



**SHL Telemedicine
Full-Year Conference
Zurich, 24 February 2010**

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Today's Agenda

1 SHL at a glance

2 Financials

3 Outlook

SHL at a glance

Facts

- Leading provider of technologically advanced telemedicine services and solutions
- The services and solutions improve quality of life for our subscribers and enable cost savings for the health services community
- Focus on cardiovascular and related diseases, i.e.:
 - ECG monitoring (Israel)
 - Congestive Heart Failure (Germany)
- Technological innovation; ongoing development of IT based services and solutions
- Active in Israel, Germany and USA
- Incorporated in 1987, listed on the Swiss Stock Exchange (Zurich)

Figures

- Over 20 years of experience
- Global long-term subscriber base
 - Over 80,000 subscribers
 - Average age of ~ 66(*)
 - Average time on service ~ 8(*) years
 - Over 400 thousand calls conducted in 2009 in Israel and Germany
 - Over 1.5 million telemedicine device transmissions received in 2009



* excluding German subscribers

SHL's current business lines



Germany



Israel

| | | |
|------------------|---|---|
| Trends | Aging population, cost pressure, consumerism | |
| Platforms | Medical monitoring center, proprietary IT systems | |
| Diseases | Mainly Congestive Heart Failure | All Cardio vascular |
| Services | Mainly CHF monitoring | ECG monitoring; consulting / reassuring |
| Models / clients | Health insurers / reimbursement | Private pay / out of pocket |
| Main Benefits | Cost saving, stabilizing condition | Save lives, peace of mind |
| Market / growth | Early stage / double digit | Mature / single digit |

2009 Highlights

Business

Strong year, again driven by growth in Germany :

- Continued subscriber growth in Germany leading to improved overall financial performance
- German health care reform leading to consolidation/mergers of health insurers - longer than expected sales cycles
- Israeli operations continuing to perform well
- Strong cash position enabling growth

New growth drivers evaluated :

- German consumer market entry with SHL's main service for consumer's - The Cardiac Emergency Service
- Planned entry with Cardiac Emergency Service into additional territory
- Introduction of additional services to health insurers in Germany – Diabetiva and COPD

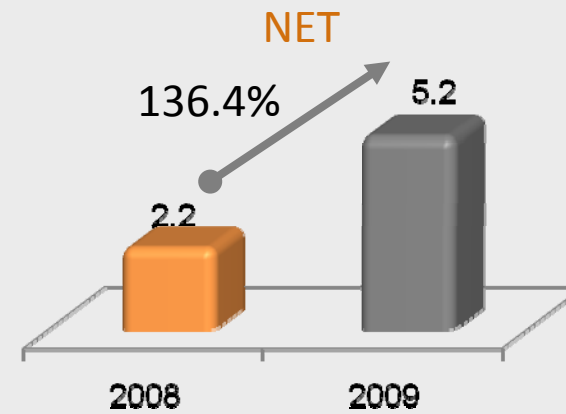
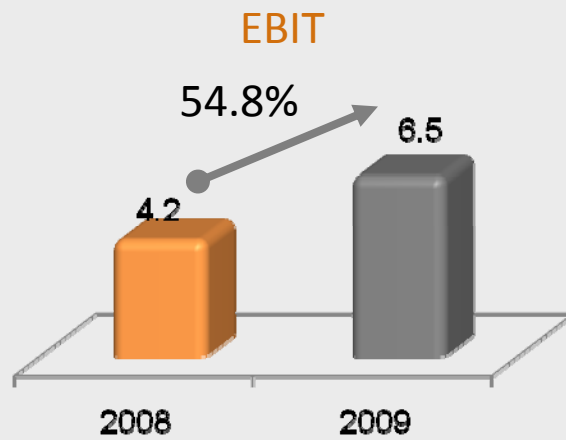
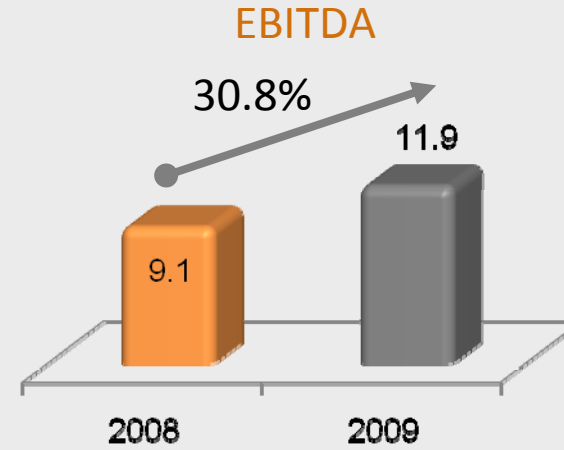
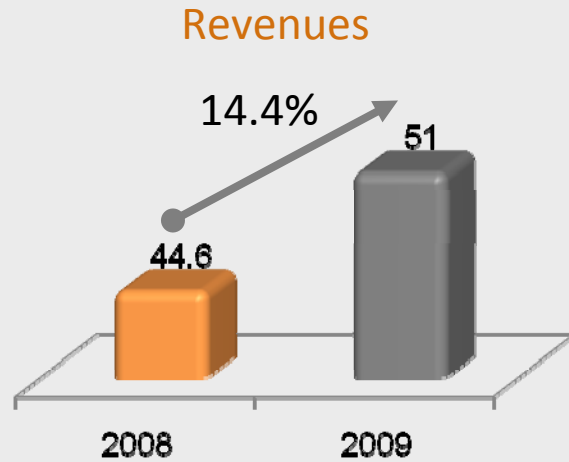
Financial

