



Q1 FY26 Earnings

Cardinal Health, Inc.

October 30, 2025

Cautions Concerning Forward-Looking Statements

This presentation contains forward-looking statements addressing expectations, prospects, estimates and other matters that are dependent upon future events or developments. These statements may be identified by words such as "expect," "anticipate," "intend," "plan," "believe," "will," "should," "could," "would," "project," "continue," "likely," and similar expressions, and include statements reflecting future results or guidance, statements of outlook and various accruals and estimates. These matters are subject to risks and uncertainties that could cause actual results to differ materially from those projected, anticipated or implied. These risks and uncertainties include our ability to manage uncertainties associated with the pricing of branded pharmaceuticals, including as a result of legislative or executive actions; the risk that we may fail to achieve our strategic objectives, including the continued execution of the GMPD Improvement Plan initiatives, whether as a result of tariffs on products we source or manufacture, an uncertain global economic environment, Cardinal Health Brand sales or ongoing inflationary pressures; competitive pressures in Cardinal Health's various lines of business, including the risk that customers may reduce purchases made under their contracts with us or terminate or not renew their contracts, whether due to price increases or otherwise; risks associated with litigation matters, including a Department of Justice investigation focused on potential violations of the Anti-Kickback Statute and False Claims Act; the risk that events outside of our control, such as weather or geopolitical events, may impact demand for our products or may cause supply shortages that impact our cost and ability to fulfill customer demand; the performance of our generics program, including the amount or rate of generic deflation and our ability to offset generic deflation and maintain other financial and strategic benefits through our generic sourcing venture or other components of our generics programs; risks associated with recently completed and pending acquisitions, including risks arising as a result from our entry into new lines of businesses. Cardinal Health is subject to additional risks and uncertainties described in Cardinal Health's Form 10-K, Form 10-Q and Form 8K reports and exhibits to those reports. This presentation reflects management's views as of October 30, 2025. Except to the extent required by applicable law, Cardinal Health undertakes no obligation to update or revise any forward-looking statement. Forward-looking statements are aspirational and not guarantees or promises that goals, targets or projections will be met, and no assurance can be given that any commitment, expectation, initiative or plan in this report can or will be achieved or completed. Cardinal Health provides definitions and reconciliations of non-GAAP financial measures and their most directly comparable GAAP financial measures at ir.cardinalhealth.com





Q1 Results

Q1 FY26 financial summary

	GAAP Basis (\$M) Q1 FY26	Non-GAAP Basis (\$M) Q1 FY26
Revenue <i>% change</i>	\$64,009 22%	N/A
Gross Margin <i>% change</i>	\$2,319 22%	\$2,318 22%
SG&A <i>% change</i>	\$1,461 14%	\$1,461 14%
Operating Earnings <i>% change</i>	\$668 18%	\$857 37%
Interest and Other¹ <i>% change</i>	\$70 N.M.	N/A
Net Earnings² <i>% change</i>	\$450 8%	\$611 33%
Diluted EPS² <i>% change</i>	\$1.88 11%	\$2.55 36%

¹The sum of "other (income)/expense, net" and "interest expense, net"

²Attributable to Cardinal Health, Inc.

Please see appendix for GAAP to Non-GAAP reconciliations.



Pharmaceutical and Specialty Solutions

Q1 FY26 results

	Q1 FY26 (\$M)	Q1 FY25 (\$M)	YoY change
Revenue	\$59,205	\$47,990	23%
Segment profit	\$667	\$530	26%
Segment profit margin	1.13%	1.10%	3 bps

Drivers:

Revenue

- + Brand and specialty pharmaceutical sales growth from existing and new customers

Segment profit

- + Brand and specialty products
- + MSO platforms
- + Generics program

The sum of the components and certain computations may reflect rounding adjustments.



Global Medical Products and Distribution

Q1 FY26 results

	Q1 FY26 (\$M)	Q1 FY25 (\$M)	YoY change
Revenue	\$3,184	\$3,123	2%
Segment profit	\$46	\$8	N.M.
Segment profit margin	1.44%	0.26%	118 bps

Drivers:

Revenue

- + Volume growth from existing customers

Segment profit

- + Growth from existing customers

The sum of the components and certain computations may reflect rounding adjustments.



