



# Omnicell, Inc. – Investor Presentation: Appendix

October, 2018



# Safe Harbor Statement

*This presentation contains certain “forward-looking” statements. These statements are based on the current estimates and assumptions of the management of Omnicell, Inc. (or “Omnicell” or “the Company”) as of the date of this presentation and are naturally subject to uncertainty and changes in circumstances. Given these uncertainties, you should not place undue reliance on these forward-looking statements. Actual results may vary materially from the expectations contained herein. When used herein, the words “may”, “will”, “should”, “could”, “would”, “plan”, “anticipate”, “believe”, “estimate”, “intend”, “project”, “potential” and “expect” and similar expressions are intended to identify such forward-looking statements. Such forward-looking statements are subject to risks, uncertainties, assumptions and other factors that may cause the actual results of Omnicell to be materially different from those reflected in such forward-looking statements. Important factors that could cause actual results to differ materially from those indicated by such forward-looking statements include, among others, those set forth under the headings “Note Regarding Forward-Looking Statements”, “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in the form 10K filed February 27, 2018. Except to the extent required by applicable securities laws, Omnicell is not under any obligation to (and expressly disclaims any such obligation to) update its forward-looking statements, whether as a result of new information, future events, or otherwise. All statements contained in this presentation are made only as of the date of this presentation.*

## Use of Non-GAAP Financial Measures

*In our earnings releases, conference calls, slide presentations, or webcasts, we may use or discuss non-GAAP financial measures as defined by Regulation G. The GAAP financial measure most directly comparable to each non-GAAP financial measure used or discussed, and a reconciliation of the differences between each non-GAAP financial measure and the comparable GAAP financial measure, is available within our public filings with the Securities and Exchange Commission, available on the Investors section of our website at <http://www.omnicell.com>.*



# Automation and Analytics Solutions



# Omnicell XT Series Automated Dispensing



## Ensures Safer, More Accurate Management

- New Controlled Substance Dispenser eliminates narcotic counts
- Locked metal drawers and analytics prevent drug diversion
- Unity: Single formulary and IT infrastructure
- 6x brighter, 5x quieter

## Improves Financial Performance

- 50% more capacity to efficiently optimize inventory
- New smart drawer designs minimize stock outs and reduce missing doses
- Forward and backward compatible to extend value of investment

## Delivers Medication Accountability

- Microsoft Win 10 BitLocker Drive encryption
- Starbus architecture enables Bluetooth technology and future expansion
- Closed-Loop Dose Accountability reduces risk and saves time
- Annual software upgrades enhance workflow and regulatory compliance

<sup>3</sup> Compared with similar units on the market

<sup>4</sup> Data collection from cabinet log file analysis

<sup>5</sup> Omnicell customer data

# Key Features of Automated Dispensing in Patient Areas

- Unity platform single formulary and IT Infrastructure
- Improved Guiding Lights workflow
- SinglePointe™ eliminates missing doses
- Anywhere RN™ allows mgmt from any workstation
- Robust reporting and analytics
- Integrated medication labeling
- New smart drawer designs
- Wide range of security configurations
- Controlled Substance Dispenser single-dose dispensing
- Regular software enhancements backwards compatible
- Barcode SafetyStock® features at multiple levels
- Fingerprint bioID login
- Advanced integration with all Electronic Healthcare Records (EHR) systems
- Starbus electronic topology and vSuite™ remote monitoring
- Microsoft® Windows® 10 IoT Enterprise LTSC with BitLocker Drive Encryption
- Omnicell Cloud Connect



## IV Solutions Meeting the Needs of Sterile Compounding



### i.v.STATION™

- Prepares and dispenses ready-to-administer, non-hazardous admixtures
- Advanced technology addresses the highest-risk aspects of the pharmacy through an automated process that's safer and more accurate than manual compounding



### i.v.STATION ONCO™

- Specifically designed to meet the unique challenges surrounding oncology care and other toxic, patient-specific preparations
- Improves safety for the patient and the operator, enhancing efficiency in overall pharmacy operations



