



# ***PRESS RELEASE***

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**FOR IMMEDIATE RELEASE**

## **SPO MEDICAL REPORTS FIRST QUARTER 2006 RESULTS**

### **Sequential Quarterly Sales Continue to Grow Company Products Now Distributed in Over a Dozen Countries**

Woodland Hills, CA – May 23, 2006. SPO Medical Inc. (SPOM.PK), a leading developer of biosensor and microprocessor technologies for use in portable monitoring devices, today reported financial results for the first quarter of 2006.

Revenues for the first quarter of 2006 were \$701,000 representing a 17% increase in sales from the fourth quarter of 2005, and an 88% increase over sales for the first quarter, 2005. Revenues reflect increasing sales of SPO Medical's PulseOx 5500™ and its sports version, Check Mate™; both are spot-check finger pulse oximetry monitors using Reflective Pulse Oximetry (RPO) to measure oxygen saturation and heart rate.

"I am delighted to report the continued sales growth of both of our product lines since our initial entry into the market at the end of 2004. We are now tracking quarter-on-quarter growth," said Michael Braunold, President and Chief Executive Officer of SPO Medical. "Increased sales are attributable to two factors: increased customer demand in the markets in which they now are distributed, and the opening of new markets served by our expanding network of distributors."

"Since our inception, SPO Medical has taken a global perspective to distributing our products. Initially, we leveraged FDA approval in the United States and CE certification in Europe to open those markets. Now, we are focusing on additional geographic regions, including Asia, obtaining regulatory approvals, and extending our global network of leading medical distributors to make our products available to their target markets. As a result of new agreements, our Company now has distributors in the United States, Canada, Great Britain, France, Benelux, Spain, Greece, Germany, Italy, Israel, Hungary, Romania, Australia, New Zealand, Hong Kong, China, South Korea and Thailand. We believe that this strategy will continue to strengthen our sales growth for our current products, and provide distribution channels into which we can easily introduce new products – key components in our strategy to increase value for SPO Medical shareholders."

A more detailed description of the financing activity and financial statements are contained in the quarterly report on Form 10-QSB recently filed with the SEC.

## **About SPO Medical**

SPO Medical (SPOM.PK) a leading developer of biosensor and microprocessor technologies for use in portable monitoring devices to capture life-saving and life-enhancing information within four key markets: medical care; home and remote-care; sports and wellness; and safety and security. Its patented technology uses information gathered from the reflectance of light on the human blood stream, in a non-invasive manner, to monitor key vital signs. The Company distributes its products through a network of distributors and also licenses its technologies to appropriate client corporations for commercialization and distribution. For more information, visit [www.spomedical.com](http://www.spomedical.com).

### **Safe Harbor:**

*This document contains forward-looking statements within the meaning of the United States securities laws. Such statements are subject to certain risks and uncertainties which could cause actual results to differ materially from those in the statements included in this press release. Although SPO Medical believes that the expectations reflected in such forward-looking statements are based on reasonable assumptions, it can give no assurance that its expectations will be achieved. Readers are referred the documents filed by SPO Medical with the Securities and Exchange Commission, including the Company's most recent Annual Report on Form 10K-SB and Quarterly Report on Form Q-SB, which identify important risk factors that could cause actual results to differ from those reflected in the forward-looking statements. SPO Medical disclaims any intention or obligation to update or revise any forward-looking statements, which speak only as of the date hereof, whether as a result of new information, future events or otherwise.*

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