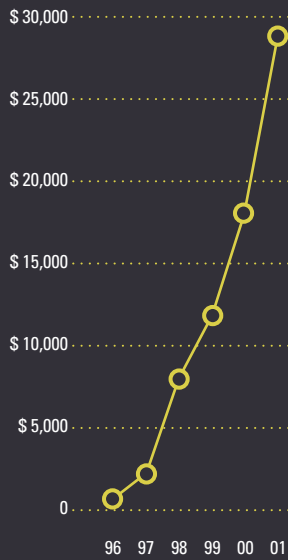




today's lab (actual size)



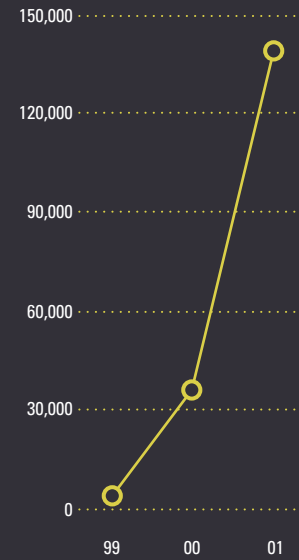
Total Revenues
(in thousands)



Product-Related Revenues
(in thousands)



Unit Sales Growth in Chips



Caliper Technologies Corp. (Nasdaq: CALP) is a leader in lab-on-a-chip technology for streamlining and accelerating laboratory experimentation. Caliper designs, manufactures and commercializes LabChip® devices and systems that enable experiments to be conducted on a chip. LabChip® systems are currently used in research laboratories and have potential applicability in a broad range of industries, including pharmaceuticals, diagnostics, agriculture and chemicals. Caliper has established multiple strategic and commercial relationships with leading companies and has built a significant intellectual property estate in microfluidic technology.

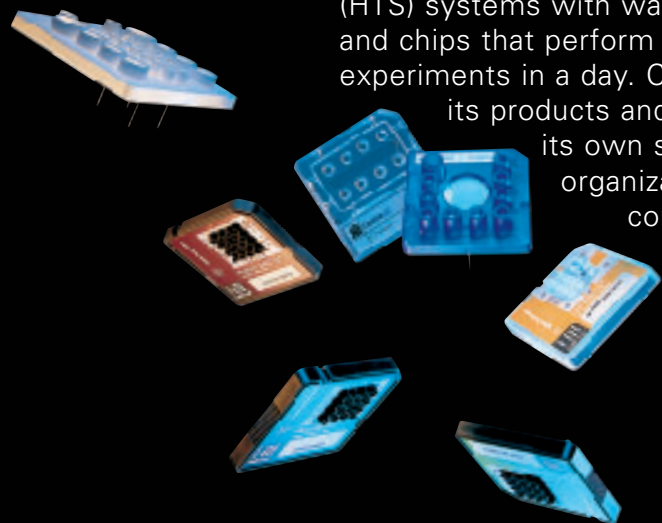
small chip

big idea

Caliper's LabChip® systems demonstrate the company's expertise in actively controlling the movement of minute quantities of fluids through microchannels on a chip. Caliper uses two different methods: electrokinetics and pressure. Building on this expertise, Caliper is continually discovering new functions and developing new assays that microfluidic chips can perform. The company believes that the value of new microfluidic inventions can be expanded across many different industries, opening up new commercial opportunities.

Caliper LabChip® Products

Caliper offers a portfolio of LabChip products, services and solutions designed to meet the needs of research scientists throughout life sciences organizations. Caliper's LabChip systems provide an escalating level of automation and throughput, from small bench top systems employing single-use, disposable chips, to high-throughput screening (HTS) systems with walk-away automation and chips that perform tens of thousands of experiments in a day. Caliper commercializes its products and solutions through its own sales and marketing organization and through commercial partners.



