

Half-Year Report 2009

SHL Telemedicine Ltd.
1 January - 30 June



Dear Shareholders,

We are very pleased with the development of our business in recent quarters. The results show that our business is in a good growth phase and is not affected by the ongoing economic recession. Our German operation continued to show strong momentum and growth leading to overall improved financial performance. Our telemedicine solutions which improve quality of life and achieve significant reduction in health care costs continue to enjoy strong demand leading us to raise our net income guidance for the year.

To strengthen our brand, our German operation PHTS Telemedizin, Germany's leading provider of telemedical care programs adopted SHL's global brand and became SHL Telemedizin. SHL Telemedizin will continue to offer its telemedicine services from its medical monitor center in Dusseldorf. Under our strong and recognised world wide brand, we will press forward to further develop and promote the future of telemedicine.

In April, the '2008 European Telemedicine Systems for Cardiac Monitoring Product Innovation of the Year Award' was presented to SHL Telemedicine by Frost and

Sullivan in recognition of our next generation personal ECG device - the CardioSen'C™. This full 12 lead ECG personal digital cellular transmitter is a monitoring system that uses either cellular network (GPRS) or public switched telephone network (PSTN) to transmit real-time medical cardiological data remotely. It effectively fulfils the need for an end-user friendly system.

Financial Highlights

Revenues for the second quarter amounted to USD 11.3 million compared to USD 11.0 million in Q2 2008. At constant exchange rates* revenues amounted to USD 12.8 million, reflecting a 16.4 % increase over the second quarter of 2008. This increase was mainly driven by the continued growth at our German operation where revenues at constant exchange rates reached USD 5.7 million up 50.0 % from USD 3.8 million in Q2 2008.

Revenues for the first half of the year amounted to USD 22.0 million compared to USD 21.4 million in H1 08. Revenues on the basis of constant exchange rates* amounted to USD 24.9 million, which reflects a 16.4 % increase from H1 2008. Again, the increase is mainly due to the growth at our German operation where revenues at constant exchange rates* grew by 50.0 %.

The EBITDA margin of the Company for the quarter continued to improve and reached 25.7 % of revenues (USD 2.9 million) compared to an EBITDA margin of 20.9 % of revenues in Q2 2008. The improved financial performance was also reflected in the EBIT for the quarter, which reached USD 1.8 million (15.9 % of revenues), an increase of 80% over the EBIT in Q2 2008 of USD 1.0 million (9.1 % of revenues).

The EBITDA in H1 09 amounted to USD 5.5 million - an increase of 34.1% over the EBITDA of USD 4.1 million in the comparable period. The EBIT in H1 09 almost doubled, reaching USD 3.3 million (15.0 % of revenues), compared to an EBIT of USD 1.7 million (7.9% of revenues) in H1 08.

Net income for the quarter totaled USD 1.6 million (14.2% of revenues) an increase of 129% over the net income of USD 0.7 million in Q2 2008, prior to the recording of a positive tax adjustment of USD 3.3 million. For the first six months, net income increased by 115.4% to reach USD 2.8 million, compared to the net income of USD 1.3 million in H1 2008.

Cash provided by operations for the quarter improved by USD 3.0 million over that of Q2 08 amounting to USD 1.6 million in Q2 09 compared to cash used in operations in

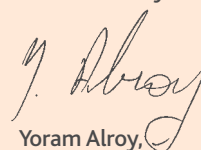
Q2 08 of USD 1.4 million. Cash reserves at June 30, 2009 amounted to USD 21.1 million.

Balance sheet. Assets at June 30, 2009 totalled USD 81.6 million with shareholders' equity amounting to USD 60.4 million (74 % of balance sheet).

Outlook. With our diversified telemedicine service lines, we expect to continue our growth trend in the second half of 2009. Assuming constant currency exchange rates, management reaffirms its revenue guidance for the full year of USD 51-53 million and raises its net income guidance for the full year to between USD 5 and USD 6 million (up from USD 3.5 to USD 5 million).

We are confident that we can continue the growth trend in the second half of 2009 and thank you for your confidence in our business model and management team.

Yours sincerely,



Yoram Alroy,
Chairman and President

* Constant currency - In order to enable meaningful comparison between the 2009 and 2008 results, 2009 results are also presented at constant currency exchange rates. These are calculated by translating the current period results using the average exchange rates from the previous year's respective period (H1 08) instead of the current period exchange rates. Management believes that this presentation enables a more meaningful comparison between the periods due to the significant fluctuations in NIS/USD/EUR exchange rates.

