SHL Telemedicine

2014 results

25 March 2015
Forward looking statements

This presentation contains forward-looking statements. These statements relate to future events or our future financial performance and involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to differ materially from those expressed or implied by these forward-looking statements. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. We caution you not to place undue reliance on forward-looking statements, which reflect our analysis only and speak only as of the date of this presentation. We undertake no obligation to publicly update the forward-looking statements to reflect subsequent events or circumstances.

This presentation contains trade names, trademarks and service marks of other companies. We do not intend our use or display of other parties’ trade names, trademarks and service marks to imply a relationship with, or endorsement or sponsorship of, these other parties.
SHL at a glance

Leading provider of technologically advanced telemedicine services and solutions

Services and solutions improve quality of life for SHL’s subscribers and enable cost savings for the health services community

Technological innovation; ongoing development of IT based services and solutions

Listed on the Swiss Stock Exchange (SIX:SHLTN)

American DR program listed over-the-counter (OTCPK: SMDCY)

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smartheart 25 years of service COPD 24/7 Medical Staff

Over 70,000 subscribers

B2C & B2B

CHF 1.5 million transmissions p.a.

Telemedicine Innovator

ECG Monitoring Diabetes
Leveraging Global Platform for Growth

Existing Sales and Service Centers
Expansion Geographies
ECG Users Beyond Existing Geographies

USA
- Personal
- Professional

APAC
- Personal
- Professional

Europe
- Institutional

Israel
- Personal
- Institutional
SHL’s Unique Combination of Assets

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**Global Telemedicine platform**
- Specialized medical staff performing medical evaluations/diagnostics 24/7
- Telemedicine centers providing services to any location/user across the globe
- 26 years of accumulated clinical and behavioral patient data
- Excellence in operations handling 100,000 monthly interactions
- Evolving from cardiac to chronic to new conditions (e.g., wearables)

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**Technology driven solutions**
- World’s only personal use hospital grade ECG
- Mobile health device capable of transforming any smartphone or tablet into a hospital grade ECG
- Dynamic S/W & H/W platform supporting full range of monitoring devices (MI, CHF, COPD, other)
- Strong data management and analytics
  - Personal health records
Market Drivers

Demographic Trends
- Aging population in developed countries
- Increased prevalence of chronic conditions

Rising Healthcare Costs
- Exacerbated by shortage of hospital beds and medical professionals
- Financial crisis led to structural change

Health Consumerism
- Becoming more involved in your own health
- Growing consumer expenditure

Rising Economic Power
- Rising economic power of developing countries
- Closing gaps by adopting innovative healthcare solutions

Evolution of Technology
- Ability to manufacture high-quality medical devices at low costs
- Ubiquity of mobile devices
- Digitization of medical care

Rapidly Growing Market

$7.5bn(1) project market size, as presented in page 8 of this presentation.

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1. Aggregated Telehealth and mHealth 2014 projected market size, as presented in page 8 of this presentation.
## Business Model – Three Pillars

<table>
<thead>
<tr>
<th>Personal</th>
<th>Institutional</th>
<th>Professional</th>
</tr>
</thead>
</table>
| • Individual subscriptions  
• Primarily acute cardiac monitoring services  
• **Very high recurring revenues**  
• Average subscription period: **6 – 8 Years**  
• Current territories: **Israel**  
• Future territories: **North America and Asia-Pacific**  
• ~50% of SHL’s 2014 revenues | • Contracts with major payors  
• Primarily chronic monitoring services  
• **Very high recurring revenues**  
• Average contract period: **3 – 5 Years**  
• Contracts structured as fee for service or proportion of savings  
• Current territories: **Europe (Germany) and Israel**  
• Future territories: **North America**  
• ~50% of SHL’s 2014 revenues | • Sales to medical professionals that are seeking the ability to conduct and read hospital-grade ECGs  
• Primarily **smartheart**  
• **Revenues derived from device sales and interpretation service** for professional users who lack the ability to read ECGs  
• Model relies on distribution partners and/or collaboration with local or global players  
• Territories: **North America and Asia-Pacific** |

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**www.shl-telemedicine.com**
a global telemedicine platform for Personal and Professional Use
The smartheart platform

Cloud
Real time clinical data processing and analytics

Global monitor centers
Receiving full 12 lead ECG and symptoms through the app – medical analysis and feedback in any language

ECG transmission
Sending full 12 lead ECG and symptoms through the app

Feedback
digital response through smartheart app.