PRODUCT

Caliper® 250 High Throughput Screening (HTS) System

Caliper's automated HTS system performs high-volume screening, on the order of tens of thousands of experiments per chip, using nanoliters of reagents. This system, which uses continuous flow technology within microchannels on a chip, allows researchers to determine how test compounds affect biological targets. Caliper also offers custom HTS solutions to address individual research needs.

KEY BENEFITS

- Precise, reproducible data
- Low reagent and target usage
- Reduced assay development time
- Increased productivity
- Walk-away automation

LABCHIP™ APPLICATIONS

- Fluorogenic assays
- Off-chip incubation, mobility shift assays



Caliper® AMS 90 SE Automated Electrophoresis System

Caliper's AMS 90 SE automates the analysis of DNA fragments. The AMS 90 SE is designed to meet the needs of DNA microarray and cloning laboratories that analyze 100 or more DNA samples per day. Using Caliper's proprietary sipper-based sample-access system, the AMS 90 SE provides automated analysis of DNA fragments in 96-well or 384-well plates.

- Increased productivity
- Walk-away automation
- High data quality
- Automated data analysis and export

- Automated DNA sizing and quantitation assays
55 seconds for superior resolution
33 seconds for faster turnaround



Agilent 2100 Bioanalyzer

Co-developed by Caliper and Agilent, the Agilent 2100 Bioanalyzer brings the power of Caliper's LabChip technology to the individual researcher's desktop by combining time-consuming and costly laboratory experiments on a miniature chip. A single integrated process, carried out on a single instrument, replaces multiple manual steps and the need for multiple instruments.

- Fast and precise
- Low sample volume and reagent usage
- Walk-away automation
- Increased productivity
- Reproducible digital data

- RNA analysis
- DNA sizing and quantitation
- Protein analysis
- Cell fluorescence



Caliper® 42 Microfluidics Workstation

The Applications Developer Program (ADP) offers customers the ability to establish their own in-house microfluidics research program and to develop specific chip-based applications tailored to their needs. Using the Caliper 42 and its related LabChip "tool set," ADP customers can develop the skills to investigate and create novel chip-based applications. Caliper also supplies the training, microfluidic consultation and services for the design and manufacture of custom chips.

- Powerful instrument platform
- Ready-to-use standard chips with model assays
- Customized assay development and chip design

- Standardized and custom assays



Caliper® 1000 Analyzer

Caliper and Bacterial BarCodes, Inc. (BBCI) are working together to introduce the first LabChip application for the molecular diagnostics market, which will be based upon BBCI's proprietary rep-PCR technology. BBCI's chemistry generates DNA fingerprints of bacteria for the purpose of identifying the organism. The initial market opportunity for this type of bacterial identification is the epidemiology market, such as hospitals and healthcare centers.

- Digital results for easy analysis and data archiving
- Highly reproducible data
- Fast and precise

- DNA sizing and quantitation

small chip

big opportunity

Caliper is putting the research laboratory on a chip. The company's pioneering microfluidic technology is increasing the speed, quality, efficiency and standards of laboratory research by orders of magnitude beyond conventional practice.

Biopharmaceutical industry scientists are using Caliper's high-throughput instrumentation and microfluidic chips to screen chemical libraries against therapeutic targets to accelerate the discovery and commercialization of new drug therapies. Individual researchers are using LabChip® systems to increase the speed and efficiency of experiments at their benchtops, while greatly enhancing the quality and portability of their data.

Now Caliper is extending the power of its microfluidic technology. By putting its proprietary technology in the hands of innovators in a broad range of industries, Caliper is working to establish itself as the industry standard in lab-on-a-chip solutions.

This is just the beginning of what some expect could become a significant industry for lab-on-a-chip products. And with its leadership in microfluidic technology, intellectual property and commercialization, Caliper is positioned to capitalize on this major emerging opportunity.