### IVX Workflow on IVX Cloud

- Revolutionary, all-in-one workflow automation solutions that supports patient safety, efficiency and total regulatory compliance
- Enterprise web-based IV workflow software provides maximum scalability, flexibility, and full integration with market-leading IV compliance software

IV automation suite providing effective therapy focused on compliance, safety and cost reduction



# Medication Control Solutions for International Pharmacies

**Reduction of  
Defect Level**



**24/7 Operation without  
Additional Staff**



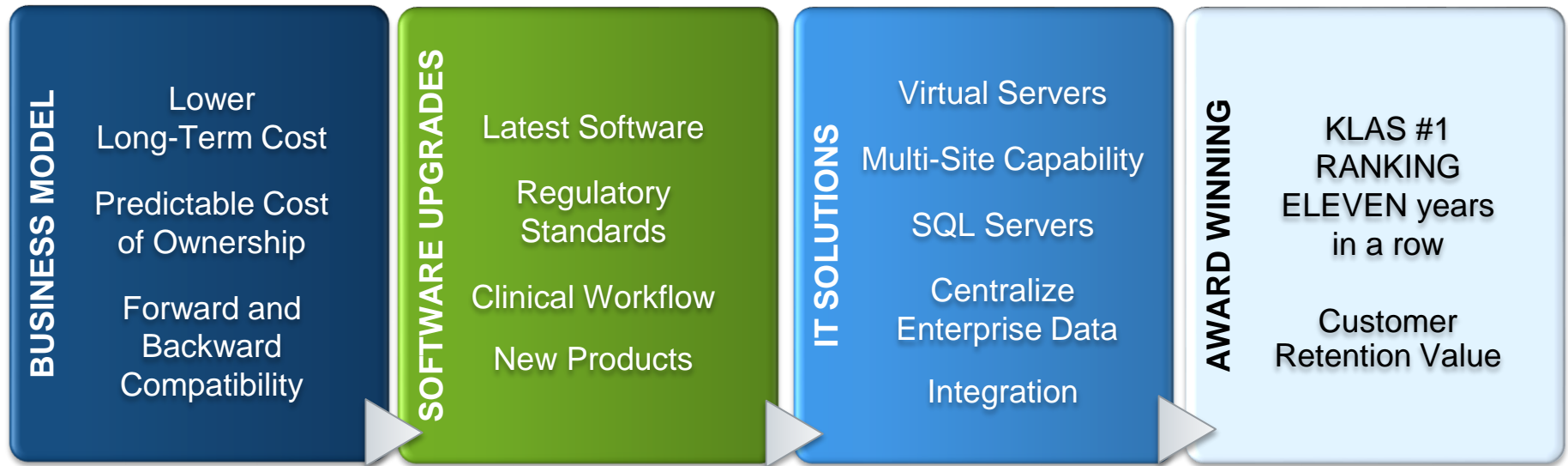
**Increase of Speed  
and Output**

**Cost Reduction**

Omnicell Robotic Dispensing Systems automate handling of medications in original manufacturer's packages for hospitals and retail pharmacies outside the US