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The Shareholders and Board of Directors SHL Telemedicine Ltd.

Re: Report on review of interim condensed consolidated financial statements

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of SHL Telemedicine Ltd. ("the Company") and its subsidiaries as of June 30, 2009, comprising the interim consolidated balance sheet as of June 30, 2009 and the related interim consolidated statements of income, comprehensive income, changes in equity and cash flows for the six months and three months then ended and explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Financial Reporting Standard IAS 34, "Interim Financial Reporting" ("IAS 34"). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial

and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

Tel-Aviv, Israel

July 28, 2009

Kost Forer Gabbay and Kasierer

KOST FORER GABBAY & KASIERER

A Member of Ernst & Young Global

Interim Condensed Consolidated Balance Sheets U.S. dollars in thousands

	June 30,		December 31,
	2009	2008	2008
	Unaudited		Audited
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	7,144	11,426	3,265
Available-for-sale investments	14,000	34,036	20,210
Trade receivables	4,990	3,382	3,558
Prepaid expenses	1,430	2,579	2,065
Income tax receivable	1,593	612	590
Other accounts receivable	678	1,241	422
Inventory	601	595	600
	30,436	53,871	30,710
LONG-TERM ASSETS:			
Trade receivables	2,211	3,649	2,782
Prepaid expenses	5,616	6,512	5,541
Investment in associate	-	73	-
Long-term deposits	100	132	117
Deferred taxes	9,284	11,158	10,049
	17,211	21,524	18,489
FIXED ASSETS:			
Cost	47,925	49,931	45,820
Less - accumulated depreciation	31,727	32,440	30,531
	16,198	17,491	15,289
INTANGIBLE ASSETS, NET	17,744	19,059	17,337
Total assets	81,589	111,945	81,825

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

Interim Condensed Consolidated Balance Sheets U.S. dollars in thousands

	June 30,		December 31,
	2009	2008	2008
	Unaudited		Audited
LIABILITIES AND EQUITY			
CURRENT LIABILITIES:			
Credit from banks and current maturities of long-term loans	528	15,135	583
Deferred revenues	4,498	9,528	6,747
Trade payables	2,245	1,822	1,502
Income tax payable	3,470	3,187	2,776
Provisions	3,056	1,756	2,146
Other accounts payable	4,770	4,265	4,572
	18,567	35,693	18,326
LONG-TERM LIABILITIES:			
Loans from banks	-	4,229	-
Provisions	930	2,051	1,422
Accrued severance pay	731	661	777
Deferred revenues	999	2,850	1,895
Deferred taxes	-	392	332
	2,660	10,183	4,426
Total liabilities	21,227	45,876	22,752
EQUITY:			
Equity attributable to equity holders of the Company:			
Issued capital	31	31	31
Additional paid-in capital	92,830	92,466	92,738
Treasury shares	(1,544)	(859)	(1,405)
Foreign currency translation reserve	(720)	8,802	1,026
Other reserves	250	(230)	(66)
Accumulated deficit	(30,485)	(34,200)	(33,251)
	60,362	66,010	59,073
Minority interests	-	59	-
Total equity	60,362	66,069	59,073
Total liabilities and equity	81,589	111,945	81,825

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

July 28, 2009
Date of approval of the
financial statements


Yoram Alroy
Chairman of the Board of
Directors and President


Yariv Alroy
Co - CEO

Interim Condensed Consolidated Income Statements

U.S. dollars in thousands (except per share amounts)

	Three months ended		Six months ended		Year ended
	June 30,		June 30,		December 31,
	2009	2008	2009	2008	2008
	Unaudited				Audited
Revenues	11,337	11,043	22,035	21,441	44,554
Depreciation and amortization	589	*) 792	1,167	*) 1,484	2,831
Cost of revenues	3,238	*) 3,277	6,299	*) 6,281	12,791
Gross profit	7,510	6,974	14,569	13,676	28,932
Research and development costs, net	262	260	495	533	1,003
Selling and marketing expenses	3,115	3,082	6,166	5,955	12,160
General and administrative expenses	2,361	2,638	4,651	5,531	11,527
Operating profit	1,772	994	3,257	1,657	4,242
Financial income	1,063	3,700	1,674	6,773	8,198
Financial expenses	(942)	(3,259)	(1,159)	(9,992)	(12,608)
Other expenses, net	(62)	(483)	(62)	(439)	(1,062)
Profit (loss) before taxes on income	1,831	952	3,710	(2,001)	(1,230)
Taxes on income (tax benefit)	278	(3,014)	944	(3,285)	(3,463)
Profit	1,553	3,966	2,766	1,284	2,233
Earnings per share:					
Basic and diluted	0.14	0.37	0.26	0.12	0.21

*) Reclassified.