Dear Fellow Stockholders,

Caliper's achievements in 2001 enhanced our technological strengths and advanced our commercialization plans, increasing our leadership in the lab-on-a-chip industry. Specifically, we successfully grew revenues, broadened our product portfolio, expanded our customer base, accessed new market opportunities and increased our intellectual property estate.

STRONG FINANCIAL PERFORMANCE

We maintained significant revenue growth, even while transitioning to a product-based revenue model from a services-based fee structure. For the full year, total revenues increased 59 percent, from \$18.6 million in 2000 to \$29.6 million in 2001. Consistent with the evolution of our business model, there was a continuing trend of increasing product sales as a percentage of total revenue. During the fourth quarter of 2001, 71 percent of our revenues resulted from product sales, and we converted our previous technology access program partners to product-based customers.

At the same time, we made significant investments that enabled us to extend our product line and to establish the commercial infrastructure essential for our continued success. Despite these anticipated increases in spending, we maintained a controlled cash burn of approximately \$25 million for the year and ended 2001 with cash equivalents of \$166.2 million, not including a \$32.5 million litigation settlement that will be paid to us in 2002.

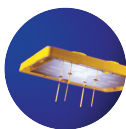
ACCELERATING THE DRUG DISCOVERY PROCESS

In September 2001, we introduced the Caliper® 250 HTS system bringing microfluidics to the screening of chemicals against therapeutic targets for the discovery of new drugs. Shortly before its commercial launch, we named Mike Merion Vice President of Sales and Marketing. Mike moved quickly to establish a domestic sales force, as well as a field service and technical support team. Supported by these enhanced commercial capabilities, we ended the year with a number of important placements with both new and existing customers. We are encouraged by positive customer feedback and this product's commercial momentum to date. However, we anticipate quarter-to-quarter variations in instrument placements, based in part on the lengthy sales cycle associated with this type of system.

ENABLING AUTOMATED HIGH-THROUGHPUT ELECTROPHORESIS

During the year we also introduced the AMS 90, an instrument for high-throughput electrophoresis, and we added several new customers. While we were pleased with these initial accomplishments, we want to gain greater commercial traction in this area.

2001 MILESTONES



Launched the Caliper® 250 HTS system for drug discovery.



Introduced four assays for the Agilent 2100 Bioanalyzer, including DNA, RNA, protein and cell fluorescence assays.



Established Wako Pure Chemical Industries, Ltd. as the company's HTS products distributor in Japan.



Formed a new, independently funded and managed company, Amphora Discovery Corp., focused on chemical genomics.

With this in mind, we introduced the AMS 90 SE in January 2002. Compared to the AMS 90, the SE provides more rapid analysis, higher throughput and improved automation.

POWERFUL LABORATORY SYSTEM FOR THE INDIVIDUAL RESEARCHER

Sales of the Agilent 2100 Bioanalyzer, the instrument that we are commercializing with Agilent Technologies Inc., grew impressively in 2001. During the year, the installed base more than doubled, and customer acceptance remained high, as evidenced by the substantial number of repeat orders from existing accounts. During the year, we extended the 2100's menu by adding four applications, including the DNA 1000 LabChip® kit, the RNA 6000 Nano LabChip® kit, the Protein 200 Plus LabChip® kit and the Cell Fluorescence LabChip® kit. This latter cell-based assay is designed to perform routine flow cytometry experiments. Our entry into this new area underscores the versatility of our technology and the Agilent 2100 Bioanalyzer.

CREATING NEW MICROFLUIDIC APPLICATIONS

By the end of 2001, we had five Applications Developer Program (ADP) collaborations underway, spanning a broad array of market opportunities. In addition to our publicly disclosed relationships with Millennium, GlaxoSmithKline and NASA, we have ongoing collaborations with an agricultural biotechnology company and a petrochemical company. This program allows us to introduce the LabChip platform to new industries where we believe microfluidics can provide significant technical and commercial benefits. As a measure of this program's success, two of these collaborations have been extended beyond their original term, and three of these collaborators are currently using custom chips or assays for their specialized applications.

