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Whistleblower case settled

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Zug/Switzerland – LifeWatch AG (SIX Swiss Exchange: LIFE), a leading developer and provider of medical solutions and remote diagnostic monitoring services in the digital health market, is pleased to announce that the federal claims in the *qui tam* (“whistleblower”), case brought, in part, on behalf of the federal government payors, Medicare, TriCare and Veterans Administration have been dismissed with prejudice.

LifeWatch Services, Inc., the U.S. subsidiary of LifeWatch AG, was sued in a *qui tam*, action in May of 2013. As previously communicated last June, the Relator and LifeWatch settled the case for USD \$12.75 million pending final approval by the United States Federal Government. All federal government approvals have been received and payments all have now been made. Consequently, on March 6, 2017, the federal court entered an order dismissing, with prejudice, all claims for these federal healthcare programs.

Additionally, settlement of the dispute regarding the Medicaid programs for four remaining states has been agreed to, in principle, totaling approximately USD \$50,000 to be paid out of the same agreed settlement amount. The settlements with these states should be completed in approximately six weeks.

LifeWatch is pleased to place this matter behind it and focus on a strong 2017.

About LifeWatch AG

LifeWatch AG, headquartered in Zug and listed on SIX Swiss Exchange (LIFE), Switzerland, is a leading healthcare technology and solution company, specializing in advanced digital health systems and wireless remote diagnostic patient monitoring services. LifeWatch's services provide physicians with critical information to determine appropriate treatment and thereby improve patient outcomes. LifeWatch AG has operative subsidiaries in the United States, in Switzerland and in Israel, and is the parent company of LifeWatch Services Inc., and LifeWatch Technologies, Ltd. LifeWatch Services, Inc. is a leading U.S.-based provider of cardiac monitoring services. LifeWatch Technologies Ltd., based in Israel, is a leading developer and manufacturer of telemedicine products. For additional information, please visit www.lifewatch.com.

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