Other: NPHS, at-Home Solutions and OptiFreight

Q1 FY26 results

	Q1 FY26 (\$M)	Q1 FY25 (\$M)	YoY change
Revenue	\$1,641	\$1,186	38%
Segment profit	\$166	\$104	60%
Segment profit margin	10.12%	8.77%	135 bps

Drivers:

Revenue

+ Growth across the three operating segments

Segment profit

+ Growth across the three operating segments

The sum of the components and certain computations may reflect rounding adjustments.





FY26 Outlook

FY26 financial expectations

	FY26 outlook	FY25 actual
Non-GAAP EPS	\$9.65 - \$9.85 <i>Previously \$9.30 to \$9.50</i>	\$8.24
Interest and Other	~\$325M <i>Previously ~\$275M</i>	\$174M
Non-GAAP ETR	22.0% - 24.0%	23.3%
Diluted weighted average shares outstanding	~238M <i>Previously 238M - 240M</i>	242M
Share repurchases	~\$750M	\$750M
Capital expenditures	\$600M - \$650M <i>Previously ~\$600M</i>	\$547M
Non-GAAP adjusted free cash flow	\$3.0B - \$3.5B <i>Previously \$2.75B - \$3.25B</i>	\$2.5B

Bold indicates a **change** to the FY26 outlook provided at Q4 FY25 earnings release on August 12, 2025

Guidance includes Solaris Health acquisition, which is anticipated to be completed in early November.

The company does not provide forward-looking expectations on a GAAP basis as certain financial information, the probable significance of which cannot be determined, is not available and cannot be reasonably estimated. See "use of non-GAAP measures" in the financial appendix at the end of this presentation for additional explanation.



FY26 segment guidance

Revenue and segment profit

Pharmaceutical and Specialty Solutions

Revenue growth of **15% to 17%**

Previously growth of 11% to 13%

Segment profit growth of **16% to 19%**

Previously growth of 11% to 13%

Other: at-Home Solutions NPHS, OptiFreight Logistics

Revenue growth of **26% to 28%**

Segment profit growth of **29% to 31%**

Previously growth of 25% to 27%

Global Medical Products and Distribution

Revenue growth of **2% to 4%**

Segment profit of **\$140M+**

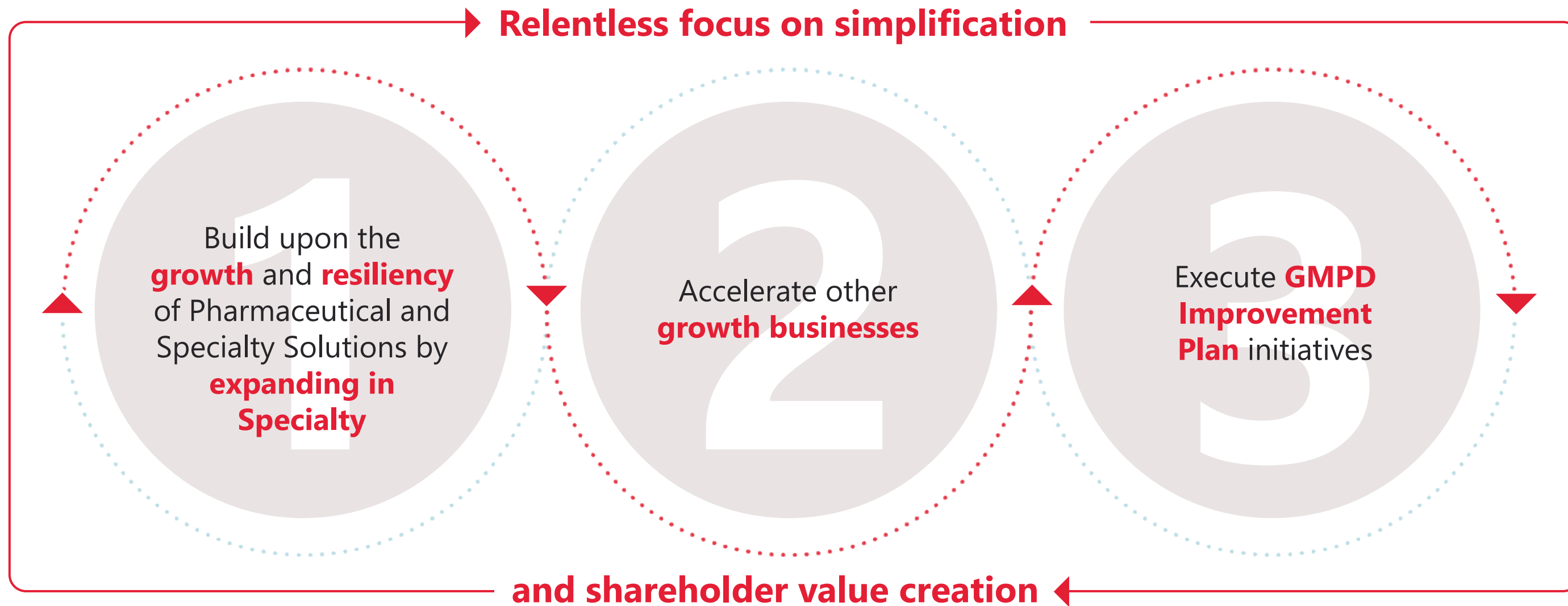
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Guidance includes Solaris Health acquisition, which is anticipated to be completed in early November.