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

Interim Condensed Consolidated Statements of Comprehensive Income

U.S. dollars in thousands

	Three months ended		Six months ended		Year ended
	June 30,		June 30,		December 31,
	2009	2008	2009	2008	2008
	Unaudited				Audited
Profit	1,553	3,966	2,766	1,284	2,233
Exchange differences of translation of foreign operations	3,806	3,940	(1,746)	8,922	1,146
Net gain (loss) on available-for-sale financial assets	56	(117)	316	(230)	(66)
Total comprehensive income	5,415	7,789	1,336	9,976	3,313

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

Interim Condensed Consolidated Statements of Changes in Equity

U.S. dollars in thousands

	Attributable to equity holders of the Company						Total equity
	Issued capital	Additional paid-in capital	Treasury shares	Foreign currency translation reserve	Net unrealized other reserves	Accumulated deficit	
Balance at January 1, 2009 (audited)	31	92,738	(1,405)	1,026	(66)	(33,251)	59,073
Purchase of Treasury shares	-	-	(139)	-	-	-	(139)
Share-based payments	-	92	-	-	-	-	92
Total comprehensive income (loss)	-	-	-	(1,746)	316	2,766	1,336
Balance at June 30, 2009 (unaudited)	31	92,830	(1,544)	(720)	250	(30,485)	60,362

	Attributable to equity holders of the Company							Minority interests	Total equity
	Issued capital	Additional paid-in capital	Treasury shares	Foreign currency translation reserve	Net unrealized other reserves	Accumulated deficit	Total		
Balance at January 1, 2008 (audited)	31	92,295	(269)	(120)	-	(31,529)	60,408	88	60,496
Dividend paid	-	-	-	-	-	(3,955)	(3,955)	-	(3,955)
Treasury shares	-	-	(590)	-	-	-	(590)	-	(590)
Exercise of options	-	76	-	-	-	-	76	-	76
Share-based payments	-	95	-	-	-	-	95	-	95
Change in equity of minority interest	-	-	-	-	-	-	-	(29)	(29)
Total comprehensive income (loss)	-	-	-	8,922	(230)	1,284	9,976	-	9,976
Balance at June 30, 2008 (unaudited)	31	92,466	(859)	8,802	(230)	(34,200)	66,010	59	66,069

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

Interim Condensed Consolidated Statements of Changes in Equity

U.S. dollars in thousands

	Attributable to equity holders of the Company						Total equity
	Issued capital	Additional paid-in capital	Treasury shares	Foreign currency translation reserve	Net unrealized other reserves	Accumulated deficit	
Balance at April 1, 2009 (unaudited)	31	92,781	(1,508)	(4,526)	194	(32,038)	54,934
Purchase of treasury shares	-	-	(36)	-	-	-	(36)
Share-based payments	-	49	-	-	-	-	49
Total comprehensive income (loss)	-	-	-	3,806	56	1,553	5,415
Balance at June 30, 2009 (unaudited)	31	92,830	(1,544)	(720)	250	(30,485)	60,362

	Attributable to equity holders of the Company						Total	Minority interests	Total equity
	Issued capital	Additional paid-in capital	Treasury shares	Foreign currency translation reserve	Net unrealized other reserves	Accumulated deficit			
Balance at April 1, 2008 (unaudited)	31	92,346	(269)	4,862	(113)	(38,166)	58,691	80	58,771
Treasury shares	-	-	(590)	-	-	-	(590)	-	(590)
Exercise of options	-	73	-	-	-	-	73	-	73
Share-based payments	-	47	-	-	-	-	47	-	47
Distribution to minority interest	-	-	-	-	-	-	-	(21)	(21)
Total comprehensive income (loss)	-	-	-	3,940	(117)	3,966	7,789	-	7,789
Balance at June 30, 2008 (unaudited)	31	92,466	(859)	8,802	(230)	(34,200)	66,010	59	66,069