Personal (Consumers)

Medical Professionals

The smartheart platform
Transforming the Personal Service to Digital

- From voice
- From landline
- From a conversation between the telemedicine center and user
- From human capital intensive business

- To digital
- To cellular
- To transferring data and receiving response digitally
- To scaleable, electronic business
- To global
When a call is received, the subscriber's computerized personal medical records are immediately displayed on-screen.

Medical center staff follow protocols to evaluate the situation based on subscriber's symptoms, real-time medical data transmission, and individual medical history.

Based on their analysis the medical staff will advise the subscriber on an appropriate course of action.

Data transmitted through the App to the subscriber’s computerized personal medical records and immediately displayed on-screen.

Medical center staff follow protocols to evaluate the situation based on subscriber’s symptoms, real-time medical data transmission, and individual historical ECG data.

Based on their analysis the medical staff will provide feedback through the App on the appropriate course of action.
The User Experience – Immediate Feedback

The feedback recommendations appear on screen in the smartheart App and instruct the user on the appropriate course of action.
Personal - Establishing Product and Service Credibility – APAC

- Over 20 clinics are using the smartheart in Japan and providing it to their patients – receiving favorable feedback
- Juntendo University hospital in Tokyo and Kainan Hospital in Nagoya are testing the system and six more hospitals will be using it in a variety of use cases (hospital to patient, hospital to clinic)
- Collaborations with 10 hospitals in India to embed the product and service as part of the hospital standard care
- In discussions with to deploy smartheart in hundreds of clinics across China
Activities with hospitals/health institutions/clinics/opinion leaders etc. in order to establish credibility and acceptance of the product within the medical community

- Clinics – smartheart is deployed in over 40 clinics across the US and used by physicians and nurses
  - In negotiations to deploy smartheart in walk-in clinics in order to enable performing ECG tests in the clinics and increase traffic in their pharmacies. Could potentially become a large channel to consumers
- Leading academic medical center – developing supportive case studies
- Patient stories – gathering patient and caregivers’ stories and testimonials

Establish Credibility in the Medical Ecosystem
Set Up and Test Sales Channels
Commence Sales
Expand to Mass Market
Introducing the smartheart to the U.S.

<table>
<thead>
<tr>
<th>Focus</th>
<th>Personal</th>
<th>Professional</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumers</td>
<td>• CVD</td>
<td>Medical professionals:</td>
</tr>
<tr>
<td></td>
<td>• At risk</td>
<td>• Primary care physicians</td>
</tr>
<tr>
<td></td>
<td>• Worried well</td>
<td>• Cardiologists</td>
</tr>
<tr>
<td>Service</td>
<td>ECG feedback: digital response</td>
<td>ECG interpretation and analysis:</td>
</tr>
<tr>
<td></td>
<td>through smartheart app.</td>
<td>ECG reading and interpretation</td>
</tr>
<tr>
<td></td>
<td></td>
<td>received through the smartheart app.</td>
</tr>
<tr>
<td>Value proposition</td>
<td>• Peace of mind</td>
<td>• Most primary care physicians do</td>
</tr>
<tr>
<td></td>
<td>• Reduction in response time:</td>
<td>not typically interpret ECGs</td>
</tr>
<tr>
<td></td>
<td>o Improved chance of survival</td>
<td>• Enabling performance of</td>
</tr>
<tr>
<td></td>
<td>o Reduces likelihood of an</td>
<td>reimbursable ECG tests -</td>
</tr>
<tr>
<td></td>
<td>irreversible damage to the</td>
<td>revenue generating solution for</td>
</tr>
<tr>
<td></td>
<td>heart muscle =</td>
<td>the physician together with</td>
</tr>
<tr>
<td></td>
<td>improved quality of life</td>
<td>improved medicine</td>
</tr>
<tr>
<td>Pricing</td>
<td>• smartheart: up to $1,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Monthly service: up to $60</td>
<td></td>
</tr>
</tbody>
</table>
## Introducing the smartheart to the U.S.

| **Revenue model** | Sale of devices  
Monthly service fees or pay per feedback/interpretation |
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Services provided through</strong></td>
<td>SHL Global Telemedicine centers in Israel/Germany</td>
</tr>
</tbody>
</table>
| **Marketing Channels** | Direct to Consumer:  
- Digital/web based  
- Direct TV  
- Pharmacy chains  
- Etc.. |
| **Distribution Partners** | Medical device distributors  
- Pharmacy chains (walk in clinics)  
- At home tests for insurance underwritings  
- Etc.. |
| **Next Steps** | U.S. market entry commenced beginning of 2015 |
Practical transform your phone into an ECG.
Simultaneous to the very first click when you select "smartphone," the screen of the phone will display an ECG readout.
If you are worried about heart rate, you can select "smartphone," and the app will display the ECG readout alongside a heart rate.

