



# Continuing our multi-year growth journey

**Cardinal Health 2025 Investor Day**

June 12, 2025



# Welcome and overview

---

**MATT SIMS** | INVESTOR RELATIONS & ENTERPRISE FP&A



# Overview of the day

9:00am **Welcome and overview**

Matt Sims, Investor Relations & Enterprise FP&A

9:05am **Evolving to reach our full potential**

Jason Hollar, Chief Executive Officer

9:25am **Pharma and Specialty Solutions:  
growth and resiliency**

Debbie Weitzman, Pharma & Specialty Solutions

Craig Cowman, Biopharma Solutions

James Weber, MD, The Specialty Alliance

9:55am **Accelerating growth businesses**

Rob Schlissberg, at-Home Solutions

Emily Gallo, OptiFreight Logistics

Mike Pintek, Nuclear & Precision Health Solutions

10:25am **Break**

10:40am **GMPD turnaround**

Steve Mason, Global Medical Product & Distribution

10:55am **Value creation**

Aaron Alt, Chief Financial Officer

11:18am **Q&A**

11:58am **Closing**

Jason Hollar, Chief Executive Officer

\*All times are Eastern Time (ET)



### 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 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 Product 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; our ability to manage uncertainties associated with the pricing of branded pharmaceuticals, including as a result of legislative or executive actions; 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 June 12, 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](https://ir.cardinalhealth.com)





# Evolving to reach our full potential

---

**JASON HOLLAR** | CHIEF EXECUTIVE OFFICER



# Today's focus

**1** Clear and consistent strategy

---

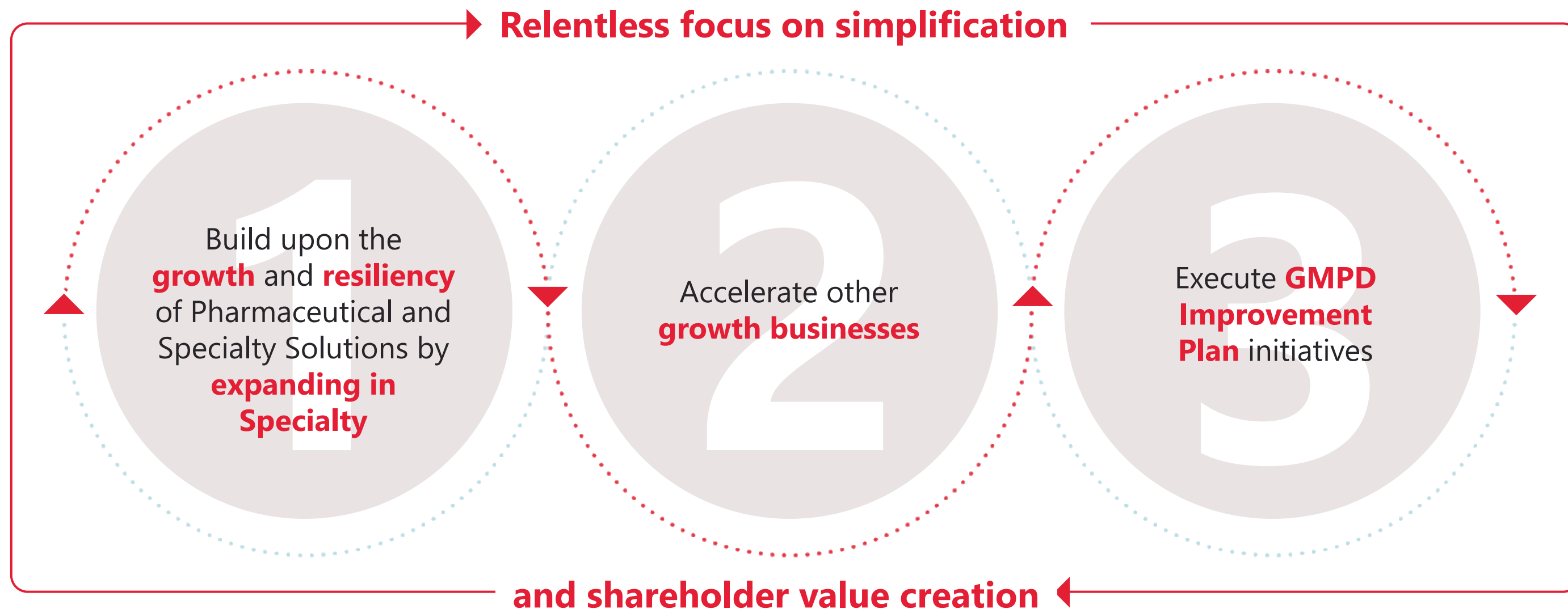
**2** Continued momentum and evolution

---

**3** Talented and experienced team



# Consistent strategy



# Strategic progress

✓ Executed **simplification actions**, including streamlined organizational structure

