing homecare market in North America
- Leverage our extensive UK distribution and service network



Meeting demand with innovative products

Institutional Lift

- Lift a maximum of 450-1,000 lbs
- Direct sales and independent dealers
- ~\$4,000 installed
- Fixed ceiling track for full-room mobility



Consumer Lift

- Lift a maximum of 300 lbs
- Direct sales
- ~\$2,000 installed
- Portable gantry offers whole house mobility at lower cost



Designing homecare-specific products tailored to the North American Market

Growth strategy – M&A

M&A will remain a core component of Prism's growth strategy.

- Distributors in new geographies (U.S. a priority)
- Consolidate manufacturers
- Acquire adjacent products and services

Track record of growing business through accretive acquisitions. 50% of the Company's growth over the last 5 years.

Company	Year	Geography	Price
Movement 2	2011	UK	\$1.0M
Dignity Inc.	2009	US	\$1.7M
Test Valley	2009	UK	\$1.7M
Liftech	2009	UK	\$1.3M
Saluss	2009	UK	\$1.5M
APLS	2009	UK	\$0.8M
PLNE	2008	US	\$1.7M
Access Solutions	2008	US	\$0.7M
ErgoSafe	2006	US	\$0.8M

**Targets with aggregate revenue of >\$200M
at various stages of discussion**

Market opportunity

\$800M

\$3B

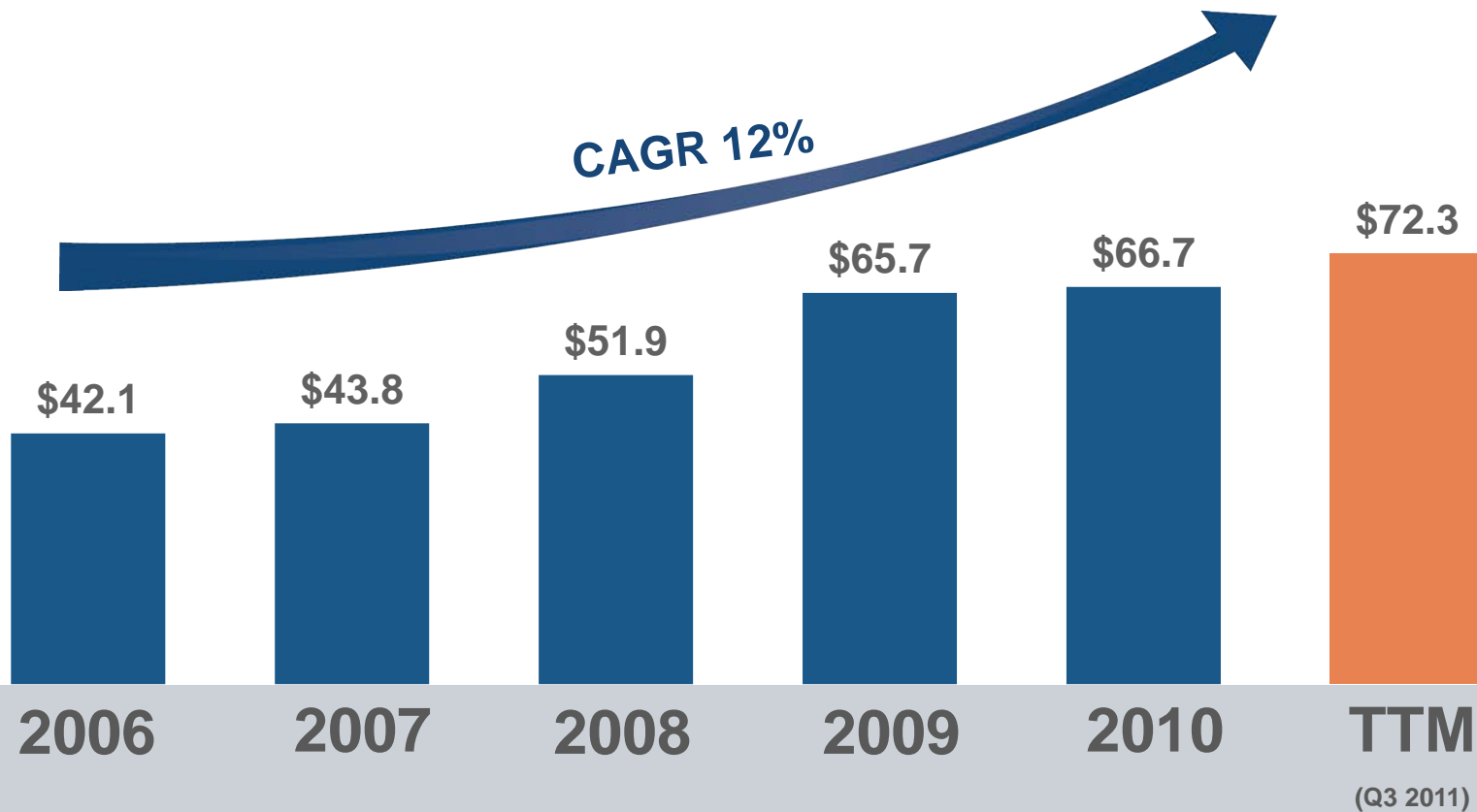
With recent product
and service additions

