Complementary Summary of Q4 2015 Financial Results

February 4, 2016

This complementary summary of financial results will include forward-looking statements subject to risks, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied. For a more detailed description of the risks that impact these forward-looking statements, please refer to the information in our press release today, in the Omnicell annual report on Form 10-K filed with the SEC on March 30, 2015, and in other more recent reports filed with the SEC. Please be aware that you should not place undue reliance on any forward-looking statements made today.

Business Update

We will first cover an update on our business today then cover our results for 2015 and our guidance for 2016. Following our prepared remarks we will take your questions. Our fourth quarter and total year financial results are as usual included in our earnings announcement which was released earlier today and is posted in the "Investor Relations" section of our Web site at www.omnicell.com.

We are excited to review our fourth quarter and total year results as well as our expectations for 2016 including the Aesynt business that we acquired on January 5, 2016.

We are proud of our performance in the fourth quarter and 2015 overall, and of our consistent track record over the past several years.

The full year of 2015 was a Company record for bookings, the annualized new and competitive conversions rate, revenues, and earnings. For the fourth quarter, we exceeded our revenue guidance with record quarterly revenue of $130.3 million. Together with good cost execution this revenue strength resulted in record non-GAAP EPS of $0.40, above analyst expectations.

Total fiscal year bookings ended at $392.3 million, slightly below our bookings guidance. We saw very strong momentum in bookings at the end of the quarter continuing into 1Q16.

We finished 2015 with the highest ever annualized New and Competitive conversions rate of 41% of bookings. This is a great indicator of the strength of the business. Over three quarters of those were competitive conversions and the remainder were from Greenfield customers who have never automated before.

For ten consecutive years now we have received the top honors from KLAS, the prestigious third party rating organization. For eleven consecutive years we have increased our market share and gained new thought leader customers every quarter. Together with our customers, we are consistently delivering state of the art medication management and workflow efficiency for caregivers and better healthcare for patients.

On January 5, 2016 we closed the acquisition of Aesynt. The Aesynt business, based in Cranberry Township, PA., is a leader in enterprise medication management with specific products in IV compounding, Central Pharmacy automation, Point of Care solutions, and Enterprise Software products. We had previously prepared a brief summary of the transaction which has been posted to the investor relations section of our website www.omnicell.com and has since been updated to reflect the closing of the transaction.

Summarizing the strategic rationale for this acquisition:

- The acquisition broadens our product portfolio for point of care and centralized medication management equipment and solutions and the combination provides our customers with unparalleled flexibility with the addition of new innovative products that we feel integrate well with our existing portfolio of products
- It expands our presence in hospitals by adding world leading IV Solutions and provides Omnicell with an opportunity to enter new growth markets
- It accelerates development of enterprise software and real-time analytics
- It further strengthens our continued commitment to improve patient and clinician safety and improve outcomes for patients
- The acquisition increases scale to better serve health care systems

- The combination is expected to be accretive to Non-GAAP earnings in 2016

We have started our planned integration activities in all functional areas led by a dedicated Integration Management Team on site in Cranberry PA. We are functionally integrating all teams with the exception of the IV Robotics Business Unit which is FDA governed. We have visited a significant number of Aesynt customers and the customer response to the combination has been very positive welcoming the broader product portfolio that offers healthcare systems leading medication management solutions that are scalable and customizable.

Of our three growth strategies, our first strategy of differentiated products continues to attract new customers. We continued to experience great wins and add notable customers to our Omnicell family.

In the fourth quarter we had strong momentum and some of our notable first time customer wins were the University of Kansas Medical Center and the Tripler Army Medical Center.

The University of Kansas Medical Center (KU), the region's premier academic medical center, is a 750-bed hospital, serving more than 31,000 inpatients annually. Following an extensive internal review by KU involving nursing, pharmacy and informatics, the health system will be replacing their current products with a full range of Omnicell solutions throughout their multi-center health system.

KU's decision to convert to Omnicell was based on our Unity Platform benefits as well as our interoperability with their Epic electronic healthcare record system.

We are very pleased with another important fourth quarter win in the Government segment. Ommicell was recently awarded the Point of Use Medical System for Tripler Army Medical Center, located in Hawaii. Tripler is the largest Army Health Readiness Platform in the Pacific Basin. We are proud to be a partner to this Medical Center, which today supports 264,000 local active duty and retired military personnel, their families and veteran beneficiaries.