## Why Customers Change to Omnicell



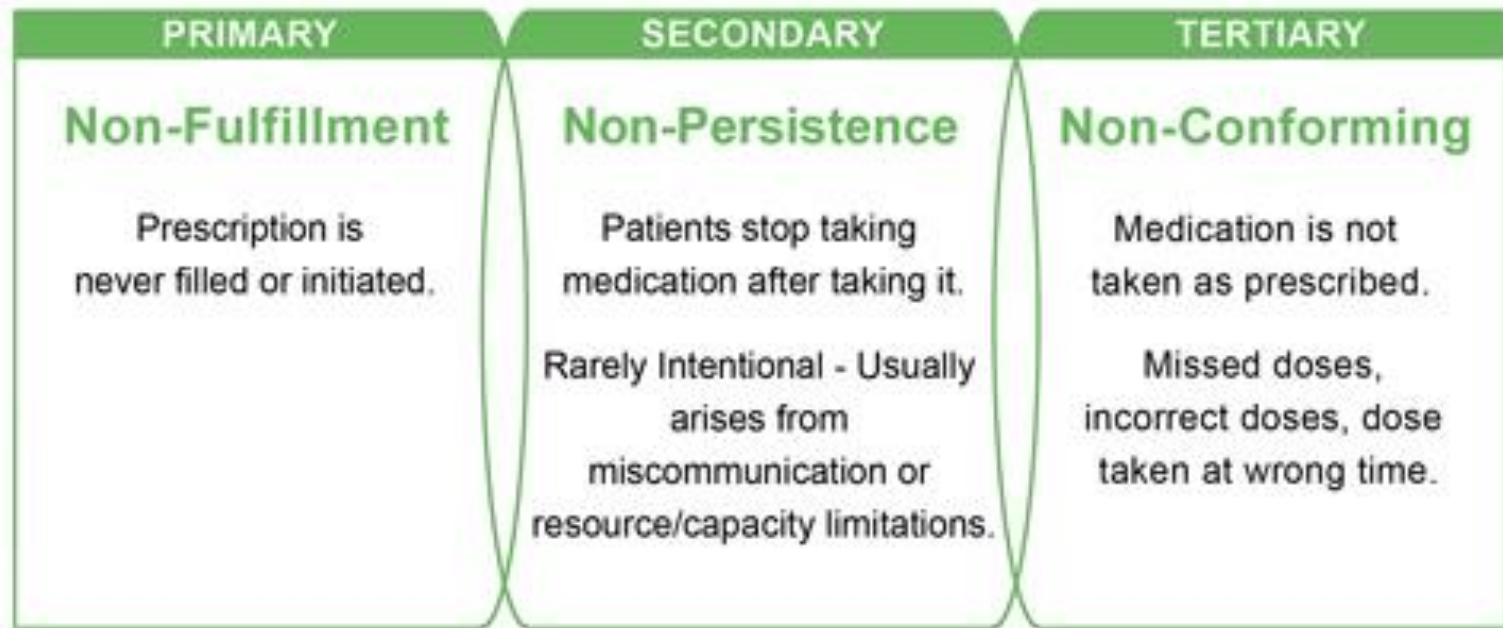


# Medication Adherence Solutions



# Medication Adherence Solutions

## Types of Non-Adherence

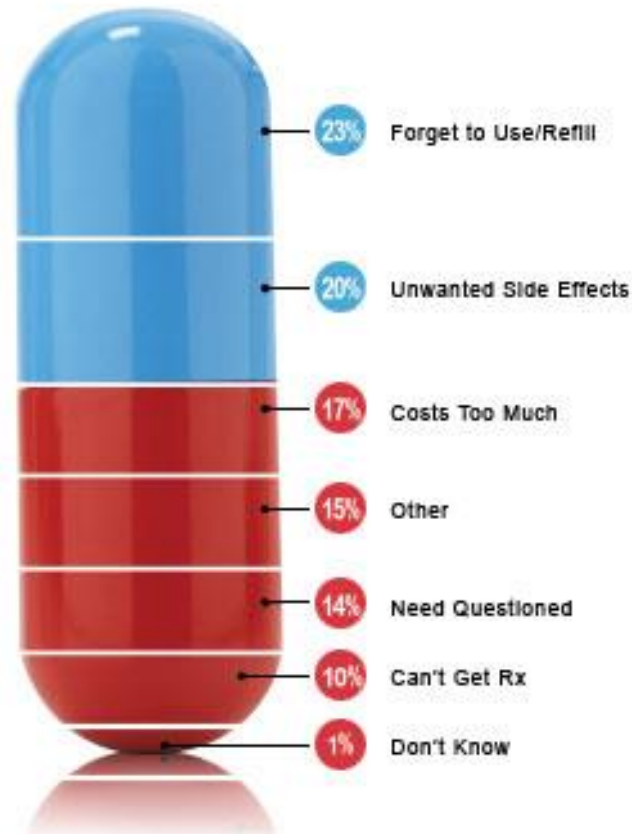


Source: Jimmy, Beena and Jimmy Jose. "Patient Medication Adherence: Measures in Daily Practice"  
Oman Medical Journal, May 2011, 155-159



## Medication Adherence Solutions

# Reasons Cited for Poor Medication Adherence



BCG analysis, Harris Interactive 10,000 Patients Survey, 2002.

