Complimentary Summary of Q2 2016 Financial Results

This complimentary 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 February 26, 2016, 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.

We will first cover an update on our business, and then cover our results for the second quarter of 2016. Our second quarter financial results are included in our earnings announcement, which was released earlier today and is posted in the “Investor Relations” section of our Web site at omnicell.com.

We are pleased to review our second quarter results. We are very proud of our performance which continues our consistent track record over the past several years.

We exceeded our revenue guidance and analyst expectations with record quarterly non-GAAP revenue of $176 million in the second quarter. Together with good cost and integration execution this revenue strength resulted in non-GAAP EPS of $0.38, also above analyst expectations.

Bookings momentum from New and Competitive conversions continues to be strong, driven by our award-winning differentiated products. With the acquisition of Aesynt, Omnicell has gained an additional 10% of the automation and analytics market. On a combined basis, New and Competitive conversions accounted for approximately 30% of the second quarter Automation and Analytics bookings. Based on the year-to-date bookings strength, we believe that our combined customer base gives us a very strong platform for future growth.

We closed the acquisition of Aesynt Cooperatief on January 5, 2016. 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.

Our integration of Aesynt has been progressing very well. Early in the quarter we integrated the Sales and Field teams in North America to provide one face and contact to the customer, and later in the quarter we re-aligned all other functions. As part of this integration we had a modest reduction in headcount in early April. During the first quarter Earnings Call in April 2016, we stated that we expected no significant impact on bookings and revenue in the second quarter from this Sales and Field integration, and are pleased to report that to date we have experienced minimal impact from the Sales and Field re-alignment on bookings, revenue, or pipeline.

We had previously prepared a brief summary of the transaction which was posted to the investor relations section of our website omnicell.com that has since been updated to reflect the closing of the transaction. We have had very positive responses from existing and potential customers regarding the strength and benefits of our expanded product portfolio. Last quarter we updated the combined product portfolio page in the investor deck to also show the estimated annual Total Addressable Market or TAM, and our market position.

In the last number of years we have successfully grown the business by implementing three scalable growth strategies:

1) Growth through Differentiated Products
2) Growth in New Markets
3) Growth via Acquisitions

In the second quarter we continued to experience great wins and add notable customers to our Omnicell family through our first strategy of differentiated products. We had strong momentum and notable first-time customer wins, and many were through competitive conversions. We estimate that we have gained further market share in the first six months of 2016, a continuation of a market share gain trend and momentum as we have experienced for many years. Examples of notable wins in the second quarter through competitive conversions include Stanford Health Care, Heritage Valley Health, and Rochester Regional Health.

We have signed an agreement with Stanford Health Care, in Palo Alto, California. Stanford Health Care plans to replace all of their existing dispensing cabinets with Omnicell products, as well as to install Omnicell dispensing cabinets in their new hospital, which is currently under construction. Stanford Health Care has also purchased our Controlled Substance Manager (CSM) solution and intends to add Omnicell's Anesthesia Workstations in the next few months. Stanford is nationally ranked in 13 specialties and named the top hospital in California by U.S. News and World Report. They are included in the Honor Roll as one of the top 15 hospitals in the nation, with six specialties achieving high honors.

Rochester Regional Health, a five-hospital health system in western New York, has selected Omnicell's medication automation solutions to support their long-term goals as they consolidate five facilities into one cohesive health system. The interoperability between Omnicell's medication automation solutions and Epic's EHR, the primary electronic health record used in Rochester Regional's health system, will standardize care across the facilities, which had previously been using disparate systems. Rochester Regional is currently installing Omnicell solutions in two of its five hospitals that collectively have over 1,300 beds, with plans to implement Omnicell automation into all five facilities by 2018.

Heritage Valley Health System, located just west of Pittsburgh, Pennsylvania, will be converting to Omnicell automated dispensing cabinets, anesthesia workstations, Controlled Substance Manager, and implementing Omnicell Analytics. Heritage Valley chose Omnicell for our innovative approach to medication management, especially the focus on streamlining nursing workflow. An integrated delivery network serving western Pennsylvania, eastern Ohio, and the panhandle of West Virginia, Heritage Valley Health System has been recognized for the third consecutive year as one of the nation's *Most Wired Hospitals* by the American Hospital Association's Health Forum.

