

# Press Release

May 14, 2013

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## LifeWatch with solid first quarter 2013 results on track

- Improved revenues of USD 21.02 million in Q1 2013
- Improved EBIT of USD 1.17 million and EBITDA of USD 1.95 million
- Improved gross margin of 59.1%
- Improved cash flow position in Q1 2013

## International analyst and media conference and audio web cast on LifeWatch Q1 2013 results

- Tuesday, May 14, 2013 at 10.00 a.m. CEST
- Dial-in number: + 41 (0)58 310 50 00 (Europe), + 44 (0)203 059 58 62 (UK),
- +1 (1)631 570 56 13 (USA)
- Audio web cast <http://services.choruscall.eu/links/lifewatch130514.html>

**Neuhausen am Rheinfall/Switzerland – LifeWatch AG (SIX Swiss Exchange: LIFE), the leading provider of wireless telemedicine, today announces the results for the first quarter 2013. The Company improves its operating profit on EBIT and EBITDA level and shows again a net profit.**

### First Quarter 2013 Financial Highlights:

- Revenues of USD 21.02 million compared with USD 20.07 million in Q4 2012
- Gross margin improved to 59.1% compared with 56.6% in Q4 2012
- EBIT improved to USD 1.17 million compared with USD 0.65 million in Q4 2012
- EBITDA increased to USD 1.95 million compared with USD 1.57 million in Q4 2012
- Net profit of USD 0.14 million compared with USD 0.47 million in Q4 2012
- Cash from operations were USD 5.04 million compared with USD 1.13 million cash used in operations in Q4 2012

In March 2013, the Company announced that its Board member Kenneth Melani will take the Chair of the Board of Directors subject to his re-election at the upcoming ordinary shareholder meeting on May 29, 2013. Long-time Chairman and Chief Executive Officer of LifeWatch AG, Dr. Yacov Geva, will continue to act as the Corporate CEO in order to grow the existing and future business

of the Company. The candidature of John Paul announced by the Board of Directors on May 2, 2013, has been withdrawn short-term by personal reasons.

### **Revenues**

Revenues in Q1 of 2013 were USD 21.02 million, compared with Q4 2012 revenues of USD 20.07 million. Total monitoring revenues from LifeWatch Services grew by 6.3% compared with Q4 2012 revenues.

### **Gross Profit, EBIT and EBITDA**

- Gross profit improved this quarter and reached USD 12.42 million with a margin of 59.1%, compared with USD 11.36 million and a margin of 56.6% in Q4 2012.
- EBIT this quarter improved to USD 1.17 million or 5.6% of revenues, compared with EBIT of USD 0.65 million with a margin of 3.2% reported in Q4 2012.
- EBITDA also improved in Q1 2013, reaching USD 1.95 million and a margin of 9.3%, compared with EBITDA of USD 1.57 million and a margin of 7.8% reported in Q4 2012.

### **Net Income**

Net income in Q1 2013 was USD 0.14 million and a margin of 0.6%, compared with net income of USD 0.47 million with a margin of 2.3% in Q4 2012. Fully diluted earnings per share reached USD 0.01 in Q1 2013, compared with fully diluted earnings per share of USD 0.03 in Q4 2012.

### **Outlook 2013**

The company remains focused on improving revenues and profitability. Our improved Q1 2013 results demonstrate our commitment to our shareholders, and we are certain that the new product and service pipeline will provide us with additional opportunities in diverse geographies and consumer markets.

### **For further information please contact:**

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### **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 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 US-based provider of cardiac monitoring services and home sleep testing of Obstructive Sleep Apnea (OSA). LifeWatch Technologies Ltd., based in Israel, is a leading developer and manufacturer of telemedicine products. The Company is planning to introduce the LifeWatch V, an Android-based smartphone with medical sensors and apps that uses a cloud-based service platform. For additional information, please visit [www.lifewatch.com](http://www.lifewatch.com).

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

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