## Medication Adherence Solutions

Med Adherence Solutions Are Sold to Institutional Pharmacies  
Moving Toward Retail, Health Systems, and the Home

### CORE MARKET

#### Long-Term Care Pharmacies Service:



### GROWING MARKET

#### Retail Pharmacies Service:



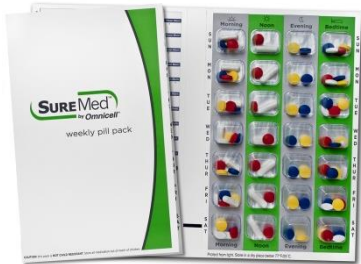
# Medication Adherence Solutions

## Breadth of Packaging and Automation Solutions



### Single-Medication Blister Card

- Provides caregivers control over meds and easy recognition if a dose has been administered



### Multi-Medication Blister Card

- Provides patients and caregivers a tool to assure medications are administered at the right time and dose
- Improves outcomes and prevents medical condition reoccurrences



### Packaging Automation

- Automates institutional pharmacy processes
- Varying levels of automation from semi-automated to fully automatic
- OnDemand® solutions interface with pharmacy Information Systems



### Printing & Labeling Solutions

- Allows pharmacies to easily label and bar code medication packaging for safety and accuracy
- Automated solutions help improve pharmacy workflow

# Medication Adherence Solutions

## Strategic Med Control Market Synergies

- Adherence packaging has potential to reduce hospital readmissions and improve patient health
  - Medication Non-Adherence causes over 50% of hospital readmissions
- Adherence packaging currently strongest outside US
  - MTS and Surgichem acquisitions provided market leading position
- ADCs in non-acute settings for first dose and narcotic control
- Medication control across the continuum of care
  - Electronic feed to Electronic Health Record
  - Advanced software for adherence control and analytics



# Omnicell Supplies Major Medication Adherence Customers

(Partial List of Customers)

- Omnicare
- PharMerica
- Healthmark
- Diamond Healthcare Corporation
- Allcare Medical
- Thrifty White Drug Store
- Kroger
- Walmart
- Lloyd's Pharmacy (UK)
- Boots Pharmacy (UK)
- PCT Healthcare Limited (UK)
- Safeway
- Save-On (Canada)
- Publix
- Costco
- Ahold





# Financial Appendix



# GAAP Income Statement

P&L - GAAP	Q318	Q218	Q118 <sup>(1)</sup>	Q417 <sup>(1)</sup>	Q317 <sup>(1)</sup>
Product Revenue	149,709	134,636	130,659	144,110	136,627
Service Revenue	54,558	54,037	51,968	52,261	50,121
<b>Total Revenue</b>	<b>204,267</b>	<b>188,673</b>	<b>182,627</b>	<b>196,371</b>	<b>186,748</b>
Gross Margin	98,908	88,783	82,463	93,495	84,819
GM %	48.4%	47.1%	45.2%	47.6%	45.4%
Total Operating Expense	81,414	81,449	81,820	77,295	72,621
OE %	39.9%	43.2%	44.8%	39.4%	38.9%
Operating Income	<b>17,495</b>	<b>7,334</b>	<b>643</b>	<b>16,200</b>	<b>12,198</b>
OI %	8.6%	3.9%	.4%	8.2%	6.5%
<b>Net Income</b>	<b>13,628</b>	<b>6,588</b>	<b>2,729</b>	<b>31,225</b>	<b>7,749</b>
NI %	6.7%	3.5%	1.5%	15.9%	4.1%
<b>EPS - Diluted</b>	<b>\$ 0.33</b>	<b>\$ 0.16</b>	<b>\$ 0.07</b>	<b>\$ 0.79</b>	<b>\$ 0.20</b>

<sup>(1)</sup> As adjusted for full retrospective adoption of Accounting Standard Codification ("ASC") 606, "Revenue from Contracts with Customers." The adjustment also includes a \$0.2 million reclassification from services and other revenues to product revenues to conform with current-period presentation.