Introducing smartheart
The world's first mobile 12-lead ECG is here.
Take control of your heart health. Take back peace of mind. It's time to stop worrying about what's wrong, and focus on your heart health.

Smartheart
Product Overview, Support & FAQs, Our Story

Smartheart is designed to improve 12-lead ECG. See FAQ for more information. A remote monitoring system is not available for customers in the United States.

tm

www.shl-telemedicine.com
Healthcare Professionals Can Now Perform an ECG and Receive ECG Findings Immediately

- **smartheart** addresses the needs of primary care physicians, nurses, paramedics and mobile healthcare professionals seeking to perform and read ECGs, many of whom lack the knowledge to perform ECGs themselves.

- Light, portable and takes a full hospital grade ECG in just 30 seconds – no gel, no sticky tabs – user simply straps on the belt provided and presses the ‘start’ button.

- App provides professionals with easy access to multiple user profiles.

- Real time ECG interpretation services delivered by SHL’s global telemedicine centers via the App.

- ECG and interpretation services are reimbursed in major territories.

- Healthcare professionals have the alternative to use the service or read the ECG by themselves.
smartheart for Healthcare Professionals

- Most primary care physicians, even in the US, do not have an ECG and do not perform ECG tests for their patients because they do not know how to read an ECG
- Homevisits, home care, and paramedics can benefit from the clinical values of having a portable ECG solution
- Since the majority are not able to read the ECG, there is an opportunity for smartheart in this segment to enable the user to easily perform an ECG test and receive a professional ECG interpretation within minutes
- smartheart provides an opportunity in this segment to increase quality of care as these professionals can enjoy immediate interpretation and respond to readings on the spot
- smartheart increases efficiency and shortens the interpretation process
Approaching the Professional Market Through Customary Distribution Channels and Partners

- In the US, in advanced negotiations with a number of institutional customers including retail clinics and service providers and in discussion with a number of distributors
- Japan:
  - Signed agreement with USCI - target of 1,000 smarthearts
  - Clinics, hospitals and EMS services are using smartheart in a variety of use cases
- China:
  - Distributors looking to deploy smartheart in China given tremendous government incentives to improve and make basic care accessible
- India:
  - In negotiations with major EMS provider

Establish Credibility in the Medical Ecosystem
Set Up and Test Sales Channels
Commence Sales
Expand to Mass Market
Institutional
CHF/COPD
Institutional – Reducing Mortality and Keeping Chronic Patients Stable and Outside Hospitals

- **24/7 Telemedicine centers** providing systematic monitoring of medical parameters, quick alert in case of imbalance, return to balance by using protocol intervention

- **Compliance & Adherence**: identification of decrease in responsiveness and encouragement through interactions, coaching and strengthening adherence to the therapeutic regimen

- **Education**: range of coaching activities to improve awareness and self-management of the disease

- **Unmatchable** amount of data is available for use by the patient and his physician

- **Product portfolio**: range of devices meet needs of chronic patients
How Does It Work?

1. The information is collected automatically from different monitoring devices, according to the specific chronic disease.

2. The CCM gathers the information and transmits it to the cloud and from there to the global telemedicine center.

3. The patient’s personal medical record is updated and information is stored through predefined algorithms and analyzed automatically.

4. Frequency of use is based on the disease and other parameters.

5. When data deviates from regular values, the system prompts the monitor center staff to immediately contact the patient and provide an appropriate course of action.

