

Press Release



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LifeWatch Files Motion to Dismiss *Qui Tam* Action

Neuhausen am Rheinfall, Switzerland, March 23, 2015 – LifeWatch AG (SIX Swiss Exchange: LIFE), a market leader in the development and sale of digital health solutions primarily for remote cardiac monitoring and sleep apnea diagnostics, reports that on December 31, 2014, its U.S. subsidiary, LifeWatch Services, Inc., was served with a *qui tam* (“whistleblower”) complaint under the U.S. Federal False Claims Act and a number of parallel state laws. The matter, which was initially filed in May of 2013, remained concealed from the Company and the public under special laws for *qui tam* actions until it was unsealed by the court in December 2014. The Complaint contains allegations related to billing processes for clinical services provided offshore. Both the United States Federal Government and the State of Texas declined to participate in the lawsuit. On March 20, 2015, the Company - after careful evaluation of the procedural options - filed a Motion to Dismiss the Complaint. While LifeWatch intends to vigorously defend the lawsuit with the help of its lawyers, the Company itself remains fully focused on its mission to provide high quality services to all patients. The Company is also aware of applicable laws and regulations, has a comprehensive compliance program and strives for full compliance with all applicable laws and regulations being a crucial part of its corporate policy.

At this time, consistent with internal policy not to comment on ongoing court proceedings, no further details can be provided.

For Questions:

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About LifeWatch AG:

LifeWatch AG, headquartered in Neuhausen am Rheinfall and listed on SIX Swiss Exchange (LIFE) in Switzerland, is a leading provider of digital health systems and wireless telemetry monitoring services. The LifeWatch services deliver important information to doctors for appropriate treatment of their patients and better treatment results. LifeWatch has operative subsidiaries in the USA, Switzerland, Macedonia and Israel and is the parent concern for LifeWatch Services, Inc. and LifeWatch Technologies, Ltd. LifeWatch Services, Inc. is a leading US provider of cardiac monitoring services as well as sleep analysis for the diagnosis of obstructive sleep apnoea syndromes (OSAS). LifeWatch Technologies, Ltd. in Israel is a leading developer and producer of digital health products. For further information, see www.lifewatch.com.

E-Mail Alert: In order to receive regular information and updates on LifeWatch, please register at: <http://www.irlifewatch.com/alert-service.aspx>.

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