# Non-GAAP Income Statement

P&L - Non-GAAP <sup>(1)</sup>	Q318	Q218	Q118 <sup>(2)</sup>	Q417 <sup>(2)</sup>	Q317 <sup>(2)</sup>
Product Revenue	149,709	134,636	130,659	144,110	136,627
Service Revenue	54,558	54,029	51,968	52,574	50,434
<b>Total Revenue</b>	<b>204,267</b>	<b>188,665</b>	<b>182,627</b>	<b>196,684</b>	<b>187,061</b>
Gross Margin	102,786	92,710	86,272	97,694	89,069
GM %	50.3%	49.1%	47.2%	49.7%	47.6%
Total Operating Expense	72,516	70,529	71,561	69,005	64,634
OE %	35.5%	37.4%	39.2%	35.1%	34.6%
Operating Income	30,270	22,181	14,711	28,688	24,435
OI %	14.8%	11.8%	8.1%	14.6%	13.1%
<b>Net Income</b>	<b>25,659</b>	<b>18,359</b>	<b>11,462</b>	<b>21,536</b>	<b>17,804</b>
NI %	12.6%	9.7%	6.3%	10.9%	9.5%
<b>EPS - Diluted</b>	<b>\$ 0.63</b>	<b>\$ 0.46</b>	<b>\$ 0.29</b>	<b>\$ 0.55</b>	<b>\$ 0.46</b>
<b>EBITDA Non-GAAP</b>	<b>36,470</b>	<b>27,656</b>	<b>20,608</b>	<b>35,228</b>	<b>30,208</b>

<sup>(1)</sup> Non-GAAP measures excludes stock compensation expense and amortization of intangible assets associated with acquisitions, one time acquisition related expenses, acquisition accounting impacts related to deferred revenue, inventory fair value adjustments, and property, plant, and equipment fair value adjustments.

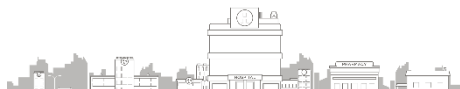
<sup>(2)</sup> As adjusted for full retrospective adoption of Accounting Standard Codification ("ASC") 606, "Revenue from Contracts with Customers".



# Balance Sheet – Consolidated

	September 30, 2018	December 31, 2017
	(In thousands, except par value)	
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 44,174	\$ 32,424
Accounts receivable and unbilled receivables, net of allowances of \$3,508 and \$5,738, respectively	206,225	190,046
Inventories, net	99,231	96,137
Prepaid expenses	19,618	20,392
Other current assets	9,871	13,273
Total current assets	379,119	352,272
Property and equipment, net	50,484	42,595
Long-term investment in sales-type leases, net	17,448	15,435
Goodwill	336,517	337,751
Intangible assets, net	149,968	168,107
Long-term deferred tax assets	9,450	9,454
Prepaid commissions	40,441	41,432
Other long-term assets	68,948	49,316
Total assets	\$ 1,052,375	\$ 1,016,362
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 38,367	\$ 48,290
Accrued compensation	32,953	27,241
Accrued liabilities	35,777	35,693
Long-term debt, current portion, net	17,708	15,208
Deferred revenues, net	87,777	78,774
Total current liabilities	212,582	205,206
Long-term deferred revenues	10,634	10,623
Long-term deferred tax liabilities	32,593	41,446
Other long-term liabilities	10,192	9,829
Long-term debt, net	167,135	194,917
Total liabilities	433,136	462,021
Commitments and contingencies (Note 10)		
Stockholders' equity:		
Preferred stock, \$0.001 par value, 5,000 shares authorized; no shares issued	—	—
Common stock, \$0.001 par value, 100,000 shares authorized; 48,760 and 47,577 shares issued; 39,615 and 38,432 shares outstanding, respectively	49	48
Treasury stock at cost, 9,145 shares outstanding	(185,074)	(185,074)
Additional paid-in capital	630,687	585,755
Retained earnings	182,661	159,725
Accumulated other comprehensive loss	(9,084)	(6,113)
Total stockholders' equity	619,239	554,341
Total liabilities and stockholders' equity	\$ 1,052,375	\$ 1,016,362

\* As adjusted for full retrospective adoption of Accounting Standard Codification ("ASC") 606, "Revenue from Contracts with Customers".



We see the **future of health** every day.