- Bluetooth, serial communication, USB
- Cellular, PSTN, internet
- Predefined questionnaires
- Recurring tasks and reminders
- Ad-Hoc messages and alerts
Intervention When Instability is Detected

Life of a CHF patient

- Doctor Visit
- Doctor Visit
- Doctor Visit
- Doctor Visit

- ER Visit
- ER Visit
- Hospital Admissions

Time

Relative Health Status

Health Status Data Collected Manually

Chronic Monitoring Program

- Doctor Visit
- Doctor Visit
- Doctor Visit
- Doctor Visit

- Telemedicine Center Intervention
- Telemedicine Center Intervention

Time

Relative Health Status

Health Status Data Collected Automatically
Reducing Hospital Admissions, Expenditures and Mortality

**Hospital Admissions**
- **COPD**
  - Mean annual patient admission
    - Control group: 1.72
    - Telemedicine group: 0.95
  - Number of patients hospitalized
    - Control group: 73.5%
    - Telemedicine group: 45.5%

**Expenditures**
- **German sick fund CHF study**
  - Control group: 800
  - Telemedicine group (intervention): 208
  - Follow up period: 12 months
  - Reduction of €6,503 or 54%

**Mortality**
- **German sick fund CHF study**
  - 5 times lower risk of mortality due to telemedicine support
  - Mortality rate
    - Control Group: 16%
    - SHL Group: 3%
The Expected Development of Chronic Patient Monitoring

- Seeing clear signs that monitoring of chronic diseases is going to be adopted as a standard of care
- Expecting market to converge around technological monitoring programs given superiority of patient outcomes (cost, mortality)
- New innovation fund in Germany with a budget of €300mm to promote programs which are not for standard of care solutions expected to increase market activity in the next 2-3 years
- The increase of pay for performance including readmission reduction, ACOs, etc., are expected to increase the demand for monitoring from the provider side
Business review
## Israel – market leader

<table>
<thead>
<tr>
<th>Profile</th>
<th>Consumer (B2C) and Institutional (B2B)</th>
</tr>
</thead>
<tbody>
<tr>
<td>▪ Market leader in the provision of telemedicine services</td>
<td>▪ Steady growth</td>
</tr>
<tr>
<td>▪ Well known and reputable brand</td>
<td>▪ Continued improved margins and financial performance</td>
</tr>
<tr>
<td>▪ High subscriber loyalty/recurring service revenues</td>
<td>▪ Highly profitable – over 15% EBIT and 25% EBITDA</td>
</tr>
<tr>
<td>▪ Serves as an important knowledge base for the Company</td>
<td>▪ Steady growth while preserving strong margins</td>
</tr>
<tr>
<td>▪ Global monitor centre in Tel Aviv</td>
<td></td>
</tr>
</tbody>
</table>
## Germany – 2014, a year of growth

### Profile
- Leader in the provision of telemedicine services
- Payers – health insurers
- Monitor centers in Dusseldorf and Munich

### Service range
- Institutional – CHF, COPD and additional chronic diseases

### 2014 Highlights
- Successful integration of almeda
- Revenues up to USD 16.3M up from USD 6.0M, mainly as a result of the almeda acquisition
- Contributing over 40% of total revenues, up from 21%
- Profitable
- Strengthened its position as a leading provider of telehealth services
- Broadened its institutional services portfolio and customer base
Germany – GPH acquisition

About GPH
- Gesellschaft für Patientenhilfe (GPH) was a subsidiary of Alere, Inc. (Nasdaq:ALR)
- GPH was a direct competitor of SHL in Germany providing telemedicine services to over 10,000 CHF patients
- 2014 revenues of €9.2 million with a net profit of €0.8 million
- Situated in Grunwald, Bavaria with 90 employees
- Serving large German sick funds, mainly AOK Bayern (which SHL provides COPD services to) and AOK NorthEast

Service range
- Institutional – CHF

Acquisition Highlights
- Reinforces SHL as the clear market leader in Germany
- A natural fit to SHL’s German business
- Accretive, already in 2015

2015 Goals
- Significant growth of German business with GPH
- Given operations are similar - consolidation of Dusseldorf telemedicine center in Munich and additional synergies - leading to enhanced combined margins and increased profitability
2014 Financial Results
Financial highlights

- **Accelerated revenue growth**
  - Q4 revenue up 28.6% year over year in constant currency
  - 2014 revenue up 34.0% year over year in constant currency

- **Improved gross profit margins**
  - 2014 margins at 55.8% vs 53.5% in 2013

- **Improved overall financial performance in Germany**
  - 2014 revenues of USD 16.3 M vs USD 6.1 M in 2013
  - 2014 operating profit of USD 3.4 M