And already early in the quarter we signed new agreements with Penn Medicine, a competitive conversion, and with the University of Wisconsin Health.

Penn Medicine, part of the University of Pennsylvania Health System, will initially convert 3 hospitals (Hospital of the University of Pennsylvania, Penn Presbyterian Medical Center and Pennsylvania Hospital) as well as 4 specialty locations to Omnicell solutions. The Hospitals of the University of Pennsylvania-Penn Presbyterian (HUP/PPMC) are ranked among the top hospitals in the United States by *U.S. News & World Report* 2015-16. Penn Medicine will be using our Unity platform throughout the entire Health System and will be implementing Epic interoperability system-wide.

Also in January Omnicell signed a multi-year agreement signed with yet another leading academic institution; the University of Wisconsin.

University of Wisconsin Health has been a historic leader in patient safety initiatives and pharmacy automation. They continue this leadership role by recommitting to their safe and efficient hybrid dispensing model utilizing AcuDose, Robot-Rx, Enterprise Medication Manager and IV Onco. The agreement encompasses replacement of their automated dispensing cabinets with new AcuDose machines, a rebuild of Robot-Rx and an investment in IV Onco to improve safety and accuracy in the compounding of hazardous IVs. This is a landmark win as UW Health is now the first major health system to commit to the full line of Omnicell's recently acquired Aesynt solutions.

Penn Medicine and the University of Wisconsin are generally recognized as leading hospital pharmacy medication management schools where the future pharmacists who are moving into hospital medication management are educated.

Our <u>second</u> strategy of expanding into new markets also fueled growth in 2015 and we believe, sets us up well for 2016 and beyond. Internationally, Omnicell is installing its first robotic dispensing system in the Middle East after winning a contract and expanding our current relationship with Hamad Medical Corporation, Qatar's premier not-for-profit health care provider.

Hamad Medical Corporation and Omnicell expect the Omnicell robotic dispensing system to be fully operational at The General Hospital, the country's main hospital, next month.

Our third strategy, of expanding our presence and relevance through acquisition, has also delivered great results with the acquisitions of Robotic Dispensing equipment business Mach4, the distributor business Avantec in the United Kingdom, and the acquisition of the Aesynt business that was announced in 2015 and closed in the first week of January this year.

We believe our hard work over the years and the execution of our three-leg strategy laid the foundation for our successes in 2015, and sets us up for continued future growth and scale. In today's evolving healthcare environment, we remain focused on our mission to change the practice of healthcare with solutions that improve patient and provider outcomes.

Financial Performance

We will now review a summary of our 4Q15 and total year 2015 financial results and our guidance for 2016.

Our 4Q15 revenues of $130.3 million were up 7.2% from the same quarter last year and up 4% sequentially. Strong demand was driven by both expansion and upgrades at existing customers, as well as by new and competitive conversion customers.

Revenue strength in the fourth quarter resulted in record revenue of $485 million for total year 2015, an increase of 10% year over year. Non-GAAP EPS of $1.33 per share for 2015 was also a record.

Earnings per share in accordance with GAAP were $0.21 in Q4 2015, which is down from $0.25 in Q4 2014. GAAP Gross margin was at 50% for the quarter.

In addition to GAAP financial results, we report our results on a Non-GAAP basis which excludes stock compensation expense and amortization of intangible assets associated with acquisitions

and one time acquisition related expenses. We use Non-GAAP financial statements in addition to GAAP financial statements because we believe it is useful for investors to understand acquisition amortization related costs and non-cash stock compensation expenses that are a component of our reported results, as well as one-time events such as the gain on Avantec investment in 2Q15 and one time acquisition related expenses. A full reconciliation of our GAAP to non-GAAP results is included in our fourth quarter earnings press release and is posted on our web site.

On a Non-GAAP basis, earnings per share were $0.40 in Q4 2015, up $0.01 from the same quarter last year. The acquisitions of Mach4 and Avantec contributed approximately $9 million of revenue and were neutral to Non-GAAP EPS in Q4 2015. Among the factors positively affecting both our GAAP and Non-GAAP results is the US Government permanent extension of the Research & Development Tax Credit in December 2015. The credit was not in our guidance and provided a $0.03 benefit to EPS in 4Q15. This benefit to the tax rate was partially offset by domestic international income tax mix.

Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization, which also excludes stock compensation amortization and the amortization of acquisition related costs, was $25.0 million for the fourth quarter of 2015, up from $23.2 million a year ago.

Our business is also reported in segments, consisting of Automation and Analytics and Medication Adherence. Automation and Analytics consists of our OmniRX automated dispensing cabinets, Anesthesia Workstations, Central Pharmacy, Omnicell Supply, Pandora Analytics and Mach4 robotic dispensing systems. Our acquisition of Avantec is also included in this segment. The Medication Adherence segment consists of all adherence package consumables, which are now branded SureMed, and equipment used by pharmacists to create adherence packages. Our acquisitions of MTS Medication Technologies and Surgichem Ltd are included in the Medication Adherence segment. As a reminder, we now report certain corporate expenses that cannot be easily applied to either segment separately.

On a segment basis, our Automation and Analytics segment contributed $105.9 million in revenue in Q4 2015, up from $98.3 million in Q4 2014, or an increase of 8%. $29.0 million GAAP operating income this quarter was flat versus the same quarter last year. $31.3 million of non-GAAP operating income in Q4 2015 compares to $30.8 million last year.

The Medication Adherence segment contributed $24.4 million of revenue to the quarter, compared to $23.2 million in Q4 2014. GAAP operating income of $1.3 million compares to $1.1 million a year ago. $2.6 million of non-GAAP operating income compares to $2.4 million of Non-GAAP operating income in Q4 a year ago.

Non-GAAP Common expenses were $13.4 million compared to $14.3 million in Q4 2014.

In 4Q15 our cash increased from $57.8 million to $82.2 million, primarily due strong operating cash flow performance.

Accounts receivable days sales outstanding were 76, down 9 days from last quarter. The decrease in DSO this quarter is a result of stronger collections as we completed implementations and increased revenue. As expected, the DSO has started to normalize after the unusually high DSO in the first half of 2015. We review the collectability of our receivables regularly and we do not believe the fluctuations in DSO are indicative of a change in our rate of bad debt. Inventories were $46.6 million, down $3 million from last quarter as a result of good inventory management. Our headcount was 1,451, up 7 from last quarter.

2016 Revenue and Profit Guidance

We recently completed the acquisition of the Aesynt business on January 5 this year and we are providing guidance on a combined basis inclusive the acquired Aesynt business.

Overall we view 2016 as a transitional and transformative year as we integrate the Aesynt business including re-alignment of the field and sales teams. Now with the combined customer base we have the opportunity for significant revenue and earnings growth for the coming years.

For 2016 we expect product bookings to be between $540 and $560 million. We expect revenue to be between $695 and $715 million in 2016. We expect 2016 Non-GAAP earnings to be between $1.50 and $1.60 per share.

We expect non-GAAP operating margins for 2016 to be approximately 12.7%.

When comparing 2016 to 2015 it is important to note a couple of items that are new for 2016:

1) For 2016 our non-GAAP expected results include around $10 million of integration expenses that we do not adjust for based on our Non-GAAP Policy. These integration costs directly impacting non-GAAP Operating margins and Non-GAAP EPS mostly consist of:
    a. retention cost,
    b. integration related IT expenses,
    c. cost related to the implementation of Sarbanes Oxley,
    d. cost related to tax restructuring,
    e. accelerated product development integration cost, and
    f. integration team and project cost.
2) In 2016 we are expecting modest first year cost synergies between $5 and $10 million. As we have demonstrated in the past we are confident to achieve our 15% Non-GAAP Operating Margin target over time after integrating the acquired business and getting full benefit of the scale of the combined business
3) Lastly, for 2016 we expect interest expense related to the Senior Secured Credit Facility used to finance the Aesynt acquisition to be around $6 million. Compared to 2015 this is a headwind to Non-GAAP EPS of around $0.10

Finally, we are assuming an annual average effective tax rate of 38% on GAAP earnings on a combined basis. This does include the benefit of the R&D tax credit impact as it has been (permanently) approved by the government.

For the first quarter of 2016 we expect revenue to be between $165 and $170 million and expected Non-GAAP EPS is between $0.25 and $0.28 per share.

Business Discussion

We had a number of great new wins and installs in 2015 and we are off to a great start in 2016.

We are looking forward to a very strong 2016 with mid double digit Bookings growth organically for the combined business. The expected reported 2016 Non-GAAP EPS growth is strong as well.

