

INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

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| OMB APPROVAL | |
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|--|--|---|--|--|
| 1. Name and Address of Reporting Person* <u>Conwell Richard L</u> (Last) (First) (Middle) <u>C/O DIGIRAD CORPORATION</u> <u>13950 STOWE DRIVE</u> (Street) <u>SAN DIEGO CA 92064</u> (City) (State) (Zip) | 2. Date of Event Requiring Statement (Month/Day/Year) <u>06/09/2004</u> | 3. Issuer Name and Ticker or Trading Symbol <u>DIGIRAD CORP [DRAD]</u> | | |
| | | 4. Relationship of Reporting Person(s) to Issuer (Check all applicable) <div>Director10% Owner</div> <div><input checked="" type="checkbox"/> Officer (give title below)Other (specify below)</div> <div><u>VP Adv. R & D/Bus. Development</u></div> | | 5. If Amendment, Date of Original Filed (Month/Day/Year) |
| | | 6. Individual or Joint/Group Filing (Check Applicable Line) <div><input checked="" type="checkbox"/> Form filed by One Reporting Person</div> <div>Form filed by More than One Reporting Person</div> | | |
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| Table I - Non-Derivative Securities Beneficially Owned | | | |
|--|---|--|---|
| 1. Title of Security (Instr. 4) | 2. Amount of Securities Beneficially Owned (Instr. 4) | 3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5) | 4. Nature of Indirect Beneficial Ownership (Instr. 5) |
| <u>Common Stock</u> | <u>54</u> | <u>I</u> | <u>by Spouse</u> |

| Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities) | | | | | | | |
|--|--|-------------------|---|----------------------------|--|--|---|
| 1. Title of Derivative Security (Instr. 4) | 2. Date Exercisable and Expiration Date (Month/Day/Year) | | 3. Title and Amount of Securities Underlying Derivative Security (Instr. 4) | | 4. Conversion or Exercise Price of Derivative Security | 5. Ownership Form: Direct (D) or Indirect (I) (Instr. 5) | 6. Nature of Indirect Beneficial Ownership (Instr. 5) |
| | Date Exercisable | Expiration Date | Title | Amount or Number of Shares | | | |
| <u>Stock Option (Right to Buy)</u> | <u>(1)</u> | <u>03/19/2006</u> | <u>Common Stock</u> | <u>7</u> | <u>147</u> | <u>D</u> | |
| <u>Stock Option (Right to Buy)</u> | <u>(1)</u> | <u>10/08/2006</u> | <u>Common Stock</u> | <u>57</u> | <u>147</u> | <u>D</u> | |
| <u>Stock Option (Right to Buy)</u> | <u>(1)</u> | <u>12/11/2007</u> | <u>Common Stock</u> | <u>107</u> | <u>147</u> | <u>D</u> | |
| <u>Stock Option (Right to Buy)</u> | <u>(1)</u> | <u>12/17/2008</u> | <u>Common Stock</u> | <u>138</u> | <u>245</u> | <u>D</u> | |
| <u>Stock Option (Right to Buy)</u> | <u>(1)</u> | <u>03/09/2010</u> | <u>Common Stock</u> | <u>71</u> | <u>245</u> | <u>D</u> | |
| <u>Stock Option (Right to Buy)</u> | <u>(1)</u> | <u>01/26/2011</u> | <u>Common Stock</u> | <u>22</u> | <u>700</u> | <u>D</u> | |
| <u>Stock Option (Right to Buy)</u> | <u>09/30/2002⁽²⁾</u> | <u>09/30/2012</u> | <u>Common Stock</u> | <u>59,138</u> | <u>0.49</u> | <u>D</u> | |
| <u>Stock Option (Right to Buy)</u> | <u>02/25/2005⁽³⁾</u> | <u>02/25/2014</u> | <u>Common Stock</u> | <u>14,286</u> | <u>5.5</u> | <u>D</u> | |

Explanation of Responses:

1. The option is immediately exercisable.
2. The option is immediately exercisable, but shares purchased under such option are subject to repurchase by the Issuer at the option exercise price, upon the Reporting Person's termination of service to the Issuer prior to vesting in these shares. 50% of the option shares vest on such date with the remaining option shares vesting in equal daily installments over a period of 2 years thereafter.
3. The option is immediately exercisable, but shares purchased under such option are subject to repurchase by the Issuer at the option exercise price, upon the Reporting Person's termination of service to the Issuer prior to vesting in these shares. 25% of the option shares vest on such date with the remaining option shares vesting in equal daily installments over a period of 3 years thereafter.

Remarks:

Richard L. Conwell
** Signature of Reporting Person

06/09/2004
Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, see Instruction 5 (b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.