- **Continued investment in expansion plans in the US and APAC**
2014 Results *(in USD M)*
Considerable improvement in financial performance

- **Revenues**
  - 2013: 29.7 USD M
  - 2014: 40.0 USD M
  - Growth: 34.7%

- **EBITDA**
  - Adjusted 2013: 1.8 USD M
  - 2014: 7.4 USD M

- **EBIT**
  - Adjusted 2013: (3.2) USD M
  - 2014: 1.3 USD M

*(*) Adjusted 2013 numbers excluding gain from almeda acquisition of USD 8.5 M and one-time items recorded in the general and administrative expenses of USD 2.2 M
### 2014 P&L statement

<table>
<thead>
<tr>
<th>USD millions</th>
<th>2014</th>
<th>2013 adjusted (*)</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>40.0</td>
<td>29.7</td>
<td>34.7%</td>
</tr>
<tr>
<td>COGS</td>
<td>17.7</td>
<td>13.8</td>
<td>28.3%</td>
</tr>
<tr>
<td>Gross Profit</td>
<td>22.3</td>
<td>15.9</td>
<td>40.3%</td>
</tr>
<tr>
<td>% of revenues</td>
<td>55.8%</td>
<td>53.5%</td>
<td></td>
</tr>
<tr>
<td>Operating expenses</td>
<td>21.0</td>
<td>19.1</td>
<td>9.9%</td>
</tr>
<tr>
<td>Gain from almeda acquisition</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>EBIT (LBIT)</td>
<td>1.3</td>
<td>(3.2)</td>
<td>n.a.</td>
</tr>
<tr>
<td>% of revenues</td>
<td>3.3%</td>
<td>n.a.</td>
<td></td>
</tr>
<tr>
<td>EBITDA</td>
<td>7.4</td>
<td>1.8</td>
<td>393.3%</td>
</tr>
<tr>
<td>% of revenues</td>
<td>18.5%</td>
<td>6.1%</td>
<td></td>
</tr>
<tr>
<td>Financial income (expenses)</td>
<td>0.5</td>
<td>(1.6)</td>
<td>n.a.</td>
</tr>
<tr>
<td>Taxes on income (tax benefit)</td>
<td>1.0</td>
<td>(0.7)</td>
<td>n.a.</td>
</tr>
<tr>
<td>Net income (loss)</td>
<td>0.8</td>
<td>(4.1)</td>
<td>n.a.</td>
</tr>
<tr>
<td>EPS / (LPS)</td>
<td>0.08</td>
<td>(0.40)</td>
<td>n.a.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2014 (constant currency)</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>39.8</td>
</tr>
<tr>
<td>COGS</td>
<td>17.6</td>
</tr>
<tr>
<td>Gross Profit</td>
<td>22.2</td>
</tr>
<tr>
<td>% of revenues</td>
<td>55.8%</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>20.9</td>
</tr>
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<td>-</td>
</tr>
<tr>
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</tr>
<tr>
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<tr>
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<td>7.3</td>
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<tr>
<td>Net income (loss)</td>
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<tr>
<td>EPS / (LPS)</td>
<td>0.08</td>
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</table>

<table>
<thead>
<tr>
<th>2013</th>
<th>% change</th>
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<tbody>
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<td>29.7</td>
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<td>Gain from almeda acquisition</td>
<td>(8.5)</td>
</tr>
<tr>
<td>EBIT (LBIT)</td>
<td>3.1</td>
</tr>
<tr>
<td>% of revenues</td>
<td>10.4%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>8.1</td>
</tr>
<tr>
<td>% of revenues</td>
<td>27.3%</td>
</tr>
<tr>
<td>Financial income (expenses)</td>
<td>(1.6)</td>
</tr>
<tr>
<td>Taxes on income (tax benefit)</td>
<td>(0.7)</td>
</tr>
<tr>
<td>Net income (loss)</td>
<td>2.2</td>
</tr>
<tr>
<td>EPS / (LPS)</td>
<td>0.22</td>
</tr>
</tbody>
</table>

(*) Adjusted 2013 numbers excluding gain from almeda acquisition of USD 8.5 M and one-time items recorded in the general and administrative expenses of USD 2.2 M
## 2014 Cash Flow Statements