Revenue growth is more muted in this transitional and transformative year as we integrate the Aesynt business and expect modest adjustments related to sales force alignment and other integration activities. Revenue growth in this transitional year is impacted modestly as well from an initial pause by Aesynt customers who were waiting to see the acquisition close. Some of these Aesynt customers are re-papering their bookings as they now have a choice of a broader product portfolio resulting in modest bookings to revenue conversion timing delays.

We do see a great opportunity over the mid-term for the existing customer base to refresh their existing equipment with products from the combined broadened product portfolio.

We are executing our growth strategy well, delivering state of the art medication management and workflow efficiency to our customers, results for investors, and better healthcare for patients. We believe we have all the ingredients for continued long term success.

Omnicell, Inc.
Condensed Consolidated Statements of Operations
(Unaudited, in thousands, except per share data)

	Three Months Ended			Years Ended	
	December 31, 2015	September 30, 2015	December 31, 2014	December 31, 2015	December 31, 2014
Revenues:					
Product	$ 104,193	$ 100,941	$ 100,291	$ 388,397	$ 360,344
Services and other revenues	26,123	24,293	21,250	96,162	80,556
Total revenues	130,316	125,234	121,541	484,559	440,900
Cost of revenues:					
Cost of product revenues	55,099	51,700	49,005	198,418	173,419
Cost of services and other revenues	10,137	9,831	8,757	38,211	33,621
Total cost of revenues	65,236	61,531	57,762	236,629	207,040
Gross profit	65,080	63,703	63,779	247,930	233,860
Operating expenses:					
Research and development	9,219	9,176	8,132	35,160	27,802
Selling, general and administrative	43,891	40,668	42,173	167,581	156,475
Gain on business combination	—	—	—	(3,443)	—
Total operating expenses	53,110	49,844	50,305	199,298	184,277
Income from operations	11,970	13,859	13,474	48,632	49,583
Interest and other income (expense), net	(753)	(646)	(77)	(2,388)	(1,079)
Income before provision for income taxes	11,217	13,213	13,397	46,244	48,504
Provision for income taxes	3,562	5,177	4,162	15,484	17,986
Net income	$ 7,655	$ 8,036	$ 9,235	$ 30,760	$ 30,518
Net income per share:					
Basic	$ 0.22	$ 0.22	$ 0.26	$ 0.86	$ 0.86
Diluted	$ 0.21	$ 0.22	$ 0.25	$ 0.84	$ 0.83
Weighted average shares outstanding:					
Basic	35,482	35,806	35,697	35,857	35,650
Diluted	36,172	36,613	36,585	36,718	36,622

Omnicell, Inc.
Condensed Consolidated Balance Sheets
(Unaudited, in thousands)

	December 31, 2015	December 31, 2014
ASSETS		
Current assets:		
Cash and cash equivalents	$ 82,217	$ 125,888
Accounts receivable, net	107,957	82,763
Inventories	46,594	31,554
Prepaid expenses	19,586	23,518
Deferred tax assets*	—	12,446
Other current assets	7,774	7,215
Total current assets	264,128	283,384
Property and equipment, net	32,309	36,178
Long-term net investment in sales-type leases	14,484	10,848
Goodwill	147,906	122,720
Intangible assets, net	89,665	82,667
Long-term deferred tax assets	2,361	1,144
Other long-term assets	27,894	23,273
Total assets	$ 578,747	$ 560,214
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 22,646	$ 19,432
Accrued compensation	18,195	19,874
Accrued liabilities	30,133	19,299
Deferred service revenue	27,948	25,167
Deferred gross profit	25,708	28,558
Total current liabilities	124,630	112,330
Deferred service revenue, long-term	17,975	20,308
Long-term deferred tax liabilities	21,822	30,454
Other long-term liabilities	11,932	7,024
Total liabilities	176,359	170,116
Stockholders' equity:		
Total stockholders' equity	402,388	390,098
Total liabilities and stockholders' equity	$ 578,747	$ 560,214

* In Q4 2015, the Company prospectively adopted ASU No. 2015-17, which required the reclassification of deferred tax assets and liabilities from current to non-current on its Consolidated Balance Sheets.