Our second strategy of expanding into new markets also fueled growth in the last several years and we believe sets us up well for 2016 and beyond.

In a notable sale in the United Arab Emirates, we will be installing both our Robotic Dispensing System and our Automated Dispensing Cabinets together at Saudi German Hospital. It is a significant win, since the Saudi German Hospitals Group is the largest private Healthcare Company in the Kingdom of Saudi Arabia. The hospital in Dubai is one of the Group's first non-Saudi investments, underscoring their strong growth potential. Saudi German Hospitals Group selected Omnicell due to superior technology bundling with products that accommodate needs in both the Inpatient and Outpatient settings.

In South Africa we have started installations of Robotic Dispensing Systems in partnership with nongovernment health organizations to reduce waiting times that are a significant impediment to medication access in underprivileged areas. Steve Biko Academic Hospital in Pretoria and Helen Josef Hospital in Johannesburg are among the first of the orders installed.

Our third strategy of expanding our presence and relevance through acquisitions has also delivered great results with the acquisition of the Aesynt business that was announced in 2015 and closed in the first week of January this year.

In the second quarter, the University of Pittsburgh Medical Center (UPMC), western Pennsylvania's largest healthcare provider and a longtime legacy Aesynt customer, signed a ten-year sole source agreement for AcuDose-Rx cabinets; Anesthesia-Rx medication carts; NarcStation vaults; and Enterprise Medication Manager, our pharmacy supply chain management solution. As an integrated global health enterprise closely affiliated with the University of Pittsburgh, UPMC has been named to the elite Honor Roll as one of "America's Best Hospitals" by *U.S. News & World Report's* annual guide. In addition, UPMC is nationally ranked in 14 medical specialties. This continuing partnership supports UPMC's goal to leverage technologies to support their care model and enhance integration between pharmacies and nursing floors while strengthening their central pharmacy services through

ROBOT-Rx and MedCarousel. UPMC also provides a strong foundation for the future implementation of Enterprise Medication Manager.

This is yet another proof point of the strategic value of the broadened product portfolio resulting from the acquisition of Aesynt early in the first quarter.

We remain very focused on our mission to change the practice of healthcare with solutions that improve patient and provider outcomes. Our second quarter results again demonstrate the strength of the broadened product portfolio that bolsters our role as a strategic partner to health systems.

Financial Performance

We will now review a summary of our second quarter financial results and our guidance for the third quarter in 2016.

Our second quarter 2016 GAAP revenues of $173 million were up 53% from the same quarter last year and up 1% sequentially.

Strong demand in revenue was driven by both expansion and upgrades at existing customers, as well as by new and competitive conversion customers. We continue to see particular strength of the combined product portfolio to enable strategic, tailored and scalable solutions for customers.

Earnings per share in accordance with GAAP were a net loss $0.03, which is down from $0.24 of earnings per share in the second quarter of 2015. Second quarter 2015 GAAP net income included a $3.4 million gain on business combination of an equity investment. GAAP Gross margin was at 45% 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, one-time acquisition-related expenses, and the acquisition accounting impacts related to deferred revenue and inventory fair value adjustments. 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 second quarter earnings press release and is posted on our web site.

Our first quarter of 2016 non-GAAP revenues of $176 million were up 56% from the same quarter last year and up 1% sequentially.

On a Non-GAAP basis, earnings per share were $0.38 in the second quarter of 2016, up $0.10 or 37% from the same quarter last year, and up $0.03 sequentially.

Non-GAAP Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization was $25.9 million for the second quarter of 2016, up 40% from $18.5 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 acquisitions of Avantec, MACH4, and Aesynt are 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 $148.7 million in GAAP revenue in the second quarter of 2016, up from $88.7 million in 2Q 2015, or an increase of 68% mostly driven by the acquisition of Aesynt. $20.5 million of GAAP operating income this quarter compares to $23.3 million the same quarter last year. $35.7 million of non-GAAP operating income in 2Q 2016 compares to $21.8 million last year.

The Medication Adherence segment contributed $24.2 million of GAAP revenue to the quarter, compared to $24.1 million in 2Q 2015. GAAP operating income of $2.0 million compares to $2.3 million a year ago. $3.6 million of non-GAAP operating income compares to $3.7 million of Non-GAAP operating income in the second quarter a year ago.

