

Cardiac Science Corporation Files Chapter 11 Petition to Facilitate Debt Restructuring

Business Operations to Remain Normal and Uninterrupted

WAUKESHA, Wis., October 20, 2015 – Cardiac Science Corporation today announced that it filed a voluntary petition under Chapter 11 of the United States Bankruptcy Code. This filing, initiated by the company’s new board of directors and leadership team, will realign the Cardiac Science business operations, restructure its debt and facilitate the sale of its business as a going concern. The Company intends to work with its constituencies to exit bankruptcy as expeditiously as possible, while consummating a going-concern sale.

The Company’s existing secured lender has agreed to provide, subject to approval of the Bankruptcy Court, debtor-in-possession financing so business operations will continue and will not be interrupted. This funding, as well as projected cash flow from operations, will be more than sufficient to fund Cardiac Science’s operations during the bankruptcy process, and customers and vendors should expect no material impact on day-to-day operations or interactions with the Company.

Cardiac Science also filed a motion seeking authorization to pursue a sale process under Section 363 of the U.S. Bankruptcy Code. To this end, Cardiac Science plans to enter into an acquisition agreement with its secured lender as stalking horse bidder, a draft of which was submitted to the Court today. In accordance with the sale process under Section 363 of the Bankruptcy Code, notice of the pending sale will be given to third parties and competing bids will be solicited and evaluated.

“The path forward we are announcing and the pleadings we have filed today will strengthen our balance sheet, and provide maximum continuity in the Company’s current operations while enabling future growth,” stated Al Ford, Cardiac Science Senior Vice President and General Manager. “During the bankruptcy it will be business as usual for us. We will continue to provide the world-class Powerheart® AEDs, batteries, pads and other accessories required by our customers to enable first responders to increase sudden cardiac arrest (SCA) survival. We will also continue to train, support and service our Rescue Ready® AED management customers. Filing for Chapter 11 allows Cardiac Science to continue operating our business without interruption while conducting a sale in a controlled, court-supervised environment. Cardiac Science plans to utilize the Chapter 11 process to reduce its debt and streamline its operations.”





As a routine matter, Cardiac Science has asked the Court for authorization to continue paying employee wages and salaries and to provide employee benefits without interruption, and expects the Court to grant that request.

During the Chapter 11 process, vendors will be paid for post-petition purchases of goods and services in the ordinary course of business. The Company has also asked for Court permission to continue to honor its current customer policies so that the Chapter 11 process will have no impact on the Company's customers. Courts typically grant such requests and Cardiac Science expects that the Court will do so in this instance.

Ford added, "I would like to thank our customers and vendors for their continued support in the past and during this process. Our future is bright—we have an industry leading product portfolio, dedicated people and loyal partners. The Cardiac Science management team is committed to making this financial restructuring successful. We are confident that Cardiac Science will emerge from this process quickly as a stronger company."

The Company filed its voluntary Chapter 11 petitions in the United States Bankruptcy Court for the Western District of Wisconsin. The main case has been assigned case number 15-13766. Additional information about the Cardiac Science restructuring is available at the Company website www.cardiacscience.com/restructuring or via the Company's restructuring information line, (855) 907-3141 (toll free in US & Canada) or (614) 779-0361. For access to court documents and other general information about the Chapter 11 case, please visit www.gardencitygroup.com/cases/CardiacScienceRestructuring.

About Cardiac Science Corporation

Cardiac Science Corporation develops, manufactures, and markets automated external defibrillators (AEDs), and provides a portfolio of training, maintenance, and support services for AEDs. Cardiac Science is headquartered in Waukesha, Wisconsin. With customers in almost 100 countries worldwide, the company has operations in North America and Europe. For information, call 1.800.426.0337 or visit www.cardiacscience.com.

Chapter 11 restructuring information

On October 19, 2015, Cardiac Science Corporation (the "Company") filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the "Chapter 11 Case") in the United States Bankruptcy Court for the Western District of Wisconsin (the "Bankruptcy Court"). This Chapter 11 Case number 15-13766 has been assigned to the Honorable Robert D. Martin. The Company's affiliates were not included in the Chapter 11 filing and will not be subject to the requirements of the U.S. Bankruptcy Code. The Company expects U.S. operations will continue without interruption during the restructuring process.



Copies of the voluntary petition and the first day pleadings filed in this Chapter 11 Case is available on the case administration website at www.gardencitygroup.com/cases/CardiacScienceRestructuring. Please continue to visit the website for periodic updates.

Forward-Looking Statements

This press release, as well as other statements made by Cardiac Science, may contain forward-looking statements within the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995 that reflect, when made, the Company’s current views with respect to current events and financial performance. Such forward-looking statements are and will be, as the case may be, subject to many risks, uncertainties and factors relating to the Company’s operations and business environment, which may cause the actual results of the Company to be materially different from any future results, express or implied, by such forward-looking statements. Factors that could cause actual results to differ materially from these forward-looking statements include, but are not limited to, the following: (i) the ability of the Company to continue as a going concern; (ii) the Company’s ability to obtain court approval with respect to motions in the Chapter 11 proceeding prosecuted by it from time to time; (iii) the ability of the Company to develop, prosecute, confirm and consummate one or more sale motions or plans of reorganization with respect to the Chapter 11 cases; (iv) risks associated with third parties seeking and obtaining court approval to terminate or shorten the exclusivity period for the Company to propose and confirm one or more plans of reorganization, for the appointment of a Chapter 11 trustee or to convert the cases to Chapter 7 cases; (v) the ability of the Company to obtain and maintain normal terms with vendors and service providers; (vi) the Company’s ability to maintain contracts and leases that are critical to its operations; (vii) the potential adverse impact of the Chapter 11 cases on the Company’s liquidity or results of operations; (viii) the ability of the Company to execute its business plans and strategy; (ix) the ability of the Company to attract, motivate and/or retain key executives and associates; (x) general economic or business conditions affecting the radio broadcasting industry, either nationally or regionally, being less favorable than expected; and (xi) increased competition in the radio broadcasting industry. Other risk factors are listed from time to time in the Company’s United States Securities and Exchange Commission reports, including but not limited to the Annual Report on Form 10-K for the year ended December 31, 2008. Cardiac Science disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events and/or otherwise.

Similarly, these and other factors, including the terms of any plan of reorganization ultimately confirmed, can affect the value of the Company’s various pre-petition liabilities, common stock and/or other equity securities. Additionally, no assurance can be given as to what values, if any, will be ascribed in the bankruptcy proceedings to each of these constituencies. A plan or plans of reorganization could result in holders of Cardiac Science’s common stock or other equity interests and





claims relating to pre-petition liabilities receiving no distribution on account of their interest and cancellation of their interests and their claims and cancellation of their claims. Under certain conditions specified in the Bankruptcy Code, a plan of reorganization may be confirmed notwithstanding its rejection by an impaired class of creditors or equity holders and notwithstanding the fact that certain creditors or equity holders do not receive or retain property on account of their claims or equity interests under the plan. In light of the foregoing, the Company considers the value of the common stock and claims to be highly speculative and cautions equity holders that the stock and creditors that the claims may ultimately be determined to have no value. Accordingly, the Company urges that appropriate caution be exercised with respect to existing and future investments in Cardiac Science common stock or other equity interest or any claims relating to pre-petition liabilities.

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