Press Release

May 2, 2012



Rundbuckstrasse 6 CH – 8212 Neuhausen am Rheinfall / Switzerland www.lifewatch.com

LifeWatch contracts with an additional 41 Payors for ACT and Home Sleep Testing in Q1 2012

Neuhausen am Rheinfall / Switzerland – LifeWatch AG (SIX Swiss Exchange: LIFE), the leading wireless remote cardiac and medical patient monitoring service provider in the U.S., announced today that it has contracted with 20 new providers for its ACT Ambulatory Cardiac Telemetry services and a further 21 new providers for its Home Sleep testing services during the first quarter of 2012. Collectively, the new agreements represent over 71 million covered lives.

LifeWatch continues its vigorous pursuit to increase its portfolio of contracted payors across the nation for all of its service lines. Of notable mention are the following contracts completed in Q1 2012:

- United HealthCare (UHC) and all of its affiliates: Completed a major new follow-on national agreement as an In-Network Preferred Provider providing coverage of our standard cardiac event monitoring and home sleep testing services to approximately 70 million members. Specifically and importantly this contract added the availability of LifeWatch's NiteWatch home sleep test to the UHC nationwide network of 595,000 physicians and other health care professionals. LifeWatch is also the sole In-Network provider for UHC's Medicare members for ambulatory cardiac telemetry (ACT).
- **Prime/NAMM**: Contracted for cardiac monitoring services including ACT to their 205,000 members. NAMM develops and manages provider networks in California, with a client network of over 600 primary care physicians, 1,200 specialists and premier hospitals.
- **Dimension Health PPO**: Contracted with South Florida's largest Preferred Provider Organization (PPO) Network for Home Sleep Test services for covering approximately 400,000 lives. Dimension Health is a high quality, cost effective, community based network that insurers, employers, unions and government sponsored health programs provide to their employees.
- Fidelis Care of NY: Contracted for all LifeWatch service lines to provide coverage to its more than 725,000 Managed Medicaid and dual-eligible Medicare enrollees in 58 counties, making them the largest government programs-based health insurance company in New York State.

"LifeWatch continues to prove to providers the value of our cost effective health monitoring services," stated Dr. Yacov Geva, Chairman and CEO of LifeWatch AG, which is the parent company of LifeWatch Services, Inc. "These new contracts corroborate our momentum in obtaining important coverage and payment contracts and that the market is starting to shift from Sleep Labs to the more cost effective non-attended home sleep testing".

For further information, please contact:

Sensus Investor and Public Relations GmbH, Zürich: Tel +41 43 366 55 11 | Fax +41 43 366 55 12 | Email <u>lifewatch@sensus.ch</u>

About LifeWatch AG

LifeWatch AG, headquartered in Neuhausen am Rheinfall and listed on SIX Swiss Exchange (LIFE), Switzerland, is the leading healthcare technology and solution company, specializing in advanced telehealth systems and wireless remote patient monitoring services. LifeWatch services cater to individuals, ranging from high-risk and chronically ill patients, to consumers of health and wellness products. LifeWatch has subsidiaries in the United States, the Netherlands, Japan, the United Kingdom, Switzerland and Israel. LifeWatch AG is the parent company of LifeWatch Services Inc., a leading US-based cardiac monitoring service provider, and manufacturer of telecardiology products. LifeWatch is also introducing a new program for Home Sleep Testing of Obstructive Sleep Apnea (OSA) patients under the brand name NiteWatch. For additional information, please visit www.lifewatch.com.

Sign-up for customized E-mail alerts and documentation requests is available at http://production.investis.com/lifewatch/alert-service/

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, 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. Life-Watch 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 SHOULD NOT BE DISTRIBUTED TO UNITED STATES PERSONS OR PUBLICATIONS WITH A GENERAL CIRCU-LATION 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 REGISTRATION UNDER OR AN APPLICABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE UNITED STATES SECURITIES LAWS. ANY PUBLIC OFFERING OF SECURITIES TO BE MADE IN THE UNITED STATES WILL BE MADE BY MEANS OF A PROSPECTUS THAT MAY BE OBTAINED FROM LIFEWATCH AG OR ITS SUBSIDIARIES, AS APPLICABLE, AND WILL CONTAIN DETAILED INFORMATION ABOUT THE ISSUER AND ITS MANAGEMENT AS WELL AS FINAN-CIAL STATEMENTS OF THE ISSUER.