<table>
<thead>
<tr>
<th>USD millions</th>
<th>2014</th>
<th>2013</th>
<th>Diff</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash provided by (used in) Operating activities</td>
<td>(3.1)</td>
<td>2.6 (*)</td>
<td>(5.7)</td>
</tr>
<tr>
<td>Cash used in Investing activities (ex. marketable securities)</td>
<td>(3.1)</td>
<td>(1.1)</td>
<td>(2.0)</td>
</tr>
<tr>
<td>Cash used in financing activities</td>
<td>(2.6)</td>
<td>(1.8)</td>
<td>(0.8)</td>
</tr>
<tr>
<td>Effect of exchange rate changes</td>
<td>(1.9)</td>
<td>1.9</td>
<td>(3.8)</td>
</tr>
<tr>
<td><strong>Increase (decrease) in cash, cash equivalents &amp; marketable securities</strong></td>
<td>(10.7)</td>
<td>1.6</td>
<td>(12.3)</td>
</tr>
<tr>
<td>Cash, cash equivalents &amp; marketable securities at beginning of period</td>
<td>28.4</td>
<td>26.8</td>
<td>1.6</td>
</tr>
<tr>
<td><strong>Cash, cash equivalents &amp; marketable securities at end of period</strong></td>
<td>17.7</td>
<td>28.4</td>
<td>(10.7)</td>
</tr>
</tbody>
</table>

(*): Including one time payment of USD 5.2 million received in 2013
31.12.2014 Balance Sheet

**Assets**

- **Current assets**
  - USD 17.7M cash & marketable securities: 40.1

- **Long-term assets**
  - 10.6

- **Fixed assets, net**
  - 12.7

- **Intangible assets, net**
  - 28.7

**Liabilities**

- **Current liabilities**
  - 16.4

- **Long-term liabilities**
  - 14.3

- **Equity**
  - 61.4

*In USD million per 31 December 2014*
Outlook

- Further Growth - revenues for the year to grow at over 20% year-over-year, in constant exchange rate terms

- Expecting additional agreements in the U.S and APAC with revenues already in 2015

- Continued investment in expansion - expecting revenues from international markets to reach 60% by 2016
Thank you
Investor Information

- IR Agenda 2015
  - May 20, 2015     Q1 Results
  - August 19, 2015  Q2 Results
  - November 18, 2015  Q3 Results

- 10,877,888 registered shares with a par value of NIS 0.01 each

- Listed at SIX Swiss Exchange in CHF;
  Symbol: SHLTN, No. 1128957

- American DR program listed over-the-counter;
  Symbol: SMDCY

- Price high/low (CHF), 2014  9.78/6.97

- Market cap high/low (CHF m), 2014 106.4/75.8

- Market cap 31.12.14 (CHF m)  97.9

- No voting restrictions

Erez Alroy, Co-CEO
ereza@shl-telemedicine.com

Erez Alroy has been an executive manager of SHL since its inception. Prior to his current position as Co-CEO he served as SHL Israel's managing director and as SHL Israel's sales manager and vice-president of marketing. Erez Alroy holds an MBA from the Hebrew University, Jerusalem.

Eran Antebi, CFO
erana@shl-telemedicine.com

Eran Antebi joined SHL in May 2004 as CFO of Shahal Israel and was appointed CFO of SHL in May 2008. Prior to joining SHL, he was a manager with Ernst & Young in Israel. Eran Antebi is a certified public accountant (CFA) in Israel and has a B.A. in accounting and economics from the University of Tel Aviv.
### Q4 2014 P&L statement