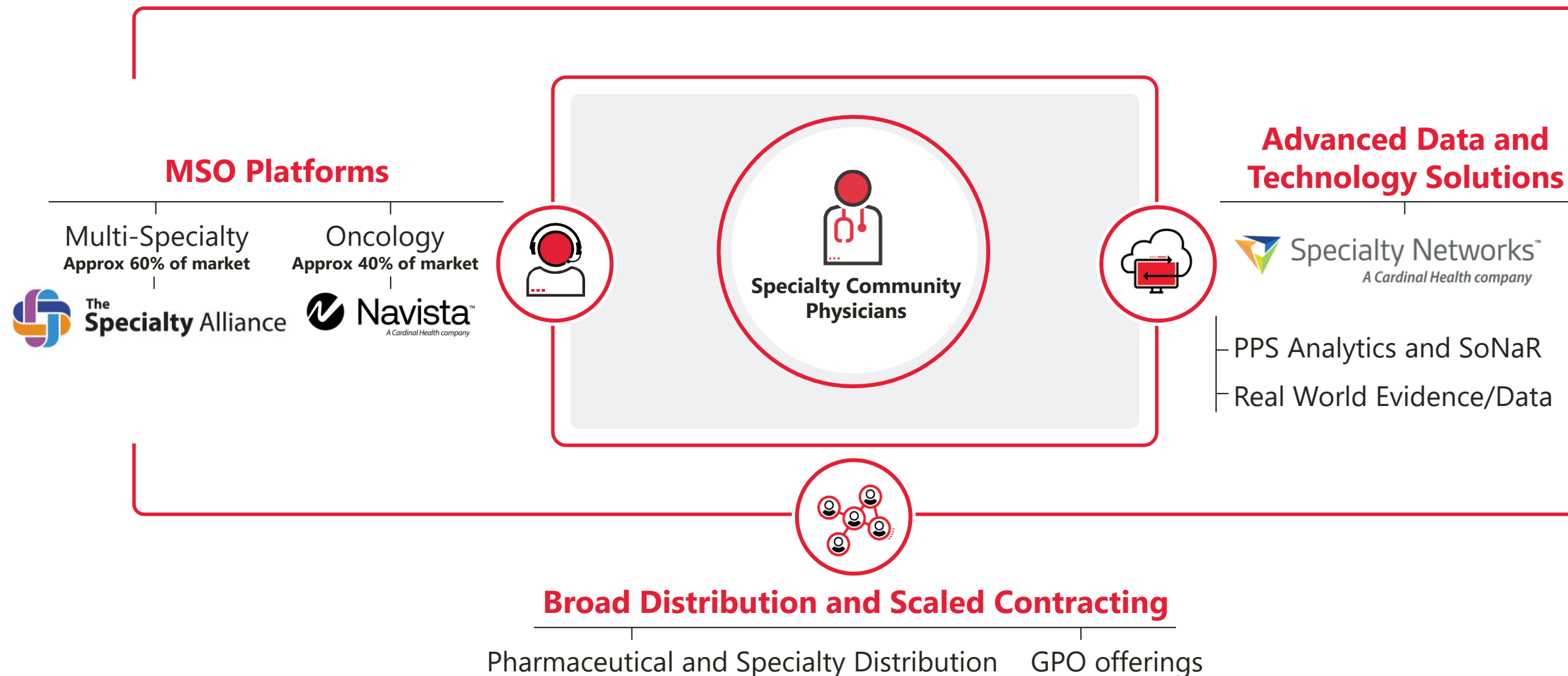
Other includes the following three operating segments: Nuclear and Precision Health Solutions (NPHS), at-Home Solutions, and OptiFreight® Logistics, which are not significant enough individually to require reportable segment disclosure.