Inline with guidance (which was raised mid year)

- Revenues of USD 47.9 M (USD 51.0 M at constant exchange rates, up 14.4% over 2008)
- EBITDA of USD 11.6 million (24.2% of revenues) up 27.5% from 2008
- EBIT of USD 6.7 M (14.0% of revenues) up 59.5% from 2008
- Net income more than doubled, reaching USD 5.4 M (11.3% of revenues)
- Operating cash flow of USD 5.3 M compared to cash used in operations of USD 7.6 M

Positive outlook for 2010

2009 key figures (at constant exchange rates)





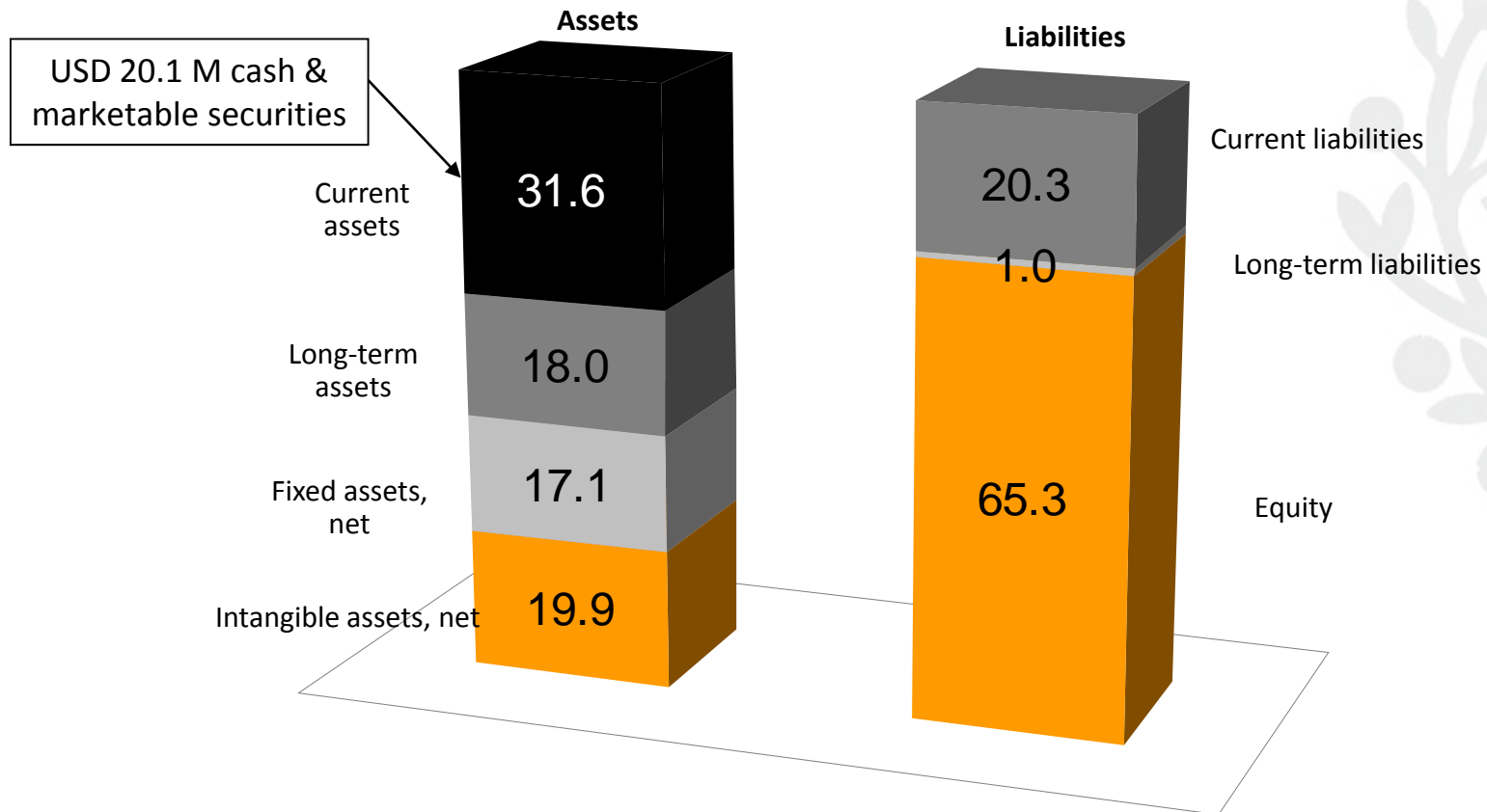
Financials

2009 results P&L

| USD millions | 2009 | 2008 | % change | 2009 (constant currency) | % change |
|-------------------------------------|-------|-------|-------------|--------------------------|-------------|
| Revenues | 47.9 | 44.6 | 7.4% | 51.0 | 14.4% |
| COGS | 15.8 | 15.7 | 0.6% | 17.1 | 8.9% |
| Gross Profit | 32.1 | 28.9 | 11.1% | 33.9 | 17.3% |
| % of revenues | 67.0% | 64.8% | | 65.5% | |
| Operating expenses | 25.4 | 24.7 | 2.8% | 27.4 | 10.9% |
| EBIT | 6.7 | 4.2 | 59.5% | 6.5 | 54.8% |
| % of revenues | 14.0% | 9.4% | | 12.7% | |
| EBITDA | 11.6 | 9.1 | 27.5% | 11.9 | 30.8% |
| % of revenues | 24.2% | 20.4% | | 23.3% | |
| Financial & other expenses (income) | (0.4) | 5.5 | <i>n.a.</i> | (0.5) | <i>n.a.</i> |
| Taxes on income (tax benefit) | 1.7 | (3.5) | <i>n.a.</i> | 1.8 | <i>n.a.</i> |
| Net income | 5.4 | 2.2 | 145.5% | 5.2 | 136.4% |
| EPS | 0.51 | 0.21 | 142.9% | 0.49 | 133.3% |

Constant currency exchange rates - These are calculated by translating the current period results using the average exchange rates from the 2008 instead of the 2009 exchange rates. Management believes that this presentation enables a more meaningful comparison between the periods due to the significant fluctuations in NIS/USD/Euro exchange rates.