	Attributable to equity holders of the Company						Total	Minority interests	Total equity
	Issued capital	Additional paid-in capital	Treasury shares	Foreign currency translation reserve	Net unrealized other reserves	Accumulated deficit			
Balance at January 1, 2008 (audited)	31	92,295	(269)	(120)	-	(31,529)	60,408	88	60,496
Dividend paid	-	-	-	-	-	(3,955)	(3,955)	-	(3,955)
Purchase of Treasury shares	-	-	(1,136)	-	-	-	(1,136)	-	(1,136)
Exercise of options	*)	260	-	-	-	-	260	-	260
Share-based payments	-	183	-	-	-	-	183	-	183
Distribution to minority interests	-	-	-	-	-	-	-	(88)	(88)
Total comprehensive income (loss)	-	-	-	1,146	(66)	2,233	3,313	-	3,313
Balance at December 31, 2008 (audited)	31	92,738	(1,405)	1,026	(66)	(33,251)	59,073	-	59,073

*) Represents an amount less than \$ 1.

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

Interim Condensed Consolidated Statements of Cash Flows

U.S. dollars in thousands

	Three months ended		Six months ended		Year ended
	June 30,		June 30,		December 31,
	2009	2008	2009	2008	2008
	Unaudited				Audited
Cash flows from operating activities:					
Profit	1,553	3,966	2,766	1,284	2,233
Adjustments required to reconcile profit to net cash provided by (used in) operating activities :					
Income and expenses not involving operating cash flows:					
Loss from sale price adjustments	-	488	-	488	488
Depreciation and amortization	1,111	1,250	2,170	2,365	4,834
Deferred taxes, net	(128)	(3,003)	138	(3,290)	(3,468)
Gain on disposal of fixed assets	-	-	-	(34)	(44)
Accrued severance pay	(28)	91	(22)	135	339
Financial expenses (income), net	(121)	(441)	(515)	3,219	4,410
Cost of share-based payments	49	47	92	95	183
Taxes on income (tax benefit)	278	(3,014)	944	(3,285)	(3,463)
Others	5	(2)	-	(9)	59
	1,166	(4,584)	2,807	(316)	3,338
Changes in operating assets and liabilities:					
Increase in short and long-term trade receivables, net	(659)	(299)	(972)	(180)	(302)
Decrease in prepaid expenses	253	31	324	57	493
Decrease (increase) in other accounts receivable	(356)	(46)	(1,264)	156	828
Decrease (increase) in inventory	43	38	(18)	90	8
Increase (decrease) in trade payables	770	(459)	760	(432)	(541)
Decrease in deferred revenues	(1,226)	(1,919)	(2,836)	(5,672)	(7,774)
Increase (decrease) in short and long-term other accounts payable and income tax payable, net	(142)	1,958	834	(4,902)	(5,286)
	(1,317)	(696)	(3,172)	(10,883)	(12,974)
Cash paid and received:					
Interest received	224	327	446	806	1,018
Interest paid	(5)	(431)	(10)	(1,044)	(1,238)
Income taxes paid	(4)	(21)	(1,030)	(41)	(127)
	215	(125)	(594)	(279)	(347)
Net cash provided by (used in) operating activities	1,617	(1,439)	1,807	(10,194)	(7,550)

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

Interim Condensed Consolidated Statements of Cash Flows

U.S. dollars in thousands

	Three months ended		Six months ended		Year ended
	June 30,		June 30,		December 31,
	2009	2008	2009	2008	2008
	Unaudited				Audited
Cash flows from investing activities:					
Purchase of fixed assets	(1,667)	(1,182)	(2,830)	(1,854)	(3,595)
Cash refunded upon sale of subsidiary	-	(488)	-	(488)	(488)
Investment in intangible assets	(453)	(352)	(821)	(615)	(1,654)
Proceeds from sale of fixed assets	-	-	-	36	46
Repayment of long-term deposits	-	2,200	-	4,200	4,200
Purchase of available-for-sale investments	(2,486)	(6,865)	(5,672)	(53,386)	(69,433)
Proceeds from sale of available-for-sale investments	3,844	19,986	11,666	19,986	48,100
Net cash provided by (used in) investing activities	(762)	13,299	2,343	(32,121)	(22,824)
Cash flows from financing activities:					
Proceeds from exercise of options	-	73	-	76	260
Repayment of long-term loans from banks and others	-	(4,874)	-	(11,749)	(29,834)
Short-term bank credit, net	(396)	(19,907)	(37)	(23,708)	(22,440)
Distributions to minority interest	-	(21)	-	(29)	(88)
Treasury shares purchased	(36)	(590)	(139)	(590)	(1,136)
Dividend paid	-	(3,955)	-	(3,955)	(3,955)
Net cash used in financing activities	(432)	(29,274)	(176)	(39,955)	(57,193)
Effect of exchange rate changes on cash and cash equivalents	488	2,562	(95)	9,150	6,286
Increase (decrease) in cash and cash equivalents	911	(14,852)	3,879	(73,120)	(81,281)
Cash and cash equivalents at the beginning of the period	6,233	26,278	3,265	84,546	84,546
Cash and cash equivalents at the end of the period	7,144	11,426	7,144	11,426	3,265
Non-cash transactions:					
Acquisition of business activity (Note 3)	568	-	568	-	-