DEVELOPING FUTURE PRODUCTS

The development of our LibraryCard™ Reagent Array and SNP genotyping application also steadily advanced in the past year. The LibraryCard is designed for the maintenance, storage and preparation of chemical libraries used in pharmaceutical HTS operations. During the year, we validated the LibraryCard in small test screens, created prototypes for use with 4-sipper chips and used the prototypes in collaboration with development partners. Using our LabChip™ technology, we are also developing an integrated SNP genotyping application to analyze genetic variations in a person's DNA. (These variations are thought to play a role in disease or drug response.) Our progress during the year included integrating heating capability into our chips and simultaneously amplifying DNA in multiple channels on a single chip.



Introduced the LabChip® Automated Microfluidics System, AMS 90, which automates the analysis of nucleic acid fragments.

ISO 9001

Earned ISO 9001 certification for the design and manufacture of the company's commercial products.



Initiated commercial activities in diagnostics with Bacterial BarCodes, Inc.

NASA

Initiated collaboration with NASA to study microfluidic protein crystallization for drug discovery purposes.

BRINGING MICROFLUIDICS TO DIAGNOSTICS

At the end of the calendar year 2001, we announced the formation of a partnership with Bacterial BarCodes, Inc. (BBCI), marking our entry into the diagnostics marketplace. Under the terms of our agreement with BBCI, we will sell the Caliper® 1000 Analyzer, which will be used with BBCI's proprietary PCR primers to generate DNA fingerprints of bacteria. These fingerprints will be used to identify the organism and may eventually be helpful in predicting antibiotic sensitivity. This relationship is creating an immediate commercial opportunity for Caliper in the epidemiology market. In addition, BBCI is pursuing clinical diagnostic product opportunities. We believe that the automated bacterial identification market is an attractive market segment with significant unmet need, and as such, is a good initial opportunity for us.

FORMING AN INDEPENDENT NEW COMMERCIAL ENTITY

Mid-year, Caliper formed Amphora Discovery Corp., a chemical genomics information company, as an independently managed and funded company. We will benefit from this relationship in several ways: we retain a 28 percent ownership position in Amphora, and this new company will continue to be an important HTS customer, as well as a valuable advocate for and contributor to our novel HTS products.

LOOKING AHEAD

We entered 2002 well positioned to execute on our technology and commercial goals. In the coming year, we intend to grow both our revenues and our customer base, expand our product line and capitalize on additional market opportunities. The milestones we have set for ourselves will require sustained progress in every facet of our business. We believe Caliper's revenue growth to date demonstrates our ability to convert the potential of microfluidics into a commercial business. Now our challenge is to show that we can transform the way laboratory testing is conducted, drug discovery is carried out, and possibly, how some aspects of medicine are practiced. With the continued contributions of our employees and the support of our collaborators, customers and stockholders, we are confident that we can continue to develop and expand the markets for our innovative microfluidic technology, which in turn will help Caliper become a substantial commercial entity.



Daniel L. Kisner, M.D.
*President and
Chief Executive Officer*

59% INCREASE IN ANNUAL REVENUES

286% INCREASE IN PRODUCT REVENUE YEAR OVER YEAR

27 NEW U.S. PATENTS

172 U.S. PATENT APPLICATIONS PENDING

2X ANNUAL GROWTH IN THE AGILENT 2100 BIOANALYZER BUSINESS

\$166 MILLION CASH EQUIVALENTS AT YEAR END

27

286%

59%

2X

\$166M

172



From the Chief Financial Officer: Assessing Valuation, Managing Risk

During 2001, there was tremendous turbulence in the economic markets, both domestically and internationally. This turmoil affected large and small companies across a variety of diverse sectors. As a result, many companies experienced significant stock price depreciation not always consistent with their business fundamentals. These stock price fluctuations also raised questions about how to appropriately value young, technology-based growth companies. Caliper was not immune to these broader economic forces, even while the company continued to make fundamental progress in advancing and commercializing its technology.