Financials

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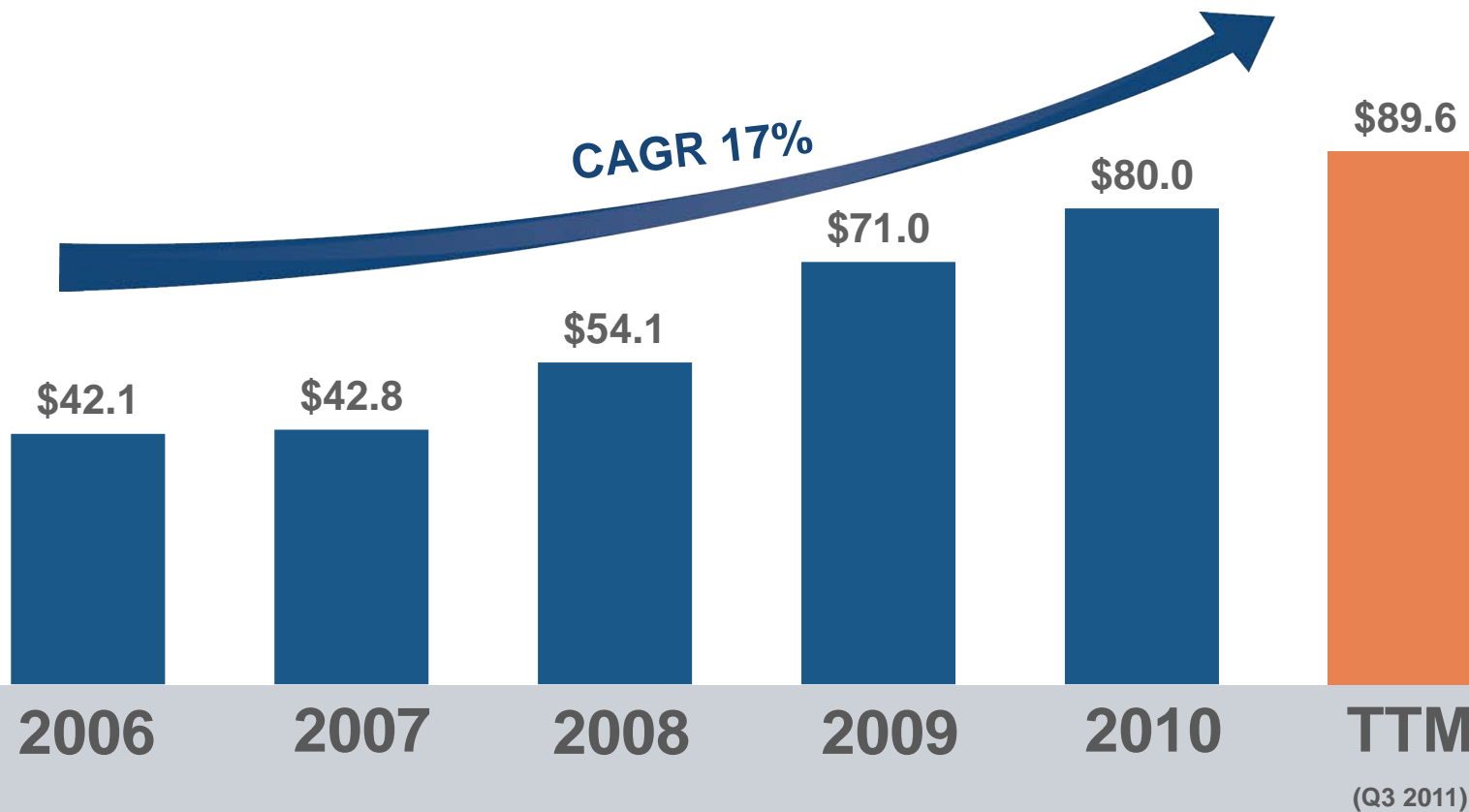