✓ Expanded in **Specialty** and accelerated our **growth businesses**

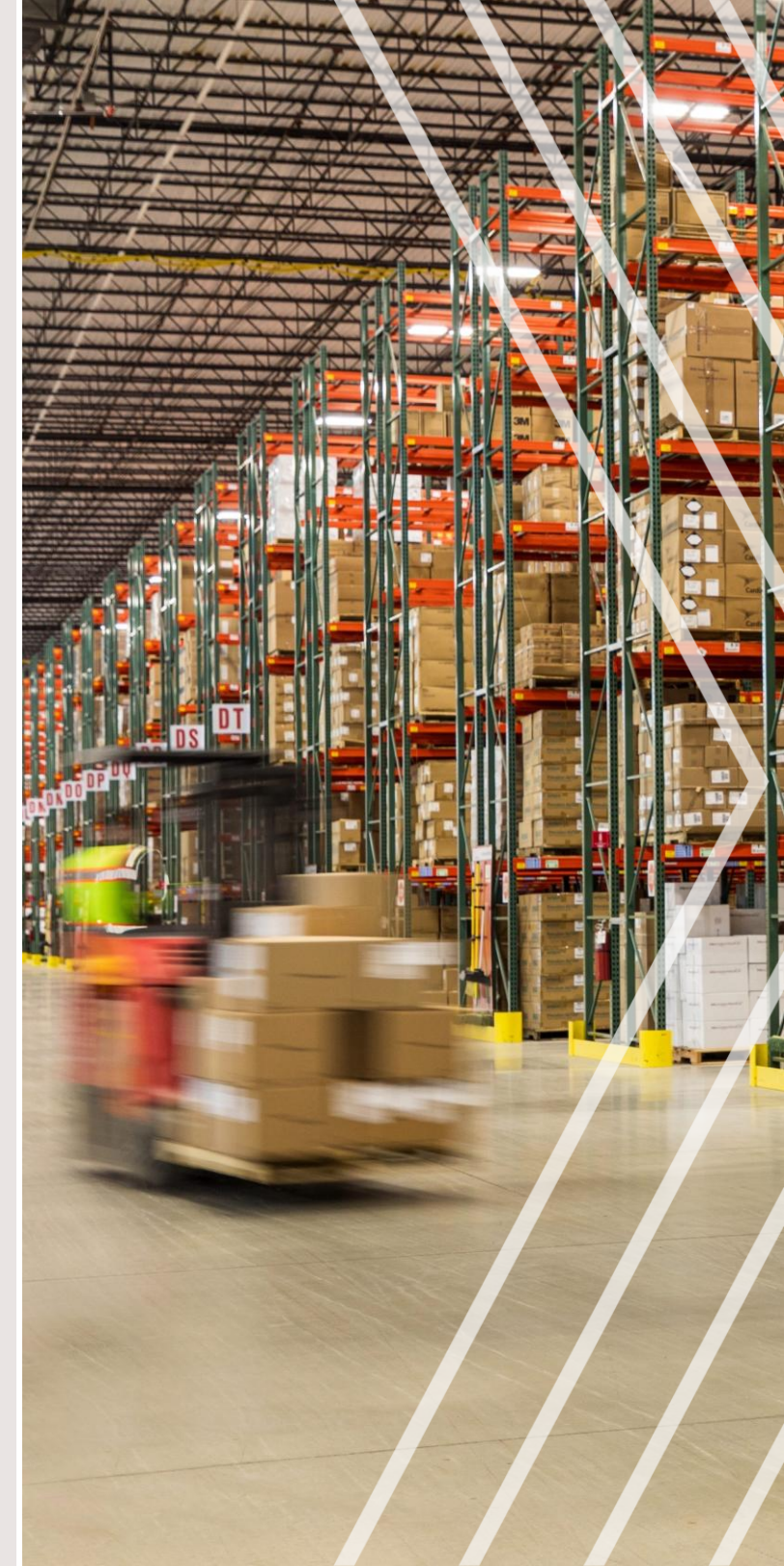
✓ Invested **\$1B back into the business** over last two years to drive organic growth

✓ Completed **five acquisitions**<sup>1</sup> of high-quality assets in strategic areas of focus

✓ Improved core execution with **improvements** across **key operational metrics**

✓ Returned **\$3B to shareholders** through share repurchases and dividends

<sup>1</sup>Acquisitions include Specialty Networks, Integrated Oncology Network (ION), GI Alliance (GIA), Advanced Diabetes Supply (ADS) and Urology America