Omnicell, Inc.
Condensed Consolidated Statements of Cash Flows
(Unaudited, in thousands)

	Years Ended	
	2015	2014
Operating Activities		
Net income	$ 30,760	$ 30,518
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	25,639	20,272
Loss on disposal of fixed assets	238	167
Impairment of equity investments	—	350
Gain on business combination	(3,443)	—
Provision for receivable allowance	354	941
Share-based compensation expense	14,921	12,785
Income tax benefits from employee stock plans	4,535	5,370
Excess tax benefits from employee stock plans	(4,724)	(5,834)
Provision for excess and obsolete inventories	369	542
Deferred income taxes	(1,092)	1,402
Changes in operating assets and liabilities:	—	—
Accounts receivable, net	(18,295)	(22,799)
Inventories	(10,401)	1,418
Prepaid expenses	4,049	(4,296)
Other current assets	638	53
Net investment in sales-type leases	(4,661)	1,048
Other long-term assets	496	297
Accounts payable	(2,841)	1,611
Accrued compensation	(2,032)	270
Accrued liabilities	5,456	5,512
Deferred service revenue	(2,880)	5,086
Deferred gross profit	(2,641)	8,601
Other long-term liabilities	(683)	1,849
Net cash provided by operating activities	33,762	65,163
Investing Activities		
Acquisition of intangible assets, intellectual property and patents	(415)	(327)
Software development for external use	(12,132)	(10,353)
Purchases of property and equipment	(7,542)	(11,922)
Business acquisition, net of cash acquired	(25,507)	(20,723)
Net cash used in investing activities	(45,596)	(43,325)
Financing Activities		
Proceeds from issuances under stock-based compensation plans	17,091	21,795
Employees' taxes paid related to restricted stock units	(3,627)	(3,744)
Common stock repurchases	(50,021)	(24,091)
Excess tax benefits from employee stock plans	4,724	5,834
Net cash used in financing activities	(31,833)	(206)
Effect of exchange rate changes on cash and cash equivalents	(4)	(275)
Net (decrease) increase in cash and cash equivalents	(43,671)	21,357
Cash and cash equivalents at beginning of period	125,888	104,531
Cash and cash equivalents at end of period	$ 82,217	$ 125,888

Omnicell, Inc.

Reconciliation of GAAP to Non-GAAP

(Unaudited, in thousands, except per share data and percentages)

	Three Months Ended			Years Ended	
	December 31, 2015	September 30, 2015	December 31, 2014	December 31, 2015	December 31, 2014
Reconciliation of GAAP net income to non-GAAP net income:					
GAAP net income	$ 7,655	$ 8,036	$ 9,235	$ 30,760	$ 30,518
Adjustments:					
Share-based compensation expense:					
Cost of revenues	481	581	483	2,111	1,456
Operating expenses	3,173	3,385	3,692	12,810	11,329
Total share-based compensation expense [(a)]	3,654	3,966	4,175	14,921	12,785
Amortization of acquired intangibles:					
Cost of revenues	547	570	368	2,016	1,472
Operating expenses	1,354	1,408	865	4,904	3,003
Gross amortization of acquired intangibles:	1,901	1,978	1,233	6,920	4,475
Income tax effect [(b)]	(745)	(775)	(383)	(2,448)	(1,654)
Amortization of acquired intangibles, net	1,156	1,203	850	4,472	2,821
Acquisition related expenses	2,898	—	—	2,898	—
Income tax effect [(b)]	(920)	—	—	(920)	—
Acquisition related expenses, net	1,978	—	—	1,978	—
Gain on business combination	—	—	—	(3,443)	—
Non-GAAP net income	$ 14,443	$ 13,205	$ 14,260	$ 48,688	$ 46,124
Reconciliation of GAAP gross profit to non-GAAP gross profit:					
Revenues	$ 130,316	$ 125,234	$ 121,541	$ 484,559	$ 440,900
GAAP gross profit	65,080	63,703	63,779	247,930	233,860
GAAP gross margin	*49.9%*	*50.9%*	*52.5%*	*51.2%*	*53.0%*
Share-based compensation expense	481	581	483	2,111	1,456
Amortization of acquired intangibles	547	570	368	2,016	1,472
Non-GAAP gross profit	$ 66,108	$ 64,854	$ 64,630	$ 252,057	$ 236,788
Non-GAAP gross margin	*50.7%*	*51.8%*	*53.2%*	*52.0%*	*53.7%*
Reconciliation of GAAP operating expenses to non-GAAP operating expenses:					
GAAP operating expenses	$ 53,110	$ 49,844	$ 50,305	$ 199,298	$ 184,277
GAAP operating expenses % to total revenue	*40.8%*	*39.8%*	*41.4%*	*41.1%*	*41.8%*
Share-based compensation expense	(3,173)	(3,385)	(3,692)	(12,810)	(11,329)
Amortization of acquired intangibles	(1,354)	(1,408)	(865)	(4,904)	(3,003)
Acquisition related expenses	(2,898)	—	—	(2,898)	—
Gain on business combination	—	—	—	3,443	—
Non-GAAP operating expenses	$ 45,685	$ 45,051	$ 45,748	$ 182,129	$ 169,945
Non-GAAP operating expenses % to total revenue	*35.1%*	*36.0%*	*37.6%*	*37.6%*	*38.5%*