Track record of top-line growth (C\$ millions)



Fiscal year end November 30
CAGR 2006 - 2010

Revenue – foreign exchange impact (C\$ millions)

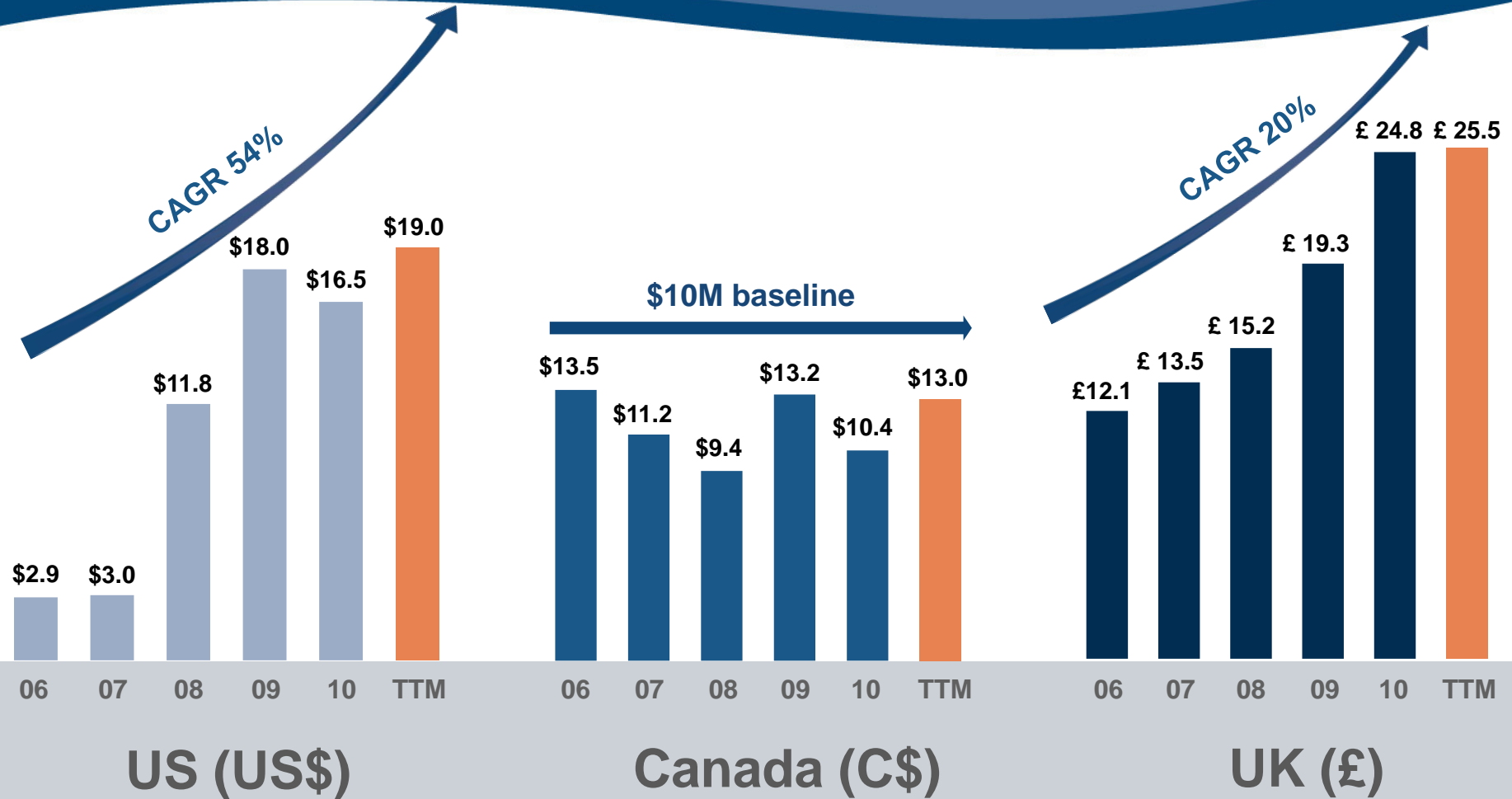