# Acceleration in performance

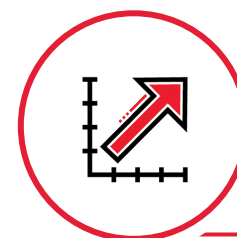
## Pre-FY24 period<sup>1,2</sup>

EPS CAGR **+2%**

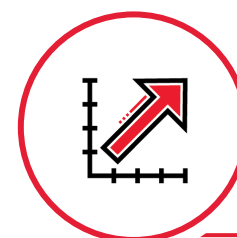
Operating earnings CAGR **(4)%**

Adjusted free cash flow **~\$5B**

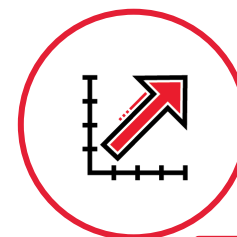
## FY24 – FY25<sup>1,2</sup>



EPS CAGR **+18%**



Operating earnings CAGR **+16%**



Adjusted free cash flow **~\$6B**

<sup>1</sup>FY22 to FY23 2-yr CAGR, as of FY21 baseline, and FY24 to FY25 Outlook 2-yr CAGR, as of FY23 baseline; <sup>2</sup>Non-GAAP EPS and Non-GAAP operating earnings



# Financial progress

## Long-term targets (FY24-FY26)

## Current outlook (FY24-FY26)

✓	Pharma segment profit growth of 4% to 6%	8% CAGR <sup>1</sup>
○	GMPD segment profit of \$300M in FY26 <sup>2</sup>	Nearly <b>\$300M improvement</b> since FY23; taking actions to mitigate externalities and drive profit growth
✓	Other segment profit growth of 8% to 10% <sup>2</sup>	10% CAGR <sup>3</sup>
✓	Generate at least \$6B in adj. free cash flow	~ <b>\$9B</b> in total adj. FCF
✓	At least \$2B in share repurchases <sup>4</sup>	Now expecting <b>at least \$2.75B</b>
✓	Non-GAAP EPS CAGR of 12% to 14%	16% CAGR

<sup>1</sup>8% excluding contributions from GIA and ION; additionally, does not include NPHS business which was originally included in the Pharma segment prior to January 2024 re-segmentation

<sup>2</sup>Target from January 2024 re-segmentation announcement

<sup>3</sup>10% excluding contributions from Advanced Diabetes Supply

<sup>4</sup>Target and outlook includes \$500M of opportunistic share repurchases initiated in Q4 FY23



# Continuation of momentum

Strong  
financial  
outlook

- 1** **Raising** FY25 EPS guidance
- 2** Providing FY26 guidance for **~13%** EPS growth<sup>1</sup>
- 3** Targeting **12% to 14%** EPS CAGR for FY26-28
- 4** **Raising long-term targets** for Pharma & Specialty Solutions and Other profit growth
- 5** **Raising** expectations for adjusted free cash flow

<sup>1</sup>At the mid-points



# Our business leadership team



**Jason Hollar**  
Chief Executive Officer

**Aaron Alt**  
Chief Financial Officer

**Debbie Weitzman**  
Pharmaceutical & Specialty  
Solutions

**Rob Schlissberg**  
at-Home Solutions

**Emily Gallo**  
OptiFreight  
Logistics

**Mike Pintek**  
Nuclear & Precision  
Health Solutions

**Steve Mason**  
Global Medical Products  
& Distribution



Manufacturers  
and innovators

**Biopharma  
innovators**

**Generic Rx  
manufacturers**

**Consumer health  
manufacturers**

**Nuclear  
innovators**

**Medical-surgical  
product  
manufacturers**



Providers  
and customers



**Retail and grocery  
pharmacies**



**Mail order  
pharmacies**



**Health systems**



**Specialty physician  
offices**



**Government**



**Patients in  
the home**



# Positioned at the forefront of **key trends**



## Patient demographics

Increasing utilization of pharmaceutical and medical products and services



## Pharmaceutical innovation

Novel specialty therapies and radiopharmaceuticals requiring complex forms of logistics and clinical support



## Site of care shifts

Care delivery shifting to more cost-effective and comfortable settings for the patient such as community practices and the home



## Technology advancements

Deploying new technologies to provide clinical and economic value for customers and drive operational efficiencies

**Cardinal Health positioning**



# Confidence in our resilient business model

Stable industry trends	Leading value proposition	Proven adaptability
<p><b>Defensive industry</b> characteristics</p> <p>Demographic tailwinds drive consistent and <b>increasing demand</b> for our services</p> <p>Consistent <b>cash flow</b> generation</p>	<p>Strong and <b>diverse customer base</b> and <b>leading partnerships</b></p> <p><b>Highly efficient</b> model with ~1% operating margins</p> <p>Expanding <b>suite of services</b> with diverse revenue streams</p>	<p><b>Fee for service</b> model</p> <p><b>History of managing through</b> regulatory and industry changes</p> <p><b>Strong balance sheet</b> and financial flexibility</p>