<table>
<thead>
<tr>
<th>USD millions</th>
<th>Q4 2014</th>
<th>Q4 2013</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>9.0</td>
<td>7.7</td>
<td>16.9%</td>
</tr>
<tr>
<td>COGS</td>
<td>4.1</td>
<td>3.3</td>
<td>24.2%</td>
</tr>
<tr>
<td>Gross Profit</td>
<td>4.9</td>
<td>4.4</td>
<td>11.4%</td>
</tr>
<tr>
<td>% of revenues</td>
<td>54.4%</td>
<td>57.1%</td>
<td></td>
</tr>
<tr>
<td>Operating expenses</td>
<td>4.3</td>
<td>4.6</td>
<td>(6.5%)</td>
</tr>
<tr>
<td>Gain from almeda acquisition</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>EBIT (LBIT)</td>
<td>0.6</td>
<td>(0.2)</td>
<td>n.a.</td>
</tr>
<tr>
<td>% of revenues</td>
<td>6.7%</td>
<td>n.a.</td>
<td></td>
</tr>
<tr>
<td>EBITDA</td>
<td>2.0</td>
<td>0.9</td>
<td>122.2%</td>
</tr>
<tr>
<td>% of revenues</td>
<td>22.2%</td>
<td>11.7%</td>
<td></td>
</tr>
<tr>
<td>Financial income (expenses)</td>
<td>0.1</td>
<td>(0.4)</td>
<td>n.a.</td>
</tr>
<tr>
<td>Taxes on income (tax benefit)</td>
<td>0.2</td>
<td>(1.0)</td>
<td>n.a.</td>
</tr>
<tr>
<td>Net income</td>
<td>0.5</td>
<td>0.4</td>
<td>25.0%</td>
</tr>
<tr>
<td>EPS</td>
<td>0.05</td>
<td>0.04</td>
<td>25.0%</td>
</tr>
</tbody>
</table>

### Q4 2014 (constant currency) % change

<table>
<thead>
<tr>
<th>USD millions</th>
<th>Q4 2014</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>9.9</td>
<td>28.6%</td>
</tr>
<tr>
<td>COGS</td>
<td>4.5</td>
<td>36.4%</td>
</tr>
<tr>
<td>Gross Profit</td>
<td>5.4</td>
<td>22.7%</td>
</tr>
<tr>
<td>% of revenues</td>
<td>54.5%</td>
<td></td>
</tr>
<tr>
<td>Operating expenses</td>
<td>4.9</td>
<td>6.5%</td>
</tr>
<tr>
<td>Gain from almeda acquisition</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>EBIT (LBIT)</td>
<td>0.5</td>
<td>n.a.</td>
</tr>
<tr>
<td>% of revenues</td>
<td>5.1%</td>
<td>n.a.</td>
</tr>
<tr>
<td>EBITDA</td>
<td>2.2</td>
<td>144.4%</td>
</tr>
<tr>
<td>% of revenues</td>
<td>22.2%</td>
<td></td>
</tr>
<tr>
<td>Financial income (expenses)</td>
<td>0.1</td>
<td>n.a.</td>
</tr>
<tr>
<td>Taxes on income (tax benefit)</td>
<td>0.1</td>
<td>n.a.</td>
</tr>
<tr>
<td>Net income</td>
<td>0.5</td>
<td>25.0%</td>
</tr>
<tr>
<td>EPS</td>
<td>0.05</td>
<td>25.0%</td>
</tr>
</tbody>
</table>

### Q4 2013 % change

<table>
<thead>
<tr>
<th>USD millions</th>
<th>Q4 2013</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>7.7</td>
<td>16.9%</td>
</tr>
<tr>
<td>COGS</td>
<td>3.3</td>
<td>24.2%</td>
</tr>
<tr>
<td>Gross Profit</td>
<td>4.4</td>
<td>11.4%</td>
</tr>
<tr>
<td>% of revenues</td>
<td>57.1%</td>
<td></td>
</tr>
<tr>
<td>Operating expenses</td>
<td>9.8</td>
<td>(56.1%)</td>
</tr>
<tr>
<td>Gain from almeda acquisition</td>
<td>(8.5)</td>
<td></td>
</tr>
<tr>
<td>EBIT (LBIT)</td>
<td>3.1</td>
<td>(80.6%)</td>
</tr>
<tr>
<td>% of revenues</td>
<td>40.3%</td>
<td></td>
</tr>
<tr>
<td>EBITDA</td>
<td>4.3</td>
<td>(53.5%)</td>
</tr>
<tr>
<td>% of revenues</td>
<td>55.8%</td>
<td></td>
</tr>
<tr>
<td>Financial income (expenses)</td>
<td>(0.4)</td>
<td>n.a.</td>
</tr>
<tr>
<td>Taxes on income (tax benefit)</td>
<td>(1.0)</td>
<td>n.a.</td>
</tr>
<tr>
<td>Net income</td>
<td>3.7</td>
<td>(86.5%)</td>
</tr>
<tr>
<td>EPS</td>
<td>0.36</td>
<td>(86.9%)</td>
</tr>
</tbody>
</table>

(*) Adjusted 2013 numbers excluding gain from almeda acquisition of USD 8.5 M and one-time items recorded in the general and administrative expenses of USD 5.2 M