

EANS-Adhoc: Invitation to the Ordinary General Meeting of Shareholders of LifeWatch Ltd., Neuhausen am Rheinfall on June 28, 2012 at 09:30 a.m. (doors open at 09:00 a.m.) at TECHNOPARK Zurich, Technoparkstrasse 1, 8005 Zurich (with document)

ad-hoc disclosure transmitted by euro adhoc with the aim of a Europe-wide distribution. The issuer is solely responsible for the content of this announcement.

25.05.2012

You will find a PDF-version of this press release at the end of this message.

Agenda and Motions of the Board of Directors:

1. Approval of the Annual Report, Statutory Annual Financial Statements and Consolidated Financial Statements 2011

The Board of Directors proposes to approve the Annual Report, the Statutory Annual Financial Statements and the Consolidated Financial Statements as of December 31, 2011.

Pursuant to the corporate tax reform II (capital contribution principle Article 5 (1bis) of the Withholding Tax Act) which took effect on January 1, 2011, distributions out of capital contribution reserves can be paid out to shareholders exempt from taxation in future business years.

The Swiss federal tax administration generally requires such amounts to be listed as separate balance sheet items in the annual financial statements of the year 2011 at the latest (Circular no. 29 of the Federal tax administration on the capital contribution principle). The annual report 2011 meets these requirements. The corresponding amount was transferred from the balance sheet item "general legal reserves" to the new position "reserves from capital contributions" and will be listed separately starting with the Statutory Annual Financial Statements per December 31, 2011.

The decision by the Swiss federal tax administration as to the amount of capital contributions is not yet available.

2. Allocation of Balance Sheet Result

The Board of Directors proposes to carry forward the profit as follows:

Balance 2010 carried forward	CHF	32,772,679.00;
Loss for the year 2011	CHF	-18,808,844.00;
Transfer to reserve for treasury stock	CHF	1,904,978.00;
Balance available for the general meeting of shareholders	CHF	15,868,813.00;
Balance to be carried forward	CHF	15,868,813.00;

3. Grant Discharge to the members of the Board of Directors and members of the Executive Board

The Board of Directors proposes to grant discharge to the members of the Board of Directors and to the members of the Executive Board for the Financial Year 2011.

4. Re-election of the current five members of the Board of Directors

The Board of Directors proposes to re-elect Dr. Yacov Geva, Urs Wettstein, Gregory Henry Volkart, Dr. Abraham Sartani and Jürg Stahl as members of the Board of Directors for a term of office of one year.

5. Election of one (1) new member of the Board of Directors

Well after the expiry of the period to request for an addition to the agenda of the General Meeting of the shareholders referred to in articles 11 para. 2 of the Articles of Association, the Board of Directors has received a letter from a group of shareholders requesting a majority representation on the Board of Directors. Pursuant to the official notification the group of shareholders consists of 5 direct shareholders and 7 individuals that beneficially own or control the direct shareholders and this group of shareholders is represented by Patrick Schildknecht and Martin Eberhard. On 15 May 2012, the group of shareholders has disclosed a participation in the share capital of LifeWatch of 17.7%.

According to the regulations of ad hoc publicity the Company has informed its shareholders and the market shortly before the publication and dispatch of this invitation for the General Meeting of shareholders.

The Board is convinced that the approach chosen by the group of shareholders does not comply with principles of good corporate governance and it is also hard to see the legitimate reasons for this group of shareholders holding an interest of 17.7% to claim a majority representation on the Board. The Board of Directors has explained its position in a more detailed letter to the shareholders of LifeWatch that is being sent together with the invitation for the General Meeting.

However, the Board of Directors welcomes an appropriate representation of the group of shareholders in the Board of Directors corresponding to its disclosed participation (i.e. one Board member), but the group of shareholders has not named a specific person for election to the Board of Directors so far. Therefore, the Board of Directors was not able to assess the suitability of the intended representative in the Board of Directors until the publication of the invitation for this General Meeting of the shareholders. Nor has the Board of Directors been able to clarify the legal framework for such representation of the group of shareholders in the Board of Directors in order to ensure equal treatment of shareholders and avoid the use of privileged information for trading in the shares of the Company (i.e. agree on the permitted flow of information to the represented group of shareholders and compliance with the Company's policies for insider dealing and disclosure of management transactions). The clarification of both aspects, however, is a pre-requisite for the Board of Directors to resolve on a motion under this agenda item.

The Board of Directors has the intention to clarify the open issues regarding the election of one representative of the group of shareholders in a timely manner so that shareholders who do not personally attend the General Meeting will have the relevant information when granting the proxy.

