



Press release

SHL announces full year results 2017

Tel Aviv / Zurich, 27 March 2018 – SHL Telemedicine Ltd. (SIX Swiss Exchange: SHLTN), a leading provider and developer of advanced personal telemedicine solutions, today announced the results for 2017.

Highlights:

- *Revenues from ongoing operations were 37.0m, up 3.9% compared to 2016.*
- *After several years of losses, the company is profitable again with a net profit of \$ 2.4 m compared to a net loss of \$ 11.1m in 2016.*
- *SHL has moved from cash-drains to a positive free cash flow of \$ 10.5 m in 2017.*

Revenues for the year totalled \$ 37.0m, compared to \$ 35.6m in 2016. Revenues in constant currency remained stable in 2017. In Israel revenues were impacted by a slight decline of 2%, due to a decrease in the subscriber base and in institutional patients in the chronic disease monitoring programs. Revenues from German operations and other territories remained stable. The NIS (Israeli Shekel) devalued by 10% against the USD year over year and the EUR increased by 14%.

In 2017, SHL has decided to record revenues from performance based contracts separately as “change in revenues estimates”. Such revenues were \$ 0.4m in 2017 compared to a net amount of \$ 4.9m in 2016.

Yoav Rubinstein, CEO of SHL Telemedicine, said: “With a lot of hard work, we have completed the turn-around. SHL is back on solid footing. We have stabilized revenues and made significant progress in terms of profitability and cash-flows. This allows us to now look again at options how to grow the business. Such options include expanding our programs in Israel and Germany by implementing new technologies and targeting new customer segments. Also, we will continue to roll out smartheart™ and applicable knowhow to other global territories including, amongst other, China and the US.”

Thanks to continued streamlining of businesses and efficiency improvements, SHL’s gross margin expanded to 51.9% in 2017 compared to 46.4% in 2016 excluding change in revenue estimates. This resulted in an EBITDA of \$ 8.6 m compared to \$ 1.0m in 2016. Extraordinary income includes \$ 3.3m from the Jiuchuan case.

SHL has moved from cash-drain to generating cash with a positive free cash flow of \$ 10.5m in 2017. By year-end, after an early repayment of a long term loan in Germany, current maturities of long terms loans in Israel and interest payments of \$ 12.2m, cash and cash equivalents totalled \$ 10.4m compared to \$ 10.5m at the end of 2016.

The annual report 2017 is available on:

www.shl-telemedicine.com/about-us/investorrelations/financial-reports-pres-2018



Key figures

in USD million (except per share amounts)	2017	2016	% change
Revenues for the year	37.0	35.6	3.9%
Change in revenue estimate	0.4	4.9	(91.8%)
Revenues	37.4	40.5	(7.6%)
• Germany	16.7	20.7	(19.3%)
• Israel	20.5	19.6	4.6%
• Other	0.2	0.2	-
EBIT (LBIT)	4.1	(4.8)	<i>n.a</i>
EBITDA	8.6	1.0	760%
Net income (loss)	2.4	(11.1)	<i>n.a</i>
EPS (LPS)	0.23	(1.06)	<i>n.a</i>
Free cash flow	10.5	(1.8)	<i>n.a</i>

FY17 results conference call

A conference call for investors, journalists and analysts to discuss the Full Year Results 2017, hosted by Yoav Rubinstein, CEO, and Yossi Vadnagra, CFO, will take place today, 27 March 2018, at 10:00am CET.

Dial-in numbers:

From Europe +41 (0)58 310 50 00
 From UK +44 (0) 207 107 06 13
 From USA +1 (1) 631 570 56 13
 From Israel Toll free: 1 80 921 44 27, Local: +972 3763 1173

Financial calendar

12 April AGM, Tel Aviv, Israel
 13 September Half-year report 2018

For further information, please contact:

Martin Meier-Pfister, IRF Communications, phone: +41 43 244 81 40, shl@irfcom.ch

About SHL Telemedicine

SHL Telemedicine is engaged in developing and marketing personal telemedicine systems and the provision of medical call center services, with a focus on cardiovascular and related diseases, to end users and to the healthcare community. SHL Telemedicine offers its services and personal telemedicine devices to subscribers utilizing telephonic and Internet communication technology. SHL is listed on the SIX Swiss Exchange (SHLTN, ISIN: IL0010855885, Security No.: 1128957). For more information, please visit the web site at www.shl-telemedicine.com.

Some of the information contained in this press release contains forward-looking statements. Readers are cautioned that any such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and that actual results may differ materially from those in the forward-looking statements as a result of various factors. SHL Telemedicine undertakes no obligation to publicly update or revise any forward-looking statements.