Non-GAAP Common expenses were $19.3 million compared to $11.1 million in the second quarter of 2015. The increase is mostly driven by the Aesynt acquisition.

Non-GAAP operating margin was 11.4% for the second quarter and year to date we are ahead of Plan driven by the strength in revenue and cost under-runs.

In the second quarter of 2016 our cash balance decreased from $53 million to $41 million, primarily due the use of cash in accounts receivable, inventories, and an increase in prepaid income taxes. Year to date cash flow from operations was $16 million. Our strong cash flow in the first quarter enabled us to repay $20 million of the outstanding balance on the credit revolver in March. On June 30, 2016 our loan leverage measured as outstanding total loan balance over LTM of EBITDA was slightly below 2.0.

Accounts receivable days sales outstanding for the combined business were 85, up 2 days from 1Q16. The increase in DSO was mostly billing timing driven. 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 $74 million, up around $2 million from last quarter mostly for a build in inventory for installs and deliveries in the third quarter. Our headcount was 2,246, down 29 from last quarter driven by the reduction in headcount related to the Sales & Field alignment in April this year.

Revenue and Profit Guidance

We are re-confirming our 2016 total year guidance. For 2016 we expect Product Bookings to be between $540 and $560 million. We now expect 2016 Non-GAAP Revenue to be at the higher end of the range of $695 to $715 million. We expect 2016 Non-GAAP earnings to be between $1.50 and $1.60 per share. Lastly we expect non-GAAP operating margins for 2016 to be approximately 12.7%.

We consider 2016 to be a transitional and transformative year as we integrate Aesynt and gain momentum from our expanded product portfolio. We will now review guidance for the third quarter of 2016. For the third quarter of 2016, we expect non-GAAP revenue to be between $176 and $183 million and expected non-GAAP EPS is between $0.38 and $0.42 per share. It's important to note that from time to time installation completion timing on specifically bigger projects could impact revenue and earnings in a given quarter, but we don't expect such quarterly fluctuations to impact the growth rate measured over multiple quarters. We are assuming an annual average effective tax rate of 38% on GAAP earnings on a combined basis. This assumption includes the benefit of the R&D tax credit impact as it has been permanently approved by the government.

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 have confidence in our ability to achieve our

15% Non-GAAP Operating Margin target over time, and after integrating the acquired business and getting full benefit of the scale of the combined business. With the Sales and Field related reorganization that we executed in early April, as well as other cost actions, we are on track for the first-year cost synergies between $5 million and $10 million and are tracking more towards the upper end of this cost synergies range.

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.

Conclusion

Omnicell's second quarter was marked by record revenues bolstered by the strength of our expanded portfolio that delivers our customers unmatched innovation and flexibility. We have completed the first phase of the Aesynt integration and all departments are now re-aligned with their respective organizations. This allows us to move forward with the second phase of the Aesynt integration, which involves mostly systems and process implementations as well as joint product development. We are pleased that we are seeing health systems, both existing and new customers, assessing their needs for improved efficiency and safety, evaluating our breadth of solutions, and choosing Omnicell.

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

	Three Months Ended			Six Months Ended	
	June 30, 2016	March 31, 2016	June 30, 2015	June 30, 2016	June 30, 2015
Revenues:					
Product	$ 130,674	$ 127,895	$ 89,154	$ 258,569	$ 183,263
Services and other revenues	42,233	43,109	23,634	85,342	45,746
Total revenues	172,907	171,004	112,788	343,911	229,009
Cost of revenues:					
Cost of product revenues	76,306	71,918	46,203	148,224	91,619
Cost of services and other revenues	18,584	19,141	9,123	37,725	18,243
Total cost of revenues	94,890	91,059	55,326	185,949	109,862
Gross profit	78,017	79,945	57,462	157,962	119,147
Operating expenses:					
Research and development	13,794	13,838	8,746	27,632	16,765
Selling, general and administrative	64,341	64,255	39,735	128,596	83,022
Gain on business combination	—	—	(3,443)		(3,443)
Total operating expenses	78,135	78,093	45,038	156,228	96,344
(Loss) income from operations	(118)	1,852	12,424	1,734	22,803
Interest and other income (expense), net	(1,881)	(2,171)	(472)	(4,052)	(989)
(Loss) income before provision for income taxes	(1,999)	(319)	11,952	(2,318)	21,814
(Benefit) provision for income taxes	(840)	59	3,201	(781)	6,745
Net (loss) income	$ (1,159)	$ (378)	$ 8,751	$ (1,537)	$ 15,069
Net (loss) income per share:					
Basic	$ (0.03)	$ (0.01)	$ 0.24	$ (0.04)	$ 0.42
Diluted	$ (0.03)	$ (0.01)	$ 0.24	$ (0.04)	$ 0.41
Weighted average shares outstanding:					
Basic	35,987	35,740	36,120	35,864	36,072
Diluted	35,987	35,740	37,030	35,864	36,987