Strategic priorities



Supporting community-based physicians with a comprehensive model



Adding Solaris Health to The Specialty Alliance

Transaction expected to be completed in early November

Solaris Health overview

Country's leading urology managed service organization (MSO) with **750+** providers across **250** practice locations in **14** states

Diverse revenue streams underpinned by a national MSO infrastructure

Enables urology providers to focus more time on their patients through clinical research, streamlined practice coordination and improved back-office support

Growing The Specialty Alliance

- 1** **Bolsters CAH's leadership** in the urology specialty therapeutic area
- 2** Strengthens The Specialty Alliance's **multi-specialty platform** and **resilient business model** by adding scale and extending reach to new markets
- 3** CAH's MSO platforms to reach **~3,000 community providers** across **32 states** upon transaction close



Disciplined capital allocation framework

Table stakes



Investing back into the business to drive organic growth



Maintain investment grade balance sheet



Baseline return of capital to shareholders

- Continue to grow the dividend
- Baseline share repurchases

Opportunistic levers



Disciplined and targeted M&A



Additional opportunistic share repurchases

FY26 progress

\$108M in YTD capex

Expect to achieve targeted leverage by end of FY26¹

- Issued \$1B in new notes to partially fund Solaris Health transaction
- Retired \$500M September debt maturity

~\$500M in baseline capital returned to shareholders

- \$375M in baseline share repurchases
- ~\$125M in dividend payments

Expect to complete the acquisition of Solaris Health,
the country's leading urology MSO, in early November

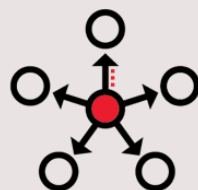
Continue to evaluate opportunistic share repurchases



