

Health Robotics Reports Record Financial Results for 1H2011 Continuing Its Worldwide 100% I.V. Robots' Winning Streak

Bozen, Sud-Tirol, Italy – August 29th, 2011. Health Robotics today announced 1H2011 financial results [enclosed], delivering record levels of revenues, gross margins and net earnings for a six-month period. Gross Revenues reached \$9.4 million (€6.5M) and Gross Margins were \$7.3 million (€5M), respectively 42% and 72% increases over-year-ago period; both increases were directly linked to the significantly improved performance resulting from Health Robotics' greater dependence on its own European and American based staff, replacing its prior, non-functioning indirect distribution and service channels.

"We are quickly moving within reach of our objective to restore Health Robotics to its historical margins (80% Gross-20% Net) and double-digit top-line growth, while continuing to win 100% of World's I.V. Robot purchases over the past 18 months. Given these positive results in overcoming the problems caused by our prior distributors in selected markets, the company intends to diligently continue channel partner line-up switches to direct sales strategies in local markets where our distributors under-perform Health Robotics' own standards", stated Gaspar DeViedma, Health Robotics' Executive Vice President.

Operating Expenses in 1H2011 grew 77% over-year-ago period to \$4.8 million (€3.3M) as a direct consequence of the company's increased reliance on its own installation and support engineers: a required investment resulting from the termination of McKesson Automation. EBITDA reached \$2.5 million (€1.7M), a 62% increase over-year-ago period, attributable to higher levels of gross revenues and margins brought by the sales channel strategy changes mentioned above. Net Profits including extraordinary items rose to \$1.6 million (€1.1M), a 95% increase over-year-ago period. Excluding extraordinary items, Net Earnings in 1H2011 were \$1.3 million (€0.9M), a 326% increase over-year-ago period. The positive trends in both earnings increases and extraordinary expenses decreases over-year-ago period reflect Health Robotics' own staff's success in generating "live" sites, broad customer satisfaction whereas prior distributors failed to sell and install a single Robot, and legal expenses associated with defending (and winning) groundless lawsuits.

Mr. DeViedma concluded his remarks as follows: *"Health Robotics' plans for the remainder of 2011 include: a) continuing the considerable infrastructure and staff investments required to totally replace McKesson Automation's now-terminated duties and obligations in the United States of America and Canada; b) the expansion of Health Robotics' direct sales and customer operations in Italy, Belgium, Netherlands, France, and Luxembourg; c) additional channel-strategy changes with under-performing distributors; and d) i.v.STATION ONCO's beta-tests and regulatory certifications."*

Health Robotics GmbH/S.r.l. (Fiscal Code 02493250217)

UNAUDITED STATEMENT OF EARNINGS (US \$ '000)

	1H2011	1H2010	\$ VAR	% VAR
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Gross Revenues	\$9,397	\$6,619	\$2,778	42%
Cost of Goods Sold	\$2,143	\$2,395	(\$252)	(11%)
Gross Margin	\$7,253	\$4,223	\$3,030	72%
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GM%	77%	64%		
Operating Expenses				
Salaries	\$1,093	\$789	\$304	39%
Other	\$3,669	\$1,897	\$1,772	93%
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Total Operating Expenses	\$4,762	\$2,686	\$2,076	77%
EBIDTA	\$2,491	\$1,537	\$954	62%
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EBIDTA %	27%	23%		
Depreciation	\$73	\$84	\$11	(13%)
Amortization	\$408	\$366	\$42	11%
Interest/Currency Exchange	\$41	\$102	(\$60)	(60%)
Estimated Income Taxes	\$390	\$176	\$214	122%
Profit before One-Time Items	\$1,580	\$810	\$770	95%
Profit % before One-Time Items	17%	12%		
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Extraordinary (One-Time) Items ¹	\$290	\$507	(\$218)	(43%)
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Net Earnings	\$1,290	\$303	\$987	326%
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NET PROFIT %	14%	5%		

¹ These Items represent extraordinary legal expenses, mostly in connection with unsubstantiated lawsuits brought by prior distribution channels in North America, now either quickly dismissed by the Courts in pre-trial proceedings, or won outright by Health Robotics.

About Health Robotics:

Founded in 2006, Health Robotics is the undisputed global leading supplier of life-critical intravenous medication robots, winning 100% of all worldwide IV Robot's publicly announced purchases over the past 18 months, and providing over 200 hospital installations in 6 continents with robotics-based technology and software automation solutions. Health Robotics' world-leading solutions CytoCare® and i.v.STATION® ONCO [hazardous IVs], i.v.STATION® [non-hazardous IVs], i.v.SOFT® [workflow engine for manual compounding], MEDarchiver® [life-critical clinical information system], and TPNstation® [totally-automated parenteral nutrition] have and will greatly contribute to ease hospitals' growing pressures to improve patient safety, increase throughput and contain costs. Through the effective and efficient production of sterile, accurate, tamper-evident and ready-to-administer IVs, Health Robotics' products help hospitals eliminate life-threatening drug and diluent exchange errors, decrease other medical mistakes and sterility risks, work more efficiently, reduce waste and controlled substances' diversion, and diminish the gap between rising patient volume/acuity and scarce medical, nursing, and pharmacy staff. For more information, please visit: <http://www.health-robotics.com>

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