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

	June 30, 2016	December 31, 2015
ASSETS		
Current assets:		
Cash and cash equivalents	$ 41,029	$ 82,217
Accounts receivable, net	159,453	107,957
Inventories	73,720	46,594
Prepaid expenses	28,690	19,586
Other current assets	9,024	7,774
Total current assets	311,916	264,128
Property and equipment, net	40,503	32,309
Long-term investment in sales-type leases, net	19,711	14,484
Goodwill	311,170	147,906
Intangible assets, net	196,475	89,665
Long-term deferred tax assets	2,920	2,361
Other long-term assets	30,733	27,894
Total assets	$ 913,428	$ 578,747
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 37,365	$ 22,646
Accrued compensation	28,014	18,195
Accrued liabilities	32,674	30,133
Long-term debt, current portion, net	8,410	—
Deferred revenue, net	84,852	53,656
Total current liabilities	191,315	124,630
Long-term, deferred revenue	17,473	17,975
Long-term deferred tax liabilities	62,431	21,822
Other long-term liabilities	12,074	11,932
Long-term debt, net	216,936	—
Total liabilities	500,229	176,359
Total stockholders' equity	413,199	402,388
Total liabilities and stockholders' equity	$ 913,428	$ 578,747

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

	Six months ended June 30,	
	2016	2015
Operating Activities		
Net (loss) income	$ (1,537)	$ 15,069
Adjustments to reconcile net (loss) income to net cash provided by operating activities:		
Depreciation and amortization	29,197	11,977
Loss (gain) on disposal of fixed assets	1	(5)
Gain on business combination	—	(3,443)
Provision for receivable allowance	364	480
Share-based compensation expense	9,386	7,301
Income tax benefits from employee stock plans	681	3,087
Excess tax benefits from employee stock plans	(934)	(3,159)
Provision for excess and obsolete inventories	850	168
Deferred income taxes	(3,877)	(1,717)
Amortization of debt financing fees	795	—
Changes in operating assets and liabilities:		
Accounts receivable	(8,139)	(27,676)
Inventories	(7,769)	(9,633)
Prepaid expenses	(4,852)	8,234
Other current assets	78	1,507
Investment in sales-type leases	(6,558)	353
Other long-term assets	1,019	64
Accounts payable	6,736	1,364
Accrued compensation	210	(1,654)
Accrued liabilities	(2,195)	5,752
Deferred revenue	4,895	3,116
Other long-term liabilities	(2,398)	(995)
Net cash provided by operating activities	15,953	10,190
Investing Activities		
Purchases of intangible assets, intellectual property and patents	(1,185)	(225)
Software development for external use	(6,681)	(6,127)
Purchases of property and equipment	(5,938)	(3,764)
Business acquisition, net of cash acquired	(271,458)	(23,625)
Net cash used in investing activities	(285,262)	(33,741)
Financing Activities		
Proceeds from debt, net	247,051	—
Repayment of debt and revolving credit facility	(22,500)	—
Payment for contingent consideration	(3,000)	—
Proceeds from issuances under stock-based compensation plans	8,639	9,432
Employees' taxes paid related to restricted stock units	(1,563)	(2,046)
Excess tax benefits from employee stock plans	934	3,159
Common stock repurchases	—	(25,021)
Net cash provided by (used in) financing activities	229,561	(14,476)
Effect of exchange rate changes on cash and cash equivalents	(1,440)	167
Net decrease in cash and cash equivalents	(41,188)	(37,860)
Cash and cash equivalents at beginning of period	82,217	125,888
Cash and cash equivalents at end of period	$ 41,029	$ 88,028

Omnicell, Inc.