I would like to share my perspective on Caliper's value, but let's begin by reviewing some statistics. Over the last year, our stock price varied between \$45.81 per share and \$8.40 per share. With approximately 24 million shares outstanding, Caliper therefore had a market capitalization ranging from over \$1.0 billion to \$200 million. Since our current cash equivalents are approximately \$166 million, or \$200 million when you include the \$32.5 million guaranteed letter of credit due to Caliper this year, the market has assigned us an "enterprise value" (market capitalization minus cash) of somewhere between about \$900 million and zero. As of this writing, our market capitalization is approximately \$300 million, reflecting an enterprise value in the \$100 million range.

ASSESSING VALUE

With that in mind, let me highlight some of Caliper's existing and potential value contributors:

Revenues We have them, and they have grown at approximately 50 percent annually over the last three years. In 2001, revenues were approximately \$30 million and were derived from two different product lines—bioanalytics and high-throughput screening.

Patent Estate This asset is second to none in microfluidics. With 99 issued U.S. patents, 16 allowed and 172 applications pending, our intellectual property portfolio represents a significant competitive advantage.

New Applications By engaging in applications development activities with a diverse number of partners, we help ensure that customer-driven products will be developed. Presently we have five such "ADP" collaborations.

Products in Development Both our SNP genotyping application and our LibraryCard™ Reagent Array have the potential to make large contributions to our business within the next few years.

Diagnostics Multiple applications in this marketplace are now being investigated. Diagnostics represents a large potential market opportunity, both in the short and long term.

Cash With approximately \$200 million at our disposal, including the guaranteed \$32.5 million due to Caliper later this year, we have the resources to grow all aspects of the company.

These value drivers are real, and management is fully committed to building a sustainable profitable enterprise based upon our microfluidic technology.

A FEW WORDS ON RISK

Investors in young technology-based companies are typically willing to accept significantly higher levels of risk for a potentially higher payback. What are the risks that Caliper faces? We are not like some early-stage biotechnology companies, which after massive investments may experience major setbacks when their drug candidates are not approved. On the other hand, we do not yet have an established technology which customers have been using for years. With this in mind, it might be useful to review our profile, specifically in the areas of technology, market and financial risk.

Technology Risk The fact that we have multiple marketed products demonstrates our ability to develop and commercialize our technology. We also have a number of product candidates in development. However, it is impossible to know how successful these efforts will be.

Market Risk The Agilent 2100 Bioanalyzer, with two years of market exposure, clearly shows the ability of microfluidic-based products to meet customer needs. We believe that the same will be true of our more recently launched products.

Financial Risk With a series of successful equity financings, we have the financial wherewithal, given our current resource needs, to manage both the technological and market risks we might encounter.

Caliper is much more than a company based on promises, although our promise is great. We are about products—products that are highly sophisticated and that deliver unique advantages to customers. These advantages come as a result of intelligent, responsible investment in our technology. We are focused on value creation, and we welcome those investors who share our confidence and our vision. Based on current trends, we believe that there will be long-term rewards for those who choose to shoulder short-term risks.



James L. Knighton
*Executive Vice President
and Chief Financial Officer*

A handwritten signature in black ink that reads "Jim Knighton".

CHEMISTRY ENGINEERING PHYSICS



MICROFLUIDICS

Microfluidics is a revolutionary technology integrating chemistry, engineering and physics. As pioneers in this evolving field, we have applied our expertise to become a leading provider of lab-on-a-chip products. We believe that our LabChip® products have the potential to transform laboratory experimentation and to establish new standards of performance across many industries.