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

NOTE 1 | GENERAL

a. These financial statements have been prepared in a condensed format as of June 30, 2009, and for the six and three months then ended. These financial statements are to be read in conjunction with the annual financial statements and accompanying notes of SHL Telemedicine Ltd. (“the Company”) as of December 31, 2008 (“the annual financial statements”).

b. Following are data regarding the exchange rates of the Euro, U.S. dollar and the Swiss franc:

For the period ended	Exchange rate		
	€ 1	U.S. \$ 1	CHF 1
		NIS	
June 30, 2009	5.534	3.919	3.627
June 30, 2008	5.285	3.352	3.289
December 31, 2008	5.297	3.802	3.565
Change during the period	%	%	%
June 2009 (6 months)	4.4	3.0	1.9
June 2008 (6 months)	(6.6)	(12.9)	(3.8)
June 2009 (3 months)	(0.6)	(6.4)	(1.3)
June 2008 (3 months)	(5.9)	(5.7)	(8.1)
December 2008 (12 months)	(6.4)	(1.1)	4.1

NOTE 2 | SIGNIFICANT ACCOUNTING POLICIES

The interim consolidated financial statements are prepared in accordance with the principles set forth in IAS 34 “Interim Financial Report”. The significant accounting policies and methods of measurement applied in the annual financial statements are applied consistently in these financial statements, except for the following.

IAS 1 (Revised) - Presentation of Financial Statements:

IAS 1 (Revised) introduces an additional statement, “statement of comprehensive income”. The statement may be presented as a separate statement which includes net income and all items carried in the reported period

directly to equity that do not result from transactions with the shareholders in their capacity as shareholders (other comprehensive income) such as adjustments arising from translating the financial statements of foreign operations, fair value adjustments of available-for-sale financial assets, changes in revaluation reserve of fixed assets and etc. and the tax effect of these items carried directly to equity, with allocation between the Company and the minority interests. Alternatively, the items of other comprehensive income may be displayed along with the items of the statement of income in a single statement entitled “statement of comprehensive income” which replaces the statement of income, while properly allocated between the Company and the minority interests. Items carried to equity resulting from transactions with the shareholders in their capacity as shareholders (such as capital issues, dividend distribution etc.) will be disclosed in the statement of changes in equity as will the summary line carried forward from the statement of comprehensive income, with allocation between the Company and the minority interests.

IAS 1 (Revised) also requires entities to present a balance sheet as of the beginning of the comparative period when the entity has applied an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in the annual financial statements.

The revision was adopted on January 1, 2009 with a retrospective restatement of comparative figures.

NOTE 3 | ACQUISITION OF BUSINESS ACTIVITY

On June 10, 2009, the Company entered into an agreement with Keshev Lev Ltd. (“the seller”) for the acquisition of its telemedicine subscribers.

Total consideration, to be paid in 21 monthly installments based on the present value of the actual future subscriber payments, is estimated at \$ 660 (including fixed assets, other assets and goodwill of \$ 310). Until balance sheet date, a total of \$ 90 has been paid.

NOTE 4 | SHARE OPTION PLANS

On May 12, 2009, the Board of Directors approved the grant of 68,500 options to employees, under the 2005 Share Option Plan. The weighted average fair value of options granted by the Company, in the amount of CHF 1.984, was estimated based on the following data and assumptions (weighted average): share price - CHF 6.90; exercise price - CHF 7.10; expected volatility - 55.40%; risk-free interest rate - 3.55%; expected dividend - 0%; and expected average life of options - 6 years.