Reconciliation of GAAP to Non-GAAP

(Unaudited, in thousands, except per share data)

	Three Months Ended			Six Months Ended	
	June 30, 2016	March 31, 2016	June 30, 2015	June 30, 2016	June 30, 2015
Reconciliation of GAAP net (loss) income to non-GAAP net income:					
GAAP net (loss) income	$ (1,159)	$ (378)	$ 8,751	$ (1,537)	$ 15,069
Adjustments:					
Share-based compensation expense	5,495	3,891	3,636	9,386	7,301
Amortization of acquired intangibles	9,052	9,159	1,810	18,211	3,041
Acquisition accounting impact related to deferred revenue	2,663	2,663	—	5,326	—
Inventory fair value adjustments	920	921	—	1,841	—
Acquisitions related expenses*	2,749	2,349	—	5,098	—
Gain on business combination	—	—	(3,443)	—	(3,443)
Tax effect of the adjustments above[a]	(5,846)	(5,735)	(485)	(11,581)	(928)
Non-GAAP net income	$ 13,874	$ 12,870	$ 10,269	$ 26,744	$ 21,040
Reconciliation of GAAP revenue to non-GAAP revenue:					
Revenues	$ 172,907	$ 171,004	$ 112,788	$ 343,911	$ 229,009
Acquisition accounting impact related to deferred revenue	2,663	2,663	—	5,326	—
Non-GAAP revenue	$ 175,570	$ 173,667	$ 112,788	$ 349,237	$ 229,009
Reconciliation of GAAP gross profit to non-GAAP gross profit:					
GAAP gross profit	$ 78,017	$ 79,945	$ 57,462	$ 157,962	$ 119,147
GAAP gross margin	*45.1%*	*46.8%*	*50.9%*	*45.9%*	*52.0%*
Share-based compensation expense	644	549	532	1,193	1,049
Amortization of acquired intangibles	5,214	5,211	531	10,425	899
Acquisition accounting impact related to deferred revenue	2,663	2,663	—	5,326	—
Inventory fair value adjustments	920	921	—	1,841	—
Acquisitions related expenses	227	—	—	227	—
Non-GAAP gross profit	$ 87,685	$ 89,289	$ 58,525	$ 176,974	$ 121,095
Non-GAAP gross margin	*49.9%*	*51.4%*	*51.9%*	*50.7%*	*52.9%*
Reconciliation of GAAP operating expenses to non-GAAP operating expenses:					
GAAP operating expenses	$ 78,135	$ 78,093	$ 45,038	$ 156,228	$ 96,344
GAAP operating expenses % to total revenue	*45.2%*	*45.7%*	*39.9%*	*45.4%*	*42.1%*
Share-based compensation expense	(4,851)	(3,342)	(3,104)	(8,193)	(6,252)
Amortization of acquired intangibles	(3,838)	(3,948)	(1,279)	(7,786)	(2,142)
Acquisitions related expenses	(1,727)	(2,349)	—	(4,076)	—
Gain on business combination	—	—	3,443	—	3,443
Non-GAAP operating expenses	$ 67,719	$ 68,454	$ 44,098	$ 136,173	$ 91,393
Non-GAAP operating expenses % to total revenue	*38.6%*	*40.0%*	*39.1%*	*39.0%*	*39.9%*