Fiscal year end November 30

CAGR 2006 – 2010

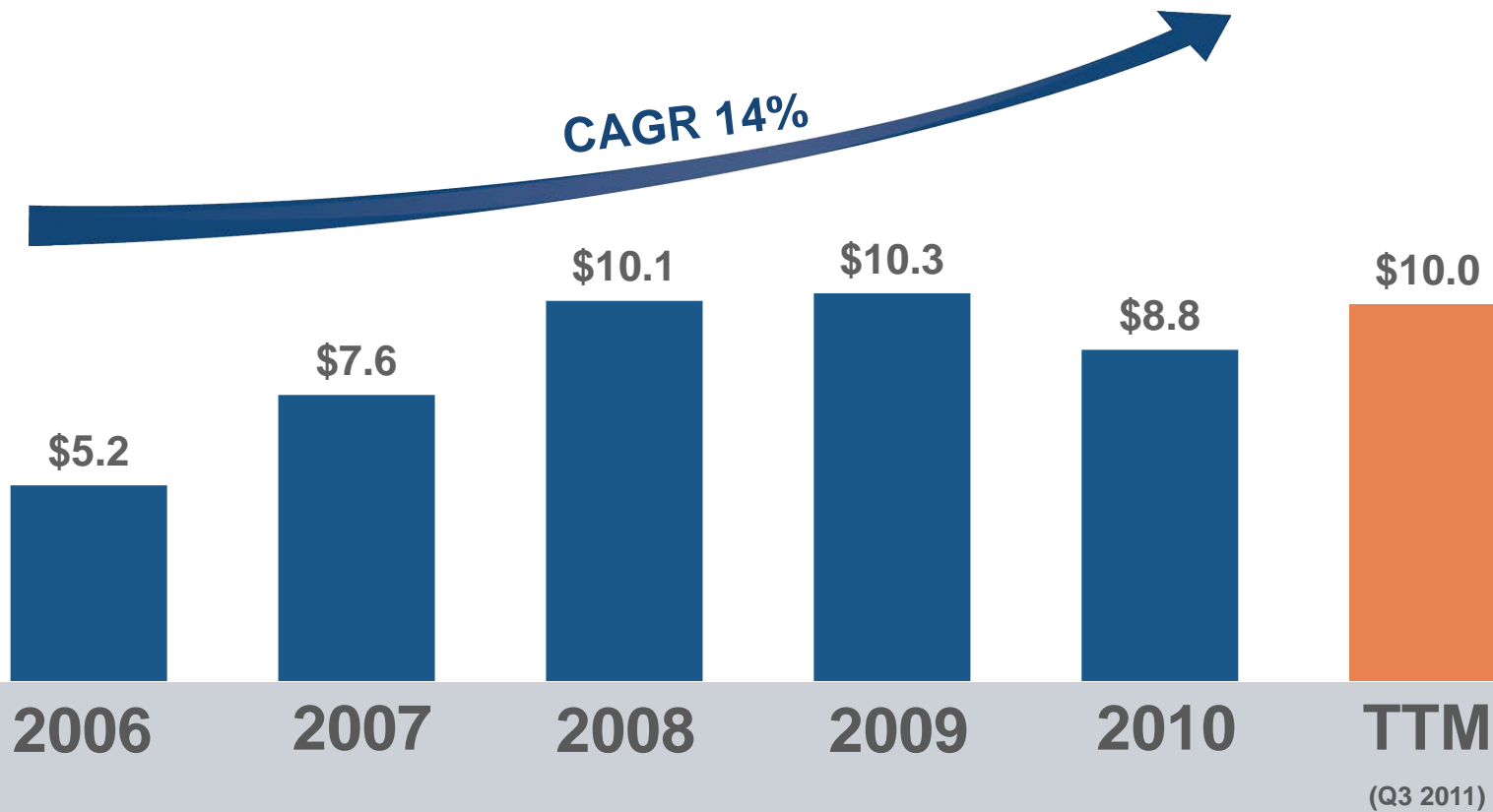
Data based on constant 2006 exchange rates

Revenues in local currency (millions)