2009 balance sheet



In USD million per 31 December 2009

2009 cash flow statement

| USD millions | 2009 | 2008 |
|---|--------------|---------------|
| Cash provided by (used in) Operating activities | 5.3 | (7.6) |
| Cash used in Investing activities (ex. Marketable securities) | (8.2) | (5.7) |
| Cash used in financing activities | (0.4) | (57.2) |
| Effect of exchange rate changes | (0.1) | 5.1 |
| Decrease in cash, cash equivalents & marketable securities | (3.4) | (65.4) |
| Cash, cash equivalents & marketable securities at beginning of period | 23.5 | 88.9 |
| Cash, cash equivalents & marketable securities at end of period | 20.1 | 23.5 |



Outlook

Guidance 2010

Business

- Economic outlook expected to increase pressure on health insurers for operational efficiency
- Continuing growth in Germany, ongoing consolidation amongst health insurers affecting sales cycles
- Stable business in Israel
- Introduction of B2C in Germany and additional territory
- Introduction of new services to health insurers in Germany

Financial

- Revenue growth of 10%-15% , assuming constant exchange rates :
 - Revenues of USD 53-55 M
 - Net income of USD 4-6 M



Thank you



Appendix



Investor information

- IR Agenda
 - May 11 Q1 results
 - May 26 AGM
 - June 8 Investor Day Dusseldorf
 - August 4 Q2 Results
 - November 10 Q3 Results
- 10,734,095 registered shares with a par value of NIS 0.01 each
- Listed at SIX Swiss Exchange in CHF; Symbol: SHLTN, No. 1128957
- Market price high/low (CHF) in 2009 8.77/4.72
- Market capitalization high/low (CHF million) in 2009 94.3/50.8
- Market capitalization 31.12.09 (CHF million) 75.3
- No voting restrictions