6. Election of the Statutory Auditors

The Board of Directors proposes to re-elect PricewaterhouseCoopers AG, Zurich, as statutory auditors for the financial year 2012.

The Annual Report, the Statutory Annual Financial Statements and the Consolidated Financial Statements, the Reports of the Auditors as well as the Minutes of the Ordinary General Meeting of May 25, 2011 are at the shareholders' disposal. Upon request, a shareholder may receive a copy of the Annual Report or of the other documents mentioned above, from the Company. Since April 30, 2012, the Annual Report 2011 can be downloaded from the Company's website www.lifewatch.com.

Shareholders registered in the Company's shareholders' register before May 31,

2012, which is the first day of the closing period of the share register, will receive an invitation including a reply and a proxy form (invitation/power of attorney to the Ordinary General Meeting). Shareholders will receive an admission card provided that they request one by using their reply form. Shareholders may also obtain admission cards at the admission desk opening half an hour prior to the Ordinary General Meeting upon presentation of the reply form.

The shareholders' register will be closed as of May 31, 2012 until and including June 28, 2012. During this period, no modifications to the share register will take place. A Shareholder who is unable to attend the Ordinary General Meeting may vote by appointing a third party as his or her proxy. This person does not need to be a shareholder. In this case, the shareholder shall request an admission card and forward it duly filled-out and signed to the proxy.

Alternatively, a shareholder may also instruct the independent proxy pursuant to Art. 689c of the Swiss Code of Obligations to exercise his or her vote, by returning the filled-out and signed reply and proxy form. Unless otherwise noted by written instruction, the independent proxy will approve the motions of the Board of Directors. If a shareholder wishes to give instructions as to the vote to be exercised, he or she may instruct the independent proxy accordingly.

In the event that proxies are issued to the Company, the vote will be counted as having approved the motion of the Board of Directors. In the latter two cases, no admission card has to be requested, the return of the filled-out and signed reply and proxy form is sufficient. If a shareholder would like to appoint his or her custodian bank as proxy, he or she is kindly requested to ask for an admission card and then to forward the admission card duly filled-out and signed to the representative of the custodian bank.

Proxies of deposited shares pursuant to Art. 689d of the Swiss Code of Obligations are kindly requested to inform ShareCommService AG, Europa-Strasse 29, CH-8152 Glattbrugg, of the number, type and par value of the shares they wish to represent as soon as possible but no later than at the door opening on the date of the Ordinary General Meeting of the Shareholders. Institutions subject to the Federal Law on Banks and Savings Banks dated November 8, 1934, and as amended from time to time, as well as professional asset managers qualify as proxy holders of deposited shares.

About LifeWatch AG:

LifeWatch AG, headquartered in Neuhausen am Rheinfall, Switzerland and listed on

SIX Swiss Exchange (LIFE), is the leading healthcare technology and solutions company, specializing in advanced telemedicine systems and wireless remote patient monitoring services. LifeWatch provides services to high-risk and chronically ill patients, health conscious consumers and wellness programs. 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 wireless remote telemedicine provider. LifeWatch services include Home Sleep Testing for Obstructive Sleep Apnea 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. 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 SHOULD 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 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 FINANCIAL STATEMENTS OF THE ISSUER.

Further inquiry note:

Sensus Investor and Public Relations GmbH, Zürich:

Tel +41 43 366 55 11 | Fax +41 43 366 55 12

Email lifewatch@sensus.ch

end of announcement

euro adhoc

Attachments with Announcement:

<http://resources.euroadhoc.com/us/6PEp8eVI>

issuer: LifeWatch AG
Rundbuckstrasse 6
CH-8212 Neuhausen am Rheinfall
phone: +41 52 632 00 50
FAX: +41 52 632 00 51
mail: users@lifewatch.com
WWW: www.lifewatch.com
sector: Healthcare Providers
ISIN: CH0012815459
indexes: SPI, SPIEX
stockmarkets: free trade: Berlin, Open Market / XETRA: Frankfurt, Main Standard:
SIX Swiss Exchange
language: English

Digitale Pressemappe: http://www.ots.at/pressemappe/EASY_100017242/aom

*** OTS-ORIGINALTEXT PRESSEAUSSENDUNG UNTER AUSSCHLIESSLICHER
INHALTLICHER VERANTWORTUNG DES AUSSENDERS - WWW.OTS.AT ***

OTE0002 2012-05-25/06:58

250658 Mai 12

Link zur Aussendung:

http://www.ots.at/presseaussendung/OTE_20120525_OTE0002