	Three Months Ended			Six Months Ended	
	June 30, 2016	March 31, 2016	June 30, 2015	June 30, 2016	June 30, 2015
Reconciliation of GAAP (loss) income from operations to non-GAAP income from operations:					
GAAP (loss) income from operations	$ (118)	$ 1,852	$ 12,424	$ 1,734	$ 22,803
GAAP operating income % to total revenue	*(0.1)%*	*1.1%*	*11.0%*	*0.5%*	*10.0%*
Share-based compensation expense	5,495	3,891	3,636	9,386	7,301
Amortization of acquired intangibles	9,052	9,159	1,810	18,211	3,041
Acquisition accounting impact related to deferred revenue	2,663	2,663	—	5,326	—
Inventory fair value adjustments	920	921	—	1,841	—
Acquisitions related expenses	1,954	2,349	—	4,303	—
Gain on business combination	—	—	(3,443)	—	(3,443)
Non-GAAP income from operations	$ 19,966	$ 20,835	$ 14,427	$ 40,801	$ 29,702
Non-GAAP operating income % to total Non-GAAP revenue	*11.4%*	*12.0%*	*12.8%*	*11.7%*	*13.0%*
Reconciliation of GAAP net (loss) income per share - diluted to non-GAAP net income per share - diluted:					
Shares - diluted GAAP	35,987	35,740	37,030	35,864	36,987
Shares - diluted Non-GAAP	36,649	36,307	37,030	36,488	36,987
GAAP net (loss) income per share - diluted	$ (0.03)	$ (0.01)	$ 0.24	$ (0.04)	$ 0.41
Adjustments:					
Share-based compensation expense	0.15	0.11	0.10	0.26	0.20
Amortization of acquired intangibles	0.25	0.25	0.05	0.50	0.08
Acquisition accounting impact related to deferred revenue	0.07	0.07	—	0.15	—
Inventory fair value adjustments	0.03	0.03	—	0.05	—
Acquisitions related expenses	0.08	0.06	—	0.14	—
Gain on business combination	—	—	(0.10)	—	(0.10)
Tax effect of the adjustments above[a]	(0.17)	(0.16)	(0.01)	(0.33)	(0.02)
Non-GAAP net income per share - diluted	$ 0.38	$ 0.35	$ 0.28	$ 0.73	$ 0.57
Reconciliation of GAAP net (loss) income to non-GAAP Adjusted EBITDA:					
GAAP net (loss) income	$ (1,159)	$ (378)	$ 8,751	$ (1,537)	$ 15,069
Add back:					
Share-based compensation expense	5,495	3,891	3,636	9,386	7,301
Interest (income) and expense, net	1,348	1,747	84	3,095	183
Depreciation and amortization expense	14,724	14,473	6,264	29,197	11,975
Acquisition accounting impact related to deferred revenue	2,663	2,663	—	5,326	—
Inventory fair value adjustments	920	921	—	1,841	—
Acquisitions related expenses*	2,749	2,349	—	5,098	—
Gain on business combination	—	—	(3,443)	—	(3,443)
Income tax expense	(840)	59	3,201	(781)	6,745
Non-GAAP Adjusted EBITDA [b]	$ 25,900	$ 25,725	$ 18,493	$ 51,625	$ 37,830

* Included in the Acquisitions related expenses are severance expenses related to the restructuring of $1.7 million for three and six months ended June 30, 2016.

(a) Tax effects calculated for all adjustments except share based compensation expense, using the estimated annual effective tax rate of 38% for fiscal year 2016.

(b) Defined as earnings before interest income and expense, taxes, depreciation and amortization, share-based compensation expense, as well as excluding certain non-GAAP adjustments.

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

	Three months ended June 30, 2016			Three Months Ended June 30, 2015		
	Automation and Analytics	Medication Adherence	Total	Automation and Analytics	Medication Adherence	Total
Revenues	$ 148,660	$ 24,247	$ 172,907	$ 88,701	$ 24,087	$ 112,788
Cost of revenues	78,366	16,524	94,890	39,403	15,923	55,326
Gross profit	70,294	7,723	78,017	49,298	8,164	57,462
Gross margin %	*47.3%*	*31.9%*	*45.1%*	*55.6%*	*33.9%*	*50.9%*
Operating expenses	49,780	5,771	55,551	25,978	5,910	31,888
Income from segment operations	$ 20,514	$ 1,952	22,466	$ 23,320	$ 2,254	25,574
Operating margin %	*13.8%*	*8.1%*	*13.0%*	*26.3%*	*9.4%*	*22.7%*
Corporate costs			22,584			13,150
Loss (income) from operations			$ (118)			$ 12,424

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

	Six months ended June 30, 2016			Six months ended June 30, 2015		
	Automation and Analytics	Medication Adherence	Total	Automation and Analytics	Medication Adherence	Total
Revenues	$ 297,605	$ 46,306	$ 343,911	$ 181,480	$ 47,529	$ 229,009
Cost of revenues	155,573	30,376	185,949	78,255	31,607	109,862
Gross profit	142,032	15,930	157,962	103,225	15,922	119,147
Gross margin %	*47.7%*	*34.4%*	*45.9%*	*56.9%*	*33.5%*	*52.0%*
Operating expenses	101,985	11,382	113,367	54,567	12,251	66,818
Income from segment operations	$ 40,047	$ 4,548	$ 44,595	$ 48,658	$ 3,671	52,329
Operating margin %	*13.5%*	*9.8%*	*13.0%*	*26.8%*	*7.7%*	*22.9%*
Corporate costs			42,861			29,526
Income from operations			$ 1,734			$ 22,803