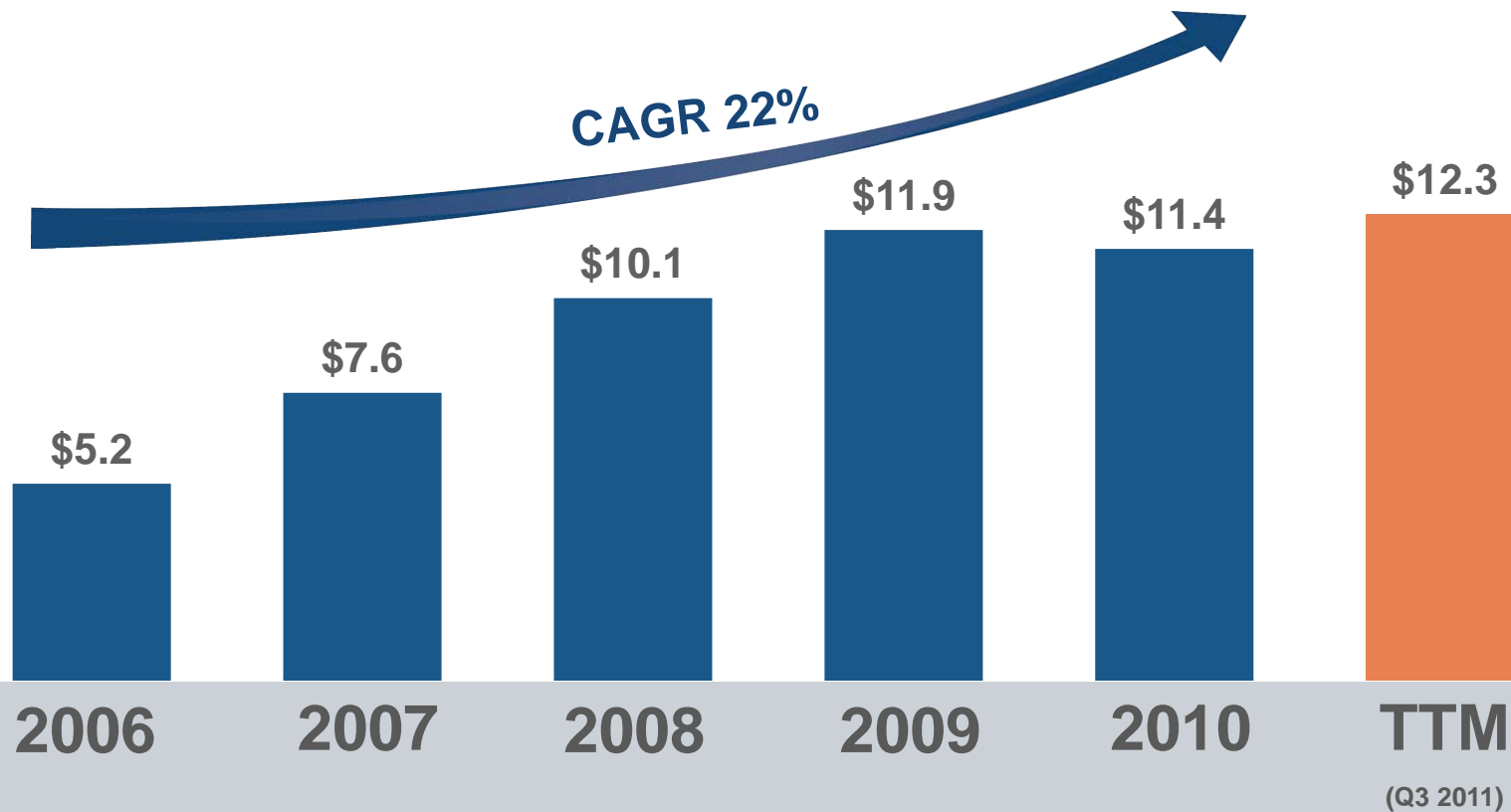
Fiscal year end November 30
CAGR 2006 - 2010

EBITDA (C\$ millions)



Fiscal year end November 30
CAGR 2006 - 2010

EBITDA – foreign exchange impact (C\$ millions)