PRODUCTS SERVICES SOLUTIONS

Products Today

Caliper offers a portfolio of LabChip products, services and solutions designed to meet the needs of research scientists throughout life sciences organizations. Our easy-to-use LabChip products boost productivity and provide better data quality at a lower cost than conventional methodologies.

Diversity of Revenue Streams

The strength of our business model lies in an ever-increasing number of revenue sources—some that we are currently realizing and others that are in internal development or the focus of corporate collaborations. Importantly, each LabChip product generates a recurring revenue stream of chips.



DRUG DISCOVERY

Our LabChip instrumentation can be used to measure enzyme activity or assess a number of cell parameters, enabling assays that are critical to drug discovery and development work at biopharmaceutical companies.

BIOANALYTICS

Our products help researchers answer basic questions about the size of DNA and RNA segments and the purity of proteins of interest to individual scientists or departments responsible for process development or manufacturing.

GENOMICS

We are developing a product to detect single nucleotide polymorphisms (SNPs), which are individual mutations in a person's DNA. Our high-throughput approach would improve the speed and cost effectiveness of SNP genotyping.

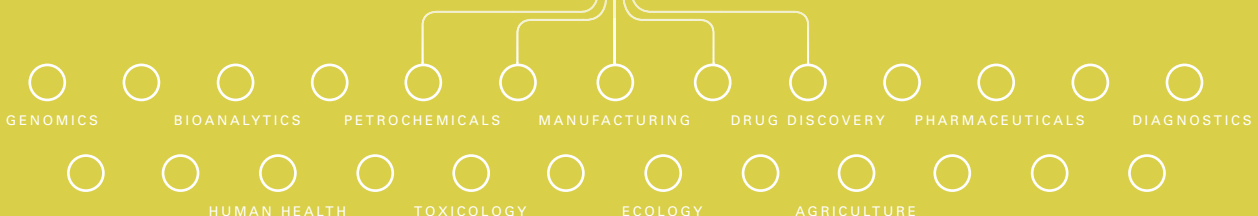
DIAGNOSTICS

We are now exploring a variety of diagnostic applications. Potential products could be used to identify bacterial DNA, to measure viral DNA/RNA, or to detect clinically important proteins.

ANALYTICAL CHEMISTRY

In collaboration with partners, we are exploring novel applications where microfluidics could add significant value, such as petrochemical analysis. Environmental testing is another possibility. The commercial potential of our technology is vast.

The Possibilities are Limitless



Our Customers and Partners on Caliper

Agilent Technologies Inc.

Tony Owen, Ph.D.
Marketing Manager,
Lab-on-a-Chip Products

“Working with Caliper, we introduced the first microfluidic lab-on-a-chip instrument for the research market in 1999. Since that time, we have successfully built a business that integrates and automates multi-step laboratory processes, bringing the power of microfluidics to the individual researcher. The result is faster turnaround time and higher quality data that can be easily shared throughout the organization.”

Amphora Discovery Corp.

Marty Haslanger, Ph.D.
President and Chief Executive Officer

“The precision of the Caliper microfluidic platform, as evidenced by its reproducibility, allows researchers to obtain more information from screening data than by any other available methodology. With Caliper’s high-throughput system, our scientists can measure very subtle changes in biological systems. These capabilities will allow us to utilize the fruits of genomics to discover and develop new drugs.”

Millennium Pharmaceuticals, Inc.

Craig Muir, Ph.D.
Vice President of Platform Technology

“Caliper’s LabChip technology has proven to be a powerful tool in our drug discovery programs, allowing us to systematically examine whole classes of medically interesting molecules. The results have been high-quality, robust datasets, delivered quickly and cost-effectively. We are now examining ways of integrating microfluidics into our drug development processes.”

NASA

Tom Friedlander
Science Advisory Panel Chairperson
Iterative Biological Crystallization Project
NASA Marshall Space Flight Center

“NASA’s first custom-designed lab-on-a-chip was delivered in January. This is, without question, one of the most cutting-edge technologies available today for doing science of any sort.”