	Three Months Ended			Years Ended	
	December 31, 2015	September 30, 2015	December 31, 2014	December 31, 2015	December 31, 2014
Reconciliation of GAAP income from operations to non-GAAP income from operations:					
GAAP income from operations	$ 11,970	$ 13,859	$ 13,474	$ 48,632	$ 49,583
GAAP operating income % to total revenue	*9.2%*	*11.1%*	*11.1%*	*10.0%*	*11.2%*
Share-based compensation expense	3,654	3,966	4,175	14,921	12,785
Amortization of acquired intangibles	1,901	1,978	1,233	6,920	4,475
Acquisition related expenses	2,898	—	—	2,898	—
Gain on business combination	—	—	—	(3,443)	—
Non-GAAP income from operations	$ 20,423	$ 19,803	$ 18,882	$ 69,928	$ 66,843
Non-GAAP operating income % to total revenue	*15.7%*	*15.8%*	*15.5%*	*14.4%*	*15.2%*
GAAP shares - diluted	36,172	36,613	36,585	36,718	36,622
GAAP net income per share - diluted	$ 0.21	$ 0.22	$ 0.25	$ 0.84	$ 0.83
Adjustments:					
Share-based compensation expense	0.11	0.11	0.12	0.41	0.35
Amortization of acquired intangibles, net	0.03	0.03	0.02	0.12	0.08
Acquisition related expenses, net	0.05	—	—	0.05	—
Gain on business combination	—	—	—	(0.09)	—
Non-GAAP net income per share - diluted	$ 0.40	$ 0.36	$ 0.39	$ 1.33	$ 1.26
Reconciliation of GAAP net income to non-GAAP adjusted EBITDA:					
GAAP net income	$ 7,655	$ 8,036	$ 9,235	$ 30,760	$ 30,518
Add back:					
Share-based compensation expense	3,654	3,966	4,175	14,921	12,785
Interest (income) and expense, net	89	138	18	410	38
Depreciation and amortization expense	7,182	6,482	5,566	25,639	20,272
Income tax expense	3,562	5,177	4,162	15,484	17,986
Acquisition related expenses, net	2,898	—	—	2,898	—
Gain on business combination	—	—	—	(3,443)	—
Non-GAAP adjusted EBITDA [c]	$ 25,040	$ 23,799	$ 23,156	$ 86,669	$ 81,599

(a) This adjustment reflects the accounting impact of non-cash stock-based compensation expense for the periods presented.

(b) Tax effects are calculated using the effective tax rates for the respective periods presented.

(c) Defined as earnings before interest income and expense, taxes, depreciation and amortization, and non-cash expenses, including stock compensation expense, per ASC 718, as well as excluding certain non-GAAP adjustments.

Omnicell, Inc.
Segmented Information
(Unaudited, in thousands, except for percentages)

	Three Months Ended December 31, 2015			Three Months Ended December 31, 2014		
	Automation and Analytics	Medication Adherence	Total	Automation and Analytics	Medication Adherence	Total
Revenues	$ 105,874	$ 24,442	$ 130,316	$ 98,347	$ 23,194	$ 121,541
Cost of revenues	48,020	17,216	65,236	41,983	15,779	57,762
Gross profit	57,854	7,226	65,080	56,364	7,415	63,779
Gross margin %	*54.6%*	*29.6%*	*49.9%*	*57.3%*	*32.0%*	*52.5%*
Operating expenses	28,889	5,937	34,826	27,363	6,313	33,676
Income from segment operations	$ 28,965	$ 1,289	30,254	$ 29,001	$ 1,102	30,103
Operating margin %	*27.4%*	*5.3%*	*23.2%*	*29.5%*	*4.8%*	*24.8%*
Corporate costs			18,284			16,629
Income from operations			$ 11,970			$ 13,474