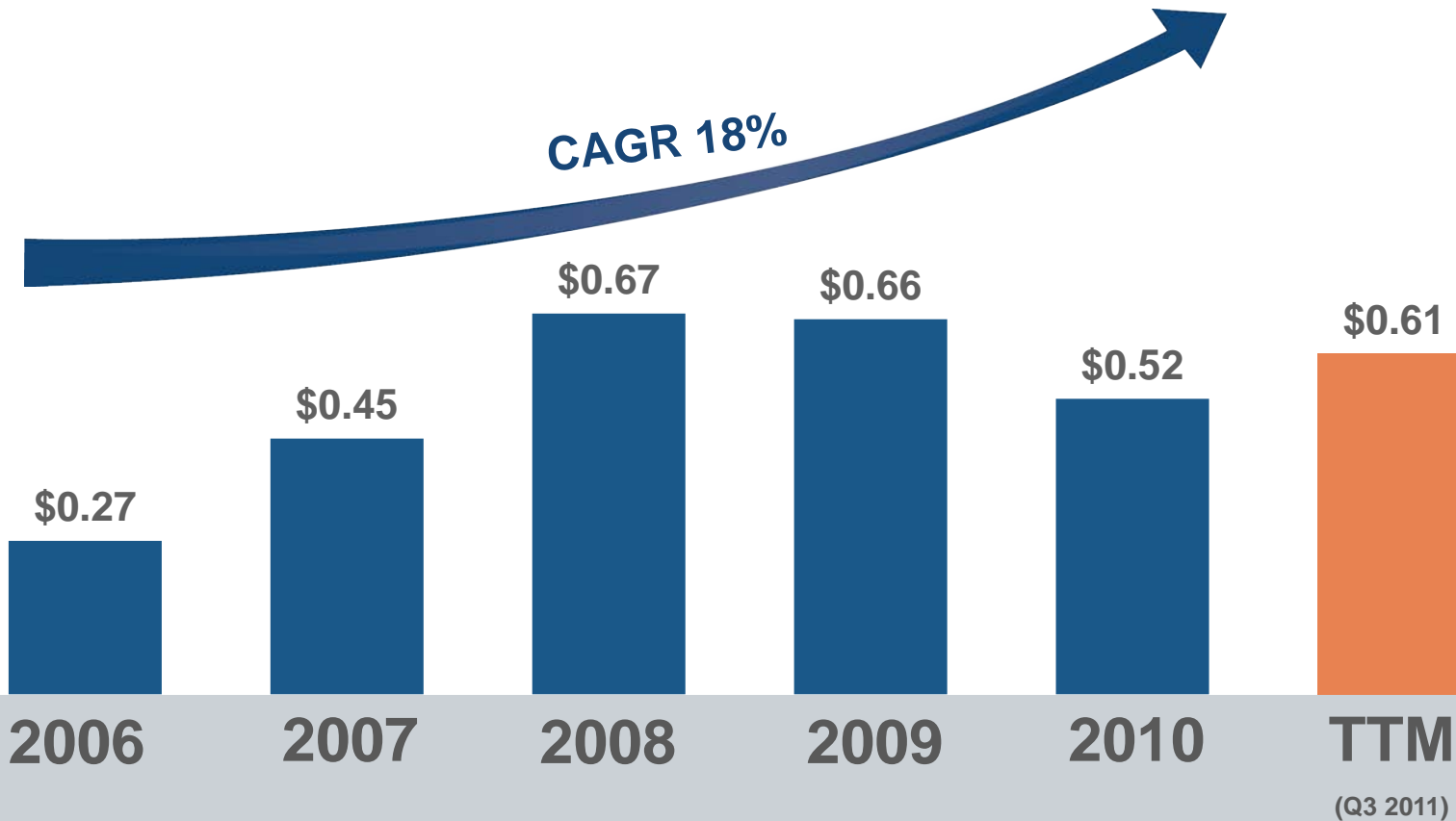


Fiscal year end November 30

CAGR 2006 – 2010

Data based on constant 2006 exchange rates

Earnings per share (C\$ fully diluted)



Fiscal year end November 30
CAGR 2006 - 2010

Financial overview

In 000's of C\$ except per share data	YTD 2011	YTD 2010	Growth	Q3 2011	Q3 2010	Growth
Revenue	53,365	47,754	11.7%	18,506	16,014	15.6%
EBITDA	6,634	5,428	22.2%	1,773	1,611	10.1%
Net income	2,459	1,764	39.4%	510	488	4.5%
Earnings per share (Fully Diluted)	0.36	0.27	33.3%	0.08	0.07	14.3%

Summary

Bank indebtedness (revolver)	\$9.2m
Long-term debt	\$3.2m
Current portion of long-term debt	\$2.1m
Fully diluted shares outstanding	8.4m
Market cap	\$45.3m
P/E (TTM)	8.8x
EV/EBITDA (TTM)	6.0x
Dividend	\$0.08 per share per quarter (5.9% yield)
Shareholder breakdown	59% Management & Insiders 41% Retail

Share price at market close February 14, 2012
EPS - TTM Q3 2011

Investment considerations

- Baby boomers aging and focused on quality of life
- Healthcare systems globally under financial pressure
- Growing company in a \$3 Billion market
- Track record of accretive M&A in all target markets
- Strong cash flow to support dividend

Prism offers improved quality of life at a reduced cost to the healthcare system

Established products and service in a growing market

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