Compelling investment thesis



Consistent track record



Unique breadth of capabilities



Resilient model



Strong core Pharma



Specialty key opportunity



Higher-margin growth businesses



Progress with GMPD turnaround



Increasing cash flow generation



Disciplined capital allocation



12% to 14% non-GAAP EPS long-term CAGR



Appendix

Cardinal Health, Inc. and Subsidiaries

GAAP / Non-GAAP Reconciliation¹

	Gross Margin	Gross Growth Rate	SG&A ²	SG&A ² Growth Rate	Operating Earnings	Operating Growth Rate	Earnings Before Income Taxes	Provision for Income Taxes	Net Earnings Attributable to Non-Controlling Interests	Net Earnings ³	Net Earnings ³ Growth Rate	Effective Tax Rate	Diluted EPS ³	Diluted EPS ³ Growth Rate
(in millions, except per common share amounts)														
First Quarter 2026														
GAAP	\$ 2,319	22 %	\$ 1,461	14 %	\$ 668	18 %	\$ 598	\$ 144	\$ (4)	\$ 450	8%	24.1 %	\$ 1.88	11%
Restructuring and employee severance	—		—		20		20	5		15			0.06	
Amortization and other acquisition-related costs	—		—		104		104	30		74			0.31	
Acquisition-related cash & share-based compensation costs	—		—		64		64	1		63			0.26	
Impairments and (gain)/loss on disposal of assets, net	—		—		2		2	1		1			—	
Litigation (recoveries)/charges, net	—		—		—		—	(8)		8			0.03	
Non-GAAP	\$ 2,318	22 %	\$ 1,461	14 %	\$ 857	37 %	\$ 788	\$ 173	\$ (4)	\$ 611	33%	21.9 %	\$ 2.55	36%
First Quarter 2025														
GAAP	\$ 1,902	9 %	\$ 1,277	8 %	\$ 568	N.M.	\$ 541	\$ 124	\$ (1)	\$ 416	N.M.	23.0 %	\$ 1.70	N.M.
Restructuring and employee severance	—		—		24		24	6		18			0.07	
Amortization and other acquisition-related costs	—		—		74		74	20		54			0.22	
Impairments and (gain)/loss on disposal of assets, net	—		—		(1)		(1)	—		(1)			—	
Litigation (recoveries)/charges, net	—		—		(40)		(40)	(12)		(28)			(0.11)	
Non-GAAP	\$ 1,902	9 %	\$ 1,277	8 %	\$ 625	12 %	\$ 598	\$ 138	\$ (1)	\$ 460	7%	23.0 %	\$ 1.88	9%

¹ For more information on these measures, refer to the Use of Non-GAAP Measures and Definitions schedules.

² Distribution, selling, general and administrative expenses.

³ Attributable to Cardinal Health, Inc.

The sum of the components and certain computations may reflect rounding adjustments.

We generally apply varying tax rates depending on the item's nature and tax jurisdiction where it is incurred.



Cardinal Health, Inc. and Subsidiaries

GAAP / Non-GAAP Reconciliation - GAAP Cash Flow to Non-GAAP Adjusted Free Cash Flow

(in millions)	First Quarter	
	2026	2025
GAAP - Cash Flow Categories		
Net cash provided by/(used in) operating activities	\$ 973	\$ (1,647)
Net cash used in investing activities	(142)	(88)
Net cash used in financing activities	(110)	(540)
Effect of exchange rates changes on cash and equivalents	(2)	9
Net increase/(decrease) in cash and equivalents	\$ 719	\$ (2,266)
Non-GAAP Adjusted Free Cash Flow		
Net cash provided by/(used in) operating activities	\$ 973	\$ (1,647)
Additions to property and equipment	(108)	(90)
Payments related to matters included in litigation (recoveries)/charges, net	404	376
Non-GAAP adjusted free cash flow	\$ 1,269	\$ (1,361)

For more information on these measures, refer to the Use of Non-GAAP Measures and Definitions schedules.



Cardinal Health, Inc. and Subsidiaries

Segment Information

First Quarter

(in millions)	Pharmaceutical and Specialty Solutions		Global Medical Products and Distribution		Other	
	2026	2025	2026	2025	2026	2025
Revenue						
Amount	\$ 59,205	\$ 47,990	\$ 3,184	\$ 3,123	\$ 1,641	\$ 1,186
Growth rate	23 %	(5)%	2 %	3 %	38 %	13 %
Segment profit						
Amount	\$ 667	\$ 530	\$ 46	\$ 8	\$ 166	\$ 104
Growth rate	26 %	16 %	N.M.	N.M.	60 %	8 %
Segment profit margin	1.13%	1.10 %	1.44%	0.26 %	10.12%	8.77 %

The sum of the components and certain computations may reflect rounding adjustments.



Cardinal Health, Inc. and Subsidiaries
Forward Looking non-GAAP Measures

In this document, the Company presents certain forward-looking non-GAAP metrics. The Company does not provide outlook on a GAAP basis because the items that the Company excludes from GAAP to calculate the comparable non-GAAP measure can be dependent on future events that are less capable of being controlled or reliably predicted by management and are not part of the Company's routine operating activities. Additionally, management does not forecast many of the excluded items for internal use and therefore cannot create or rely on outlook done on a GAAP basis.