Corporate Directory

BOARD OF DIRECTORS

David V. Milligan, Ph.D.
Chairman of the Board
Vice President
Bay City Capital

Anthony B. Evnin, Ph.D.
General Partner
Venrock Associates

Daniel L. Kisner, M.D.
President and Chief Executive Officer
Caliper Technologies Corp.

Regis P. McKenna
Chairman
The McKenna Group

Robert T. Nelsen
Managing Director
ARCH Venture Partners

EXECUTIVE OFFICERS

Daniel L. Kisner, M.D.
President and Chief Executive Officer

Susan A. Evans, Ph.D.
Vice President of
Product Development

Michael R. Knapp, Ph.D.
Vice President of Corporate
Development and Co-founder

James L. Knighton
Executive Vice President and
Chief Financial Officer

Michael Merion, Ph.D.
Vice President of Sales and Marketing

J. Wallace Parce, Ph.D.
Vice President of Research
and Co-founder

William M. Wright III
Vice President of Operations

Anthony T. Hendrickson
Chief Accounting Officer and
Corporate Controller

CORPORATE HEADQUARTERS

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FINANCIAL INFORMATION

For any additional company information, including copies of the Annual Report or a copy of the Form 10-K as filed with the Securities and Exchange Commission, please contact Caliper's Corporate Communications Department.

INDEPENDENT AUDITORS

Ernst & Young LLP
Palo Alto, CA

CORPORATE COUNSEL

Cooley Godward LLP
Palo Alto, CA

STOCK TRANSFER AGENT

Wells Fargo Shareowner Services
161 North Concord Exchange
South St. Paul, MN 55075-1139
Tel: 800.468.9716

ANNUAL MEETING

The Annual Meeting of Stockholders will be held on June 12, 2002 at 2:00 p.m. at the company headquarters, 605 Fairchild Drive, Mountain View, California, 94043-2234.

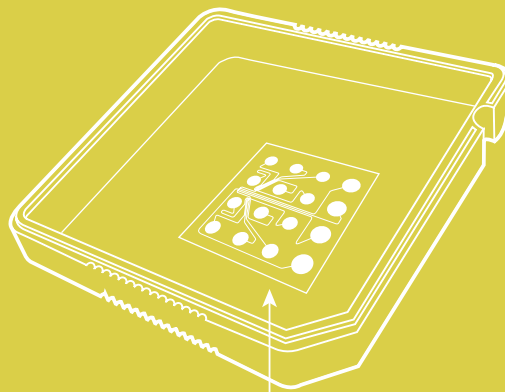
MARKET INFORMATION

Caliper's Common Stock trades on the NASDAQ Stock Market under the symbol CALP. Caliper's Common Stock began trading on December 15, 1999.

LabChip, the LabChip logo, Caliper and the Ring design are registered trademarks of Caliper. Registration for LibraryCard is pending.

Forward-looking Statement

The statements in this annual report regarding the future introduction of new products and applications, the addition of new customers, the timing of these events and other statements regarding future events or expectations are forward-looking statements. We have attempted to identify these forward-looking statements with words such as "will," "believe," "intend," "plan" and "anticipate" and other similar words. Actual results may differ materially as a result of risks and uncertainties, including: we may encounter unanticipated technological difficulties in the development of our technologies; customers may not perceive the benefits of the products to be the same as we do; competitors may develop better or more cost-effective technologies; the current weak economy may cause potential customers to postpone investing in our products until economic conditions improve; as well as those risks set forth in Management's Discussion and Analysis of Financial Condition and Results of Operations—Factors Affecting Operating Results. These and other risks related to Caliper are detailed in our Annual Report on Form 10-K filed with the SEC and included with this annual report.



Each chip contains a network of microscopic channels through which minute amounts of fluids and chemicals are moved in order to perform experiments quickly and economically.

Caliper Technologies Corp.
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