NOTE 5 | TRANSACTIONS WITH RELATED PARTIES

	Three months ended		Six months ended		Year ended
	June 30,		June 30,		December 31,
	2009	2008	2009	2008	2008
	Unaudited				Audited
	U.S. Dollars in thousands				
Revenues	1,384	1,720	2,982	3,305	6,972
Rent expense to shareholders	62	43	123	74	198
Compensation of key management personnel:					
Short-term employee benefits	300	316	614	626	1,299
Share-based compensation	-	22	-	43	13
	300	338	614	669	1,312

NOTE 6 | SEGMENT INFORMATION

a. General:

The Group operates in three operating segments: Europe, United States and Israel.

Management monitors the operating results of its geographical units separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on segment profit. Group financing (including finance costs and finance income) and income taxes are managed on a group basis and are not allocated to operating segments.

b. Segments results:

1. Revenues:

	Three months ended		Six months ended		Year ended
	June 30,		June 30,		December 31,
	2009	2008	2009	2008	2008
	Unaudited				Audited
	U.S. Dollars in thousands				
Sales to external customers:					
Europe	5,109	3,803	9,375	7,227	15,812
United States	1,384	1,720	2,982	3,305	6,972
Israel	4,844	5,520	9,678	10,909	21,770
	11,337	11,043	22,035	21,441	44,554
Intersegment sales:					
Europe	632	185	1,352	297	1,186
Israel	1,553	676	2,851	1,221	3,018
	2,185	861	4,203	1,518	4,204
Total revenues	13,522	11,904	26,238	22,959	48,758
Adjustments	(2,185)	(861)	(4,203)	(1,518)	(4,204)
Total revenues in financial statements	11,337	11,043	22,035	21,441	44,554

2. Segment profit:

	Three months ended		Six months ended		Year ended
	June 30,		June 30,		December 31,
	2009	2008	2009	2008	2008
	Unaudited				Audited
	U.S. Dollars in thousands				
Europe	963	168	1,636	(3)	1,659
United States	1,350	1,560	2,833	2,992	6,305
Israel	833	598	1,526	1,655	2,777
	3,146	2,326	5,995	4,644	10,741
Corporate and R&D expense	(1,374)	(1,332)	(2,738)	(2,987)	(6,499)
Financial income (expenses), net	121	441	515	(3,219)	(4,410)
Other expenses, net	(62)	(483)	(62)	(439)	(1,062)
Profit (loss) before taxes on income	1,831	952	3,710	(2,001)	(1,230)

Information for investors

SHL TeleMedicine: profile

SHL Telemedicine Ltd. specializes in developing and marketing advanced personal tele-medicine systems as well as providing comprehensive telemedicine solutions including medical call centers, to individuals and to the healthcare community. As a leading provider of remote health services in cardiology and in other medical areas, SHL maintains business operations in Europe, mainly through SHL Telemizin in Germany, its wholly owned subsidiary, and at its home market in Israel. In the US, SHL's telemedicine products are distributed by Philips Healthcare. SHL is listed on the SIX Swiss Exchange (SHLTN, ISIN: IL0010855885, Security No.: 1128957). More information available at: www.shl-telemedicine.com.

Capital structure

The issued share capital is divided into 10,734,095 registered shares with a par value of NIS 0.01 each

Significant shareholders'

Royal Philips Electronics	18.88%
Alroy Group	18.82%
Tower Holdings B.V.	14.41%
G.Z. Asset and Management Ltd.	8.79%
Public	39.1%

The above table of Significant Shareholders reflects actual holdings in accordance with the SAG Register as of June 30, 2009, after deducting from the total number of shares outstanding 249,553 Ordinary Shares held by SHL, and does not reflect holdings on a fully diluted basis.

SHL Telemedicine: share-price development

SHL TELEMEDICINE R
as of 24-Jul-2009



Statistics on SHL Telemedicine as at June 30, 2009

Registered shares with a par value of NIS 0.01 each

Securities number	1128957
Number of shares	10,734,095
Market price high/low (CHF)	7.20/4.72
Market capitalization high/low (CHF million)	77.3/50.7
Market capitalization 30/6/2009 (CHF million)	70.0
Share capital – nominal value (NIS)	107,340
Majority interests	60.9%

Listing

All SHL shares are listed on SWX Swiss Exchange

Ticker symbol:	SHLTN
Currency:	CHF
Listing date:	November 15, 2000

Investor relations

SHL Telemedicine Ltd.

Erez Alroy, Co-CEO

Eran Antebi, CFO

90 Igal Alon St., Tel Aviv 67891, Israel

Tel. ++972 3 561 2212

Fax: ++972 3 624 2414

Email: ereza@shl-telemedicine.com

Email: erana@shl-telemedicine.com

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