The occurrence, timing and amount of any of the items excluded from GAAP to calculate non-GAAP could significantly impact the Company's fiscal 2026 GAAP results. Over the past five fiscal years, the excluded items have impacted the Company's EPS from \$1.79 to \$8.44, which includes a \$6.79 charge related to the goodwill impairment charge for the GMPD segment in fiscal 2022.



Definitions

Growth rate calculation: growth rates are determined by dividing the difference between current-period results and prior-period results by prior-period results.

Interest and Other, net: other (income)/expense, net plus interest expense, net.

Segment Profit: segment revenue minus (segment cost of products sold and segment distribution, selling, general and administrative expenses).

Segment Profit margin: segment profit divided by segment revenue.

Non-GAAP gross margin: gross margin, excluding LIFO charges/(credits).

Non-GAAP distribution, selling, general and administrative expenses or Non-GAAP SG&A: distribution, selling, general and administrative expenses, excluding state opioid assessment related to prior fiscal years and shareholder cooperation agreement costs.

Non-GAAP operating earnings: operating earnings excluding (1) LIFO charges/(credits), (2) state opioid assessment related to prior fiscal years, (3) restructuring and employee severance, (4) amortization and other acquisition-related costs, (5) acquisition-related cash and share-based compensation costs, (6) impairments and (gain)/loss on disposal of assets, net, and (7) litigation (recoveries)/charges, net.

Non-GAAP earnings before income taxes: earnings before income taxes excluding (1) LIFO charges/(credits), (2) state opioid assessment related to prior fiscal years, (3) restructuring and employee severance, (4) amortization and other acquisition-related costs, (5) acquisition-related cash and share-based compensation costs, (6) impairments and (gain)/loss on disposal of assets, net, and (7) litigation (recoveries)/charges, net.

Non-GAAP net earnings attributable to non-controlling interests: net earnings attributable to non-controlling interests excluding (1) LIFO charges/(credits), (2) state opioid assessment related to prior fiscal years, (3) restructuring and employee severance, (4) amortization and other acquisition-related costs, (5) acquisition-related cash and share-based compensation costs, (6) impairments and (gain)/loss on disposal of assets, net, and (7) litigation (recoveries)/charges, net, each net of tax.

Non-GAAP net earnings attributable to Cardinal Health, Inc.: net earnings attributable to Cardinal Health, Inc. excluding (1) LIFO charges/(credits), (2) state opioid assessment related to prior fiscal years, (3) restructuring and employee severance, (4) amortization and other acquisition-related costs, (5) acquisition-related cash and share-based compensation costs, (6) impairments and (gain)/loss on disposal of assets, net, and (7) litigation (recoveries)/charges, net, each net of tax.

Non-GAAP effective tax rate: provision for income taxes adjusted for the tax impacts of (1) LIFO charges/(credits), (2) state opioid assessment related to prior fiscal years, (3) restructuring and employee severance, (4) amortization and other acquisition-related costs, (5) acquisition-related cash and share-based compensation costs, (6) impairments and (gain)/loss on disposal of assets, net, and (7) litigation (recoveries)/charges, net, divided by (earnings before income taxes adjusted for the items above).

Non-GAAP diluted earnings per share attributable to Cardinal Health, Inc.: non-GAAP net earnings attributable to Cardinal Health, Inc. divided by diluted weighted-average shares outstanding.

Non-GAAP adjusted free cash flow: net cash provided by operating activities less payments related to additions to property and equipment, excluding settlement payments and receipts related to matters included in litigation (recoveries)/charges, net, as defined above, or other significant and unusual or non-recurring cash payments or receipts.