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

	Three months ended June 30, 2016					
	Automation and Analytics		Medication Adherence		Total	
Revenues	$ 148,660		$ 24,247		$ 172,907	
Acquisition accounting impact related to deferred revenue	2,663	*1.8%*	—	*—%*	2,663	*1.5%*
Non-GAAP Revenues	$ 151,323		24,247		$ 175,570	
GAAP Gross profit	$ 70,294	*47.3%*	$ 7,723	*31.9%*	$ 78,017	*45.1%*
Stock-based compensation expense	561	*0.4%*	83	*0.3%*	644	*0.4%*
Amortization expense of acquired intangible assets	4,882	*3.3%*	332	*1.4%*	5,214	*3.0%*
Acquisition accounting impact related to deferred revenue	2,663	*1.8%*	—	*—%*	2,663	*1.5%*
Inventory fair value adjustments	920	*0.6%*	—	*—%*	920	*0.5%*
Acquisitions related expenses	227	*0.2%*	—	*—%*	227	*0.1%*
Non-GAAP Gross profit	$ 79,547	*53.5%*	$ 8,138	*33.6%*	$ 87,685	*50.7%*
GAAP Operating income	$ 20,514	*13.8%*	$ 1,952	*8.1%*	$ 22,466	*13.0%*
Stock-based compensation expense	2,042	*1.4%*	240	*1.0%*	2,282	*1.3%*
Amortization expense of acquired intangible assets	7,739	*5.2%*	1,313	*5.4%*	9,052	*5.2%*
Acquisition accounting impact related to deferred revenue	2,663	*1.8%*	—	*—%*	2,663	*1.5%*
Inventory fair value adjustments	920	*0.6%*	—	*—%*	920	*0.5%*
Acquisitions related expenses	1,849	*1.2%*	56	*0.2%*	1,905	*1.1%*
Non-GAAP Operating income	$ 35,727	*24.0%*	$ 3,561	*14.7%*	$ 39,288	*22.7%*
GAAP Corporate costs					$ 22,584	*13.1%*
Stock-based compensation expense					3,213	*1.9%*
Acquisition-related expenses					49	*—%*
Non-GAAP Corporate costs					$ 19,322	*11.2%*
Non-GAAP Income from operations					$ 19,966	*11.4%*

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

	Three Months Ended June 30, 2015					
	Automation and Analytics		Medication Adherence		Total	
Revenues	$ 88,701		$ 24,087		$ 112,788	
GAAP Gross profit	$ 49,298	*55.6%*	$ 8,164	*33.9%*	$ 57,462	*50.9%*
Stock-based compensation expense	370	*0.4%*	162	*0.7%*	532	*0.5%*
Amortization expense of acquired intangible assets	199	*0.2%*	332	*1.4%*	531	*0.5%*
Non-GAAP Gross profit	$ 49,867	*56.2%*	$ 8,658	*35.9%*	$ 58,525	*51.9%*
GAAP Operating income	$ 23,320	*26.3%*	$ 2,254	*9.4%*	$ 25,574	*22.7%*
Stock-based compensation expense	1,207	*1.4%*	377	*1.6%*	1,584	*1.4%*
Amortization expense of acquired intangible assets	724	*0.8%*	1,086	*4.5%*	1,810	*1.6%*
Gain on business combination	(3,443)	*(3.9)%*	$ 0	*—%*	(3,443)	*(3.1)%*
Non-GAAP Operating income	$ 21,808	*24.6%*	$ 3,717	*15.4%*	$ 25,525	*22.6%*
GAAP Corporate costs					$ 13,150	*11.7%*
Stock-based compensation expense					2,052	*1.8%*
Non-GAAP Corporate costs					$ 11,098	*9.8%*
Non-GAAP Income from operations					$ 14,427	*12.8%*