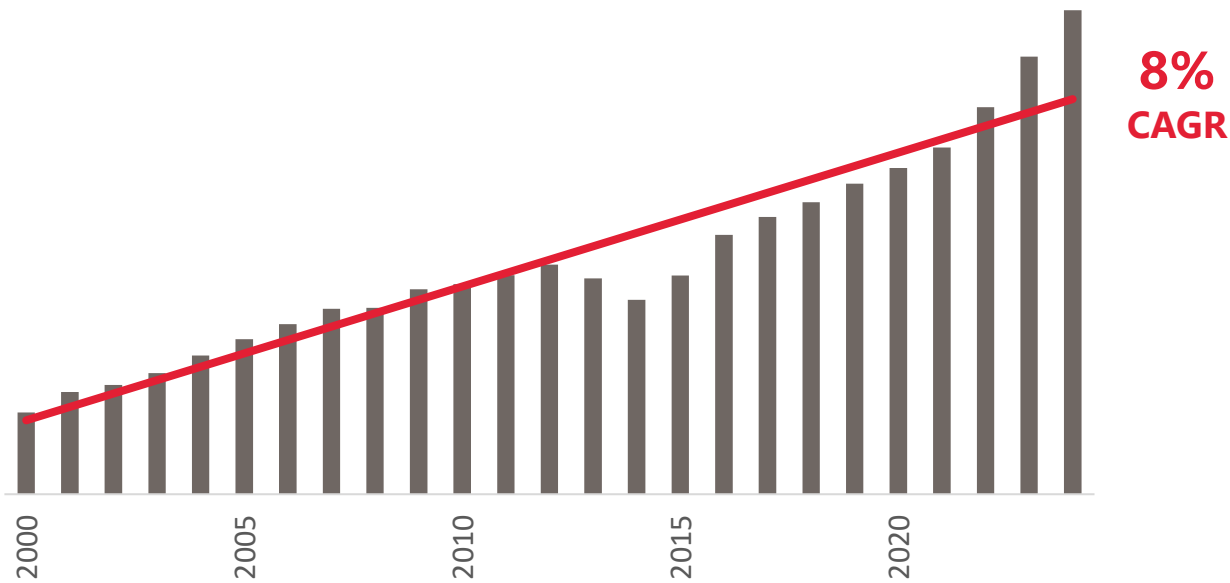
# Confidence in our resilient business model

Administration action on drug pricing	Tariffs	Engagement
<p>Confident in essential role of <b>safely, securely and efficiently</b> providing critical products and services for customers and patients</p> <p>Expect to continue to be <b>appropriately compensated</b> for significant value provided</p>	<p><b>~95%</b> of segment profit <b>largely unimpacted</b> by current tariffs</p> <p><b>Minimal net impact</b> anticipated to enterprise in FY26 (&lt;3% of EPS)</p> <p>Well-positioned to manage through <b>pharmaceutical tariffs</b></p>	<p>Continuing to <b>work with policymakers</b> to <b>advocate for our customers</b> and business</p> <p>Supporting healthcare policies that promote increased <b>access, affordability</b> and <b>innovation</b></p>