Definitions continued

¹ LIFO charges and credits are excluded because the factors that drive last-in first-out ("LIFO") inventory charges or credits, such as pharmaceutical manufacturer price appreciation or deflation and year-end inventory levels (which can be meaningfully influenced by customer buying behavior immediately preceding our fiscal year-end), are largely out of our control and cannot be accurately predicted. The exclusion of LIFO charges and credits from non-GAAP metrics facilitates comparison of our current financial results to our historical financial results and to our peer group companies' financial results. We did not recognize any LIFO charges or credits during the periods presented.

² State opioid assessments related to prior fiscal years is the portion of state assessments for prescription opioid medications that were sold or distributed in periods prior to the period in which the expense is incurred. This portion is excluded from non-GAAP financial measures because it is retrospectively applied to sales in prior fiscal years and inclusion would obscure analysis of the current fiscal year results of our underlying, ongoing business. Additionally, while states' laws may require us to make payments on an ongoing basis, the portion of the assessment related to sales in prior periods are contemplated to be one-time, nonrecurring items. Income from state opioid assessments related to prior fiscal years represents reversals of accruals due to changes in estimates or when the underlying assessments were invalidated by a Court or reimbursed by manufacturers.

³ Restructuring and employee severance costs are excluded because they are not part of the ongoing operations of our underlying business and include, but are not limited to, costs related to divestitures, closing and consolidating facilities, changing the way we manufacture or distribute our products, moving manufacturing of a product to another location, changes in production or business process outsourcing or insourcing, employee severance, and realigning operations.

⁴ Amortization and other acquisition-related costs, which include transaction costs, integration costs, and changes in the fair value of contingent consideration obligations, are excluded because they are not part of the ongoing operations of our underlying business and to facilitate comparison of our current financial results to our historical financial results and to our peer group companies' financial results. Additionally, costs for amortization of acquisition-related intangible assets and amortization as a result of basis differences in equity method investments are non-cash amounts, which are variable in amount and frequency and are significantly impacted by the timing and size of acquisitions, so their exclusion facilitates comparison of historical, current, and forecasted financial results. We also exclude other acquisition-related costs, which are directly related to an acquisition but do not meet the criteria to be recognized on the acquired entity's initial balance sheet as part of the purchase price allocation. These costs are also significantly impacted by the timing, complexity, and size of acquisitions.

⁵ Acquisition-related cash and share-based compensation costs are incurred in connection with contingent cash payments or the issuance of share-based payment awards, which include service requirements, as a part of certain physician practice acquisitions. These costs include fair value adjustments for liability-classified awards. These costs are excluded because they are unrelated to the underlying operating results of our business and to facilitate comparison of our current financial results to our historical financial results and to our peer group companies' financial results. In addition, the magnitude of these expenses is significantly impacted by the timing and size of the acquisitions of physician practices.

⁶ Impairments and gain or loss on disposal of assets, are excluded because they do not occur in or reflect the ordinary course of our ongoing business operations and are inherently unpredictable in timing and amount, and in the case of impairments, are non-cash amounts, so their exclusion facilitates comparison of historical, current, and forecasted financial results.

⁷ Litigation recoveries or charges, net are excluded because they often relate to events that may have occurred in prior or multiple periods, do not occur in or reflect the ordinary course of our business and are inherently unpredictable in timing and amount.

The tax effect for each of the items listed above is determined using the tax rate and other tax attributes applicable to the item and the jurisdiction(s) in which the item is recorded. The gross, tax, and net impact of each item are presented with our GAAP to non-GAAP reconciliations.

Non-GAAP adjusted free cash flow: We provide this non-GAAP financial measure as a supplemental metric to assist readers in assessing the effects of items and events on our cash flow on a year-over-year basis and in comparing our performance to that of our peer group companies. In calculating this non-GAAP metric, certain items are excluded from net cash provided by operating activities because they relate to significant and unusual or non-recurring events and are inherently unpredictable in timing and amount. We believe adjusted free cash flow is important to management and useful to investors as a supplemental measure as it indicates the cash flow available for working capital needs, debt repayments, dividend payments, share repurchases, strategic acquisitions, or other strategic uses of cash. A reconciliation of our GAAP financial results to Non-GAAP adjusted free cash flow is provided in Schedule 6 of the financial statement tables included with this release.