Omnicell, Inc.
Segmented Information
(Unaudited, in thousands, except for percentages)

	Year Ended December 31, 2015			Year Ended December 31, 2014		
	Automation and Analytics	Medication Adherence	Total	Automation and Analytics	Medication Adherence	Total
Revenues	$ 390,321	$ 94,238	$ 484,559	$ 354,095	$ 86,805	$ 440,900
Cost of revenues	171,943	64,686	236,629	151,327	55,713	207,040
Gross profit	218,378	29,552	247,930	202,768	31,092	233,860
Gross margin %	*55.9%*	*31.4%*	*51.2%*	*57.3%*	*35.8%*	*53.0%*
Operating expenses	114,084	24,258	138,342	105,929	20,586	126,515
Income from segment operations	$ 104,294	$ 5,294	109,588	$ 96,839	$ 10,506	107,345
Operating margin %	*26.7%*	*5.6%*	*22.6%*	*27.3%*	*12.1%*	*24.3%*
Corporate costs			60,956			57,762
Income from operations			$ 48,632			$ 49,583

Omnicell, Inc.
Segment Information Non-GAAP Gross Margin and Non-GAAP Operating Margin
(Unaudited, in thousands, except for percentages)

	Three Months Ended December 31, 2015					
	Automation and Analytics		Medication Adherence		Total	
Revenues	$ 105,874		$ 24,442		$ 130,316	
GAAP Gross profit	$ 57,854	*54.6%*	$ 7,226	*29.6%*	$ 65,080	*49.9%*
Plus:						
a) Stock-based compensation expense	411	*0.4%*	70	*0.3%*	481	*0.4%*
b) Amortization expense of acquired intangible assets and other acquisition-related	214	*0.2%*	333	*1.4%*	547	*0.4%*
Non-GAAP Gross profit	$ 58,479	*55.2%*	$ 7,629	*31.2%*	$ 66,108	*50.7%*
GAAP Operating income	$ 28,965	*27.4%*	$ 1,289	*5.3%*	$ 30,254	*23.2%*
Plus:						
a) Stock-based compensation expense	1,472	*1.4%*	196	*0.8%*	1,668	*1.3%*
b) Amortization expense of acquired intangible assets and other acquisition-related	828	*0.8%*	1,072	*4.4%*	1,900	*1.5%*
Non-GAAP Operating income	$ 31,265	*29.5%*	$ 2,557	*10.5%*	33,822	*26.0%*
GAAP Corporate costs					18,284	*14.0%*
Less: Stock-based compensation expense					1,986	*1.5%*
Less: Acquisition related expenses					2,898	*2.2%*
Non-GAAP Corporate costs					13,400	*10.3%*
Non-GAAP Income from operations					$ 20,422	*15.7%*

	Three Months Ended December 31, 2014					
	Automation and Analytics		Medication Adherence		Total	
Revenues	$ 98,347		$ 23,194		$ 121,541	
GAAP Gross profit	$ 56,364	*57.3%*	$ 7,415	*32.0%*	$ 63,779	*52.5%*
Plus:						
a) Stock-based compensation expense	348	*0.4%*	135	*0.6%*	483	*0.4%*
b) Amortization expense of acquired intangible assets and other acquisition-related expenses	35	*0.0%*	333	*1.4%*	368	*0.3%*
Non-GAAP Gross profit	$ 56,747	*57.7%*	$ 7,883	*34.0%*	$ 64,630	*53.2%*
GAAP Operating income	$ 29,001	*29.5%*	$ 1,102	*4.8%*	$ 30,103	*24.8%*
Plus:						
a) Stock-based compensation expense	1,679	*1.7%*	205	*0.9%*	1,884	*1.6%*
b) Amortization expense of acquired intangible assets and other acquisition-related expenses	147	*0.1%*	1,086	*4.7%*	1,233	*1.0%*
Non-GAAP Operating income	$ 30,827	*31.3%*	$ 2,393	*10.3%*	33,220	*27.3%*
GAAP Corporate costs					16,629	*13.7%*
Less: Stock-based compensation expense					2,291	*1.9%*
Non-GAAP Corporate costs					14,338	*11.8%*
Non-GAAP Income from operations					$ 18,882	*15.5%*