



Omnicell Announces Fourth Quarter 2001 Financial Results

Revenues Grow, Profitability Continues to Increase

PALO ALTO, Calif. — Jan. 29, 2002 — Omnicell, Inc. (NASDAQ: OMCL), a provider of clinical infrastructure and workflow automation solutions for the healthcare industry, today announced financial results for the quarter and year ended Dec. 31, 2001.

Total revenues increased 26% to \$24.4 million in the three months ended Dec. 31, 2001 from \$19.3 million for the comparable period in 2000. For the year ended Dec. 31, 2001, total revenues increased 29% to \$86.9 million from \$67.4 million for the previous year.

Total operating expenses increased to \$14.1 million in the fourth quarter of 2001 from \$13.6 million in the fourth quarter of 2000. For the year ended Dec. 31, 2001, total operating expenses decreased to \$54.6 million from \$57.4 million (excluding restructure charges of \$2.9 million) in the same period last year.

Operating income for the quarter was \$1.3 million, compared to a loss of \$1.3 million in the fourth quarter of 2000. For the year ended Dec. 31, 2001, the company posted an operating loss of \$430,000, compared to an operating loss of \$19.5 million in 2000.

Net income for the quarter was \$1.4 million or \$0.06 per diluted share compared to a net loss of \$1.5 million or \$0.10 per share on a pro forma basis in the same quarter a year ago. Net loss for the year ended Dec. 31, 2001 was \$1.2 million, or \$0.03 per pro forma share compared to a net loss of \$20.8 million, or \$1.40 per pro forma share in the year ended Dec. 31, 2000. The pro forma per share amounts reflect the conversion of all the company's outstanding preferred stock into common stock, which occurred upon completion of the company's initial public offering of common stock in August 2001.

"We are pleased with the strong revenue growth for the year and the quarter," said Omnicell President and CEO Shelly Asher. "And our fourth quarter's operating profitability continues a trend of improved operating results that stretches several quarters now."

Omnicell also announced the following recent highlights:

- As of Dec. 31, 2001, 21,490 pharmacy and supply automation systems had been installed or released for customer installation in 1,246 healthcare facilities.
- Ascension Health, the largest not-for-profit healthcare system in the United States, and Omnicell announced the formation of a strategic alliance to develop solutions that improve the efficiency of healthcare facilities and promote patient safety.
- Several new products were introduced, including OmniLinkRx™, a physician order management solution, and SecureVault, a solution to manage the controlled substance distribution process.
- Omnicell began exploring relationships with potential partners and developing technology for the computerized physician order entry (CPOE) and bedside verification markets to further automate the medication management process.

Investors and analysts may listen to Asher, Omnicell Chairman Randy Lipps and CFO Bob Newell discuss this announcement today by logging on to www.omnicell.com or by dialing 800-218-0204 (domestic) or 303-262-2130 (international). The call will begin at 5 p.m. ET. A replay of the call will be available from 7 p.m. ET on Jan. 29 through 11:59 p.m. ET on Feb. 12. Dialing 800-405-2236 (domestic) or 303-590-3000 (international) and entering the passcode 434434# will access the call replay. The Webcast will be available on Omnicell's Web site until Feb. 12, 2002.

About Omnicell

Established in 1992, Omnicell (NASDAQ: OMCL) provides an integrated suite of clinical infrastructure and workflow automation solutions for healthcare. Omnicell's solutions include pharmacy and supply systems, an Internet-based procurement application, and decision support capabilities designed to enable healthcare facilities to decrease costs, enhance operating efficiency, reduce medication errors, and improve patient care. For more information, visit www.omnicell.com.

The statements contained in this release may be deemed to contain "forward-looking statements." Such statements are indicated by words or phrases such as "anticipate," "estimate," "projects," "believes," "intends," "expects" and similar words and phrases. Actual results may differ materially from those expressed or implied in any forward-looking statement as a result of certain risks and uncertainties, including, without limitation, adoption of the Internet for business transactions by healthcare organizations; volume of transactions for medical products, services and equipment over the Internet; development of relationships with suppliers of healthcare products and services, automation systems and GPOs; and other risks and uncertainties detailed in the Company's Securities and Exchange Commission filings. Prospective investors are cautioned not to place undue reliance on such forward-looking statements.

SELECTED FINANCIAL INFORMATION
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share amounts)

	Three Months Ended		Year Ended	
	December 31,		December 31,	
	2001	2000	2001	2000
Revenues:				
Product revenues	\$20,918	\$17,421	\$75,501	\$59,555
Service and other revenues	3,477	1,891	11,400	7,810
Total revenues	24,395	19,312	86,901	67,365
Costs and expenses:				
Cost of product revenues	7,762	5,217	26,745	18,856
Cost of service and other revenues	1,245	1,874	6,022	7,722
Total cost of revenues	9,007	7,091	32,767	26,578
Gross margin	15,388	12,221	54,134	40,787
Operating expenses:				
Research and development	2,551	2,762	11,031	11,412
Selling, general and administrative	11,706	10,807	43,683	46,000
Restructure	(150)	-	(150)	2,908
Total operating expenses	14,107	13,569	54,564	60,320
Operating income (loss)	1,281	(1,348)	(430)	(19,533)
Interest income, net	202	(108)	(577)	(1,156)
Income (loss) before provision for income taxes	1,483	(1,456)	(1,007)	(20,689)
Provision for income taxes	(85)	(25)	(160)	(100)
Net income (loss)	\$1,398	(\$1,481)	(\$1,167)	(\$20,789)
Net income (loss) per share - basic	\$ 0.07	\$ (0.49)	\$ (0.11)	\$ (12.20)
Net income (loss) per share - diluted	\$ 0.06	\$ (0.49)	\$ (0.11)	\$ (12.20)
Net income (loss) per share - pro forma (Note 1)	\$ 0.06	\$ (0.10)	\$ (0.03)	\$ (1.40)
Shares used in computing net income (loss) per share - basic	21,437	3,020	10,312	1,704
Shares used in computing net income (loss) per share - diluted	22,795	3,020	10,312	1,704
Shares used in computing net income (loss) per share - pro forma	22,795	12,981	18,351	14,071

(Note 1 - The net result is adjusted to add back the amount of interest recognized in the period associated with convertible debt.)

OMNICELL, INC.
SELECTED FINANCIAL INFORMATION
CONDENSED CONSOLIDATED BALANCE SHEET
(In thousands)

December 31,
2001 2000

(Note 2)

Cash, cash equivalents and short-term marketable securities	\$23,839	\$11,967
Trade receivables, net	18,167	11,036
Inventory, net	12,702	10,414
Other current assets	5,253	2,728
Property and equipment, net	5,384	4,913
Other assets	6,769	2,847
Total assets	\$72,114	\$43,905
Deferred service revenue	\$8,009	\$3,233
Deferred gross profit	24,790	25,847
Other current liabilities	19,351	20,518
Long-term obligations	363	9,218
Redeemable convertible preferred stock	-	10,113
Stockholders' equity (net capital deficiency)	19,601	(25,024)
Total liabilities and stockholders' equity (net capital deficiency)	\$72,114	\$43,905

(Note 2 - Derived from the audited financial statements at that date.)