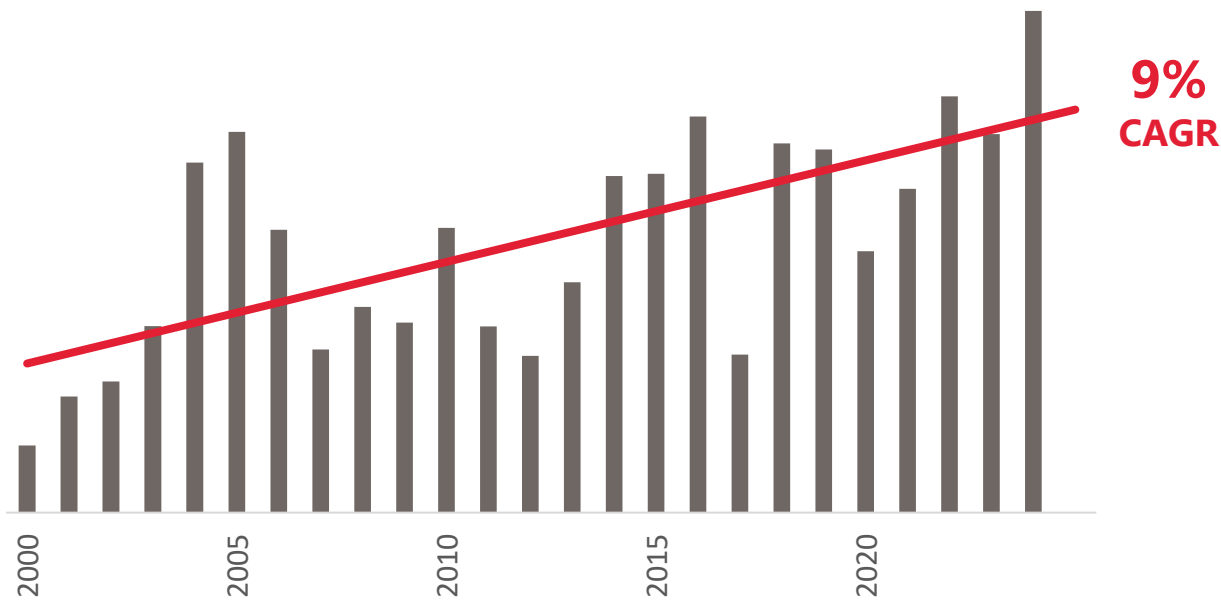


# Confidence in our resilient business model

Revenue



Operating Cash Flow



# Building on our core

## Investing in pharmaceutical distribution

1

The **Consumer Health Logistics Center** will be fully operational in July 2025

2

Announcing plans for a **new state of the art forward distribution center**

3

**New customer ordering platform, Vantus™ HQ**, has reached critical mass



# Continuing to prioritize growth in Specialty

**Launching  
The Specialty Alliance**

**Expanding  
Biopharma Solutions**

**1** Launching **The Specialty Alliance** multi-specialty MSO platform

**2** **Specialty Networks'** data and insights platforms, **PPS Analytics** and **SoNaR**, are launching into oncology and further expanding in gastroenterology and rheumatology

**3** **Sonexus** more than doubling its products supported by FY28



# Accelerating our growth

## Investing across Nuclear & Precision Health Solutions (NPHS), at-Home Solutions (AHS) and OptiFreight

1

Investing **over \$150M in NPHS** over the next three years

- Expanding our cyclotron network for PET<sup>1</sup> products in 11 markets
- Expanding our Center for Theranostics Advancement capabilities

2

Announcing the opening of **AHS' automated Fort Worth facility** and plans for **3 additional automation expansions**

Beginning synergy realization with **ADS distribution integration**

3

Expanding **OptiFreight's** offerings within the **hospital pharmacy**

<sup>1</sup>Positron emission tomography



# Turning around GMPD

## Continuing to execute the GMPD Improvement Plan

1

Growing **Cardinal Health™ Brand revenue 3% to 5%**

- Seeing ongoing commercial progress with our five-point plan
- Executing mitigation actions to minimize tariff costs for our customers and business

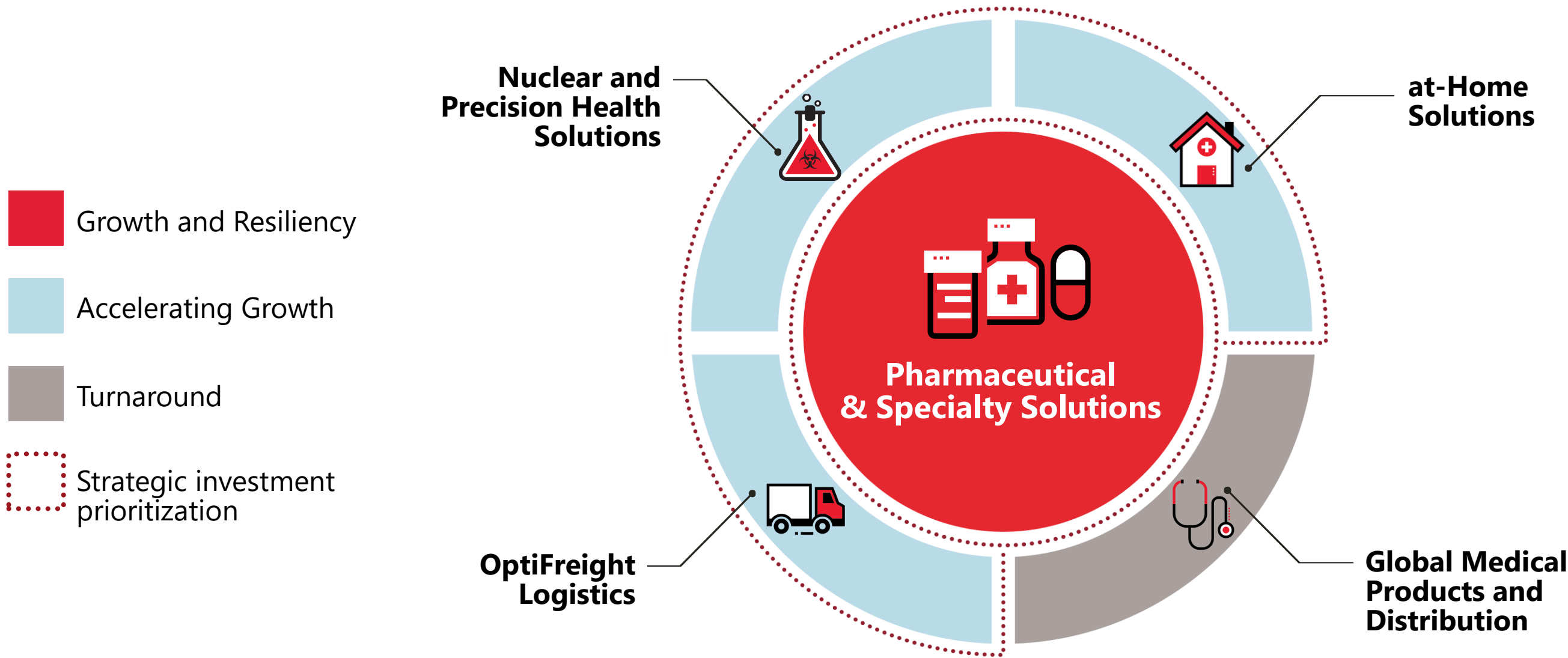
2

Driving **continued simplification and cost optimization** across the business by executing our manufacturing transformation and improving distribution cost-to-serve



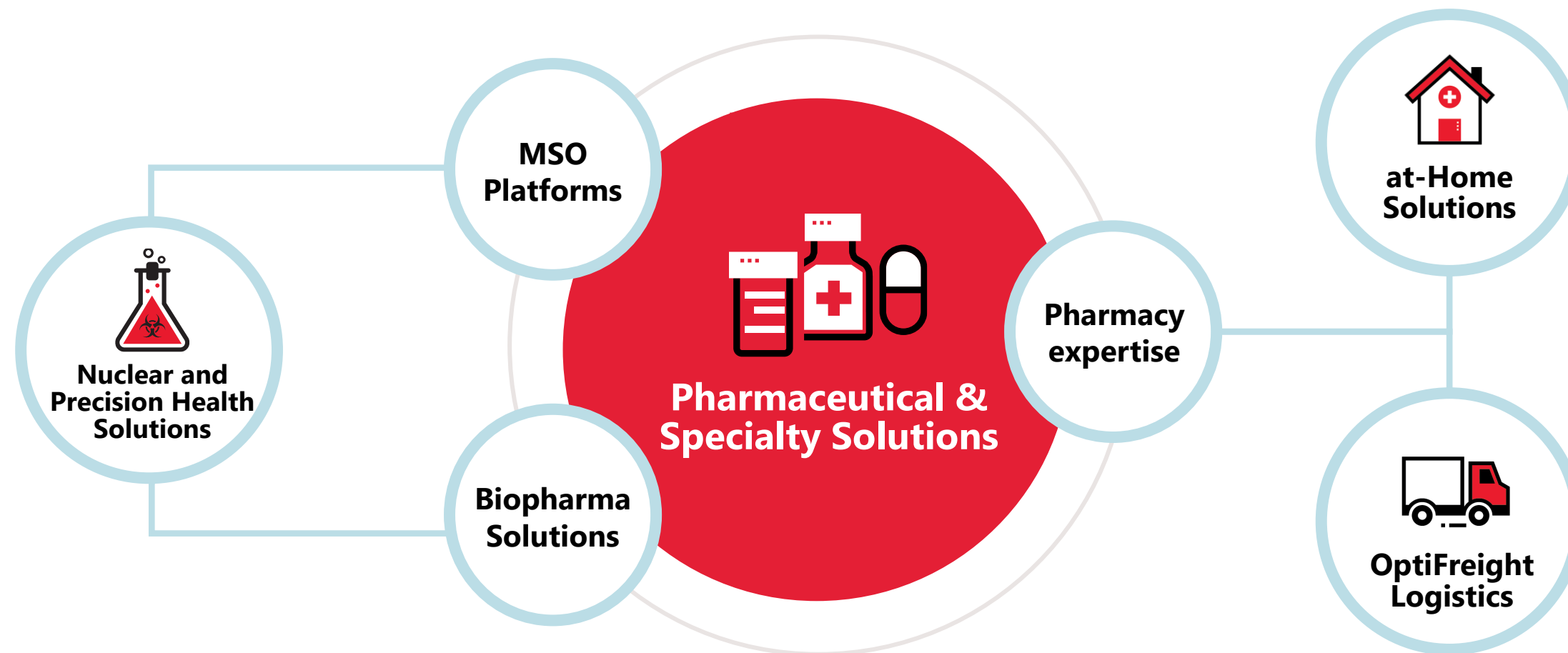
# Portfolio overview

**1 large core business | 3 growth businesses | 1 turnaround business**



# Longer-term opportunities

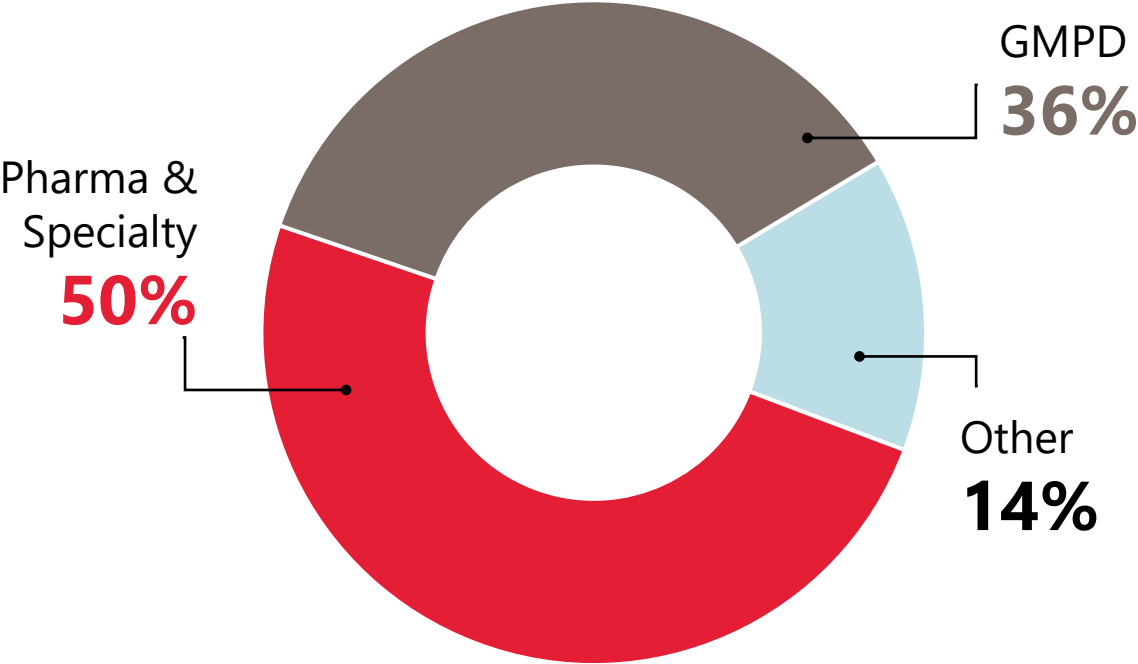
**Examples of potential value creation from CAH's unique assets and capabilities**



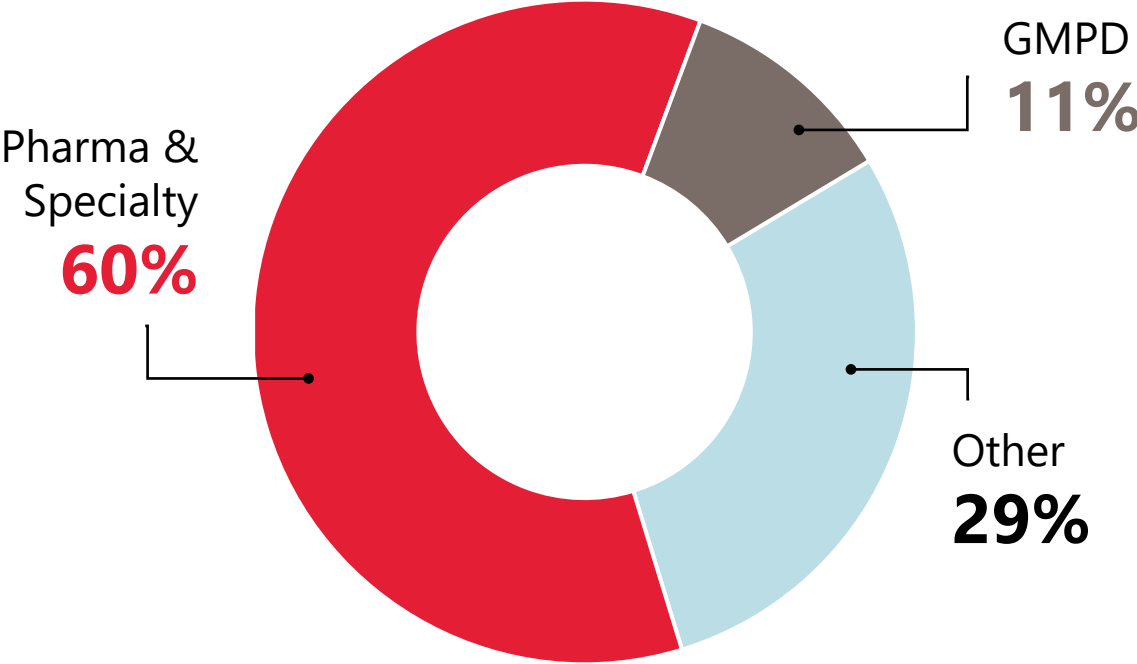
# Our ongoing evolution

**Total operating earnings growth by segment**

**FY24 + FY25 Outlook**



**FY26 to FY28 Outlook<sup>1</sup>**



**Pharma & Specialty** expanding, **Other** contribution doubling and **GMPD** less meaningful contributor to future growth

Other includes: Nuclear and Precision Health Solutions | at-Home Solutions | OptiFreight Logistics

<sup>1</sup>GMPD assumes \$50M of profit growth per year from \$140M in FY26



# Key takeaways



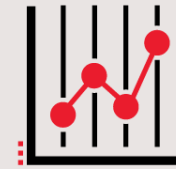
**Consistent  
track record**



**Unique breadth  
of capabilities**



**Resilient  
model**



**Strong core  
Pharma**



**Specialty key  
opportunity**



**Higher-margin  
growth  
businesses**



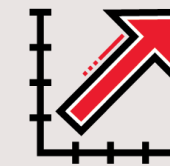
**Progress  
with GMPD  
turnaround**



**Increasing  
cash flow  
generation**



**Disciplined  
capital  
allocation**



**12% to 14%  
non-GAAP EPS  
CAGR**



# Pharmaceutical & Specialty Solutions

---

**DEBBIE WEITZMAN**  
**JAMES WEBER, MD**  
**CRAIG COWMAN**



# Who we are today

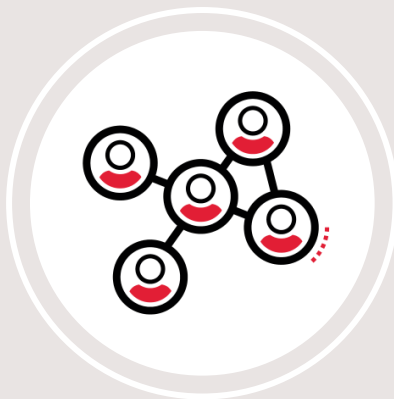
..... **Key areas** .....



**Pharmaceutical  
& Specialty  
Distribution**



**Biopharma  
Solutions**



**MSO  
Platforms**

.....

MSO: Managed Services Organization Platforms

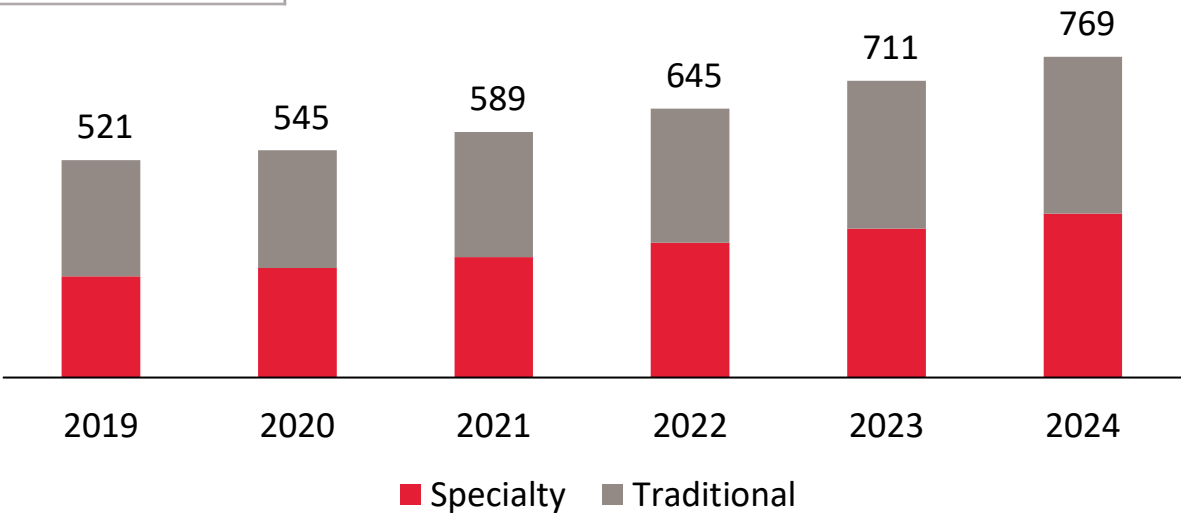


# Specialty represents the fastest growing segment of the industry

