



LifeWatch AG
Baarerstrasse 139
CH-6300 Zug, Switzerland
www.lifewatch.com

For further questions:

LifeWatch AG
Andrew Moore, CFO
c/o Dynamics Group
Doris Rudischhauser
Phone +41 43 268 32 32
Mobile +41 79 410 81 88
investor-relations@lifewatch.com

LifeWatch will withdraw from the INR market

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, announces its decision to cease offering remote patient monitoring services in the area of INR coagulation measurement.

LifeWatch Services, Inc., the US subsidiary of LifeWatch AG, entered into a Stock Purchase Agreement (SPA) in November 2015 for the purchase of Flexlife Health, Inc., a company offering patients the ability to use web-based technology to transfer INR data and receive feedback from their physician. LifeWatch today announces its decision to withdraw from the INR market for commercial business reasons effective February 20, 2017.

The sellers of Flexlife initiated an arbitration action against LifeWatch on January 5, 2017, seeking USD 5.5 million in liquidated damages for an alleged default on the terms of the SPA. LifeWatch steadfastly denies having defaulted on the SPA and intends to vigorously defend its decision to withdraw from the INR market. LifeWatch is also exploring all options in regard to its response to the arbitration action, including bringing its own counterclaims against the sellers.

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 manufacturer of wireless digital health products. For additional information, please visit **www.lifewatch.com**.

Sign up for customized e-mail alerts and documentation requests at http://www.irlifewatch.com/websites/lifewatch_ir/English/9510/alert-service.html

This press release includes forward-looking statements. All statements other than statements of historical facts contained in this press release, including statements regarding future results of operations and financial position, the business strategy, and plans and objectives for future operations, are forward-looking statements. The words "believe," "may," "will," "estimate," "continue," "anticipate," "intend," "expect" and similar expressions are intended to identify forward-looking statements. LifeWatch AG has based these forward-looking statements largely on current expectations and projections about future events and financial trends that it believes may affect the financial condition, results of operations, business strategy, short-term and long-term business operations and objectives, and financial needs. These forward-looking statements are subject to a number of risks, uncertainties and assumptions. In light of these risks, uncertainties and assumptions, the forward-looking events and circumstances described may not occur and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements. All forward-looking statements are based only on data available to LifeWatch AG at the time of the issue of this press release. LifeWatch AG does not undertake any obligation to update any forward-looking statements contained in this press release as a result of new information, future events or otherwise.

THIS PRESS RELEASE IS NOT BEING ISSUED IN THE UNITED STATES OF AMERICA AND MUST NOT BE DISTRIBUTED TO UNITED STATES PERSONS OR PUBLICATIONS WITH A GENERAL CIRCULATION IN THE UNITED STATES. THIS PRESS RELEASE DOES NOT CONSTITUTE AN OFFER OF SECURITIES OF LIFEWATCH AG OR ANY OF ITS SUBSIDIARIES FOR SALE IN THE UNITED STATES, OR AN INVITATION TO SUBSCRIBE FOR OR PURCHASE ANY SECURITIES OF LIFEWATCH AG OR ITS SUBSIDIARIES IN THE UNITED STATES. IN ADDITION, THE SECURITIES OF LIFEWATCH AG AND ITS SUBSIDIARIES HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE UNITED STATES OR TO U.S. PERSONS ABSENT FROM REGISTRATION UNDER OR AN APPLICABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE UNITED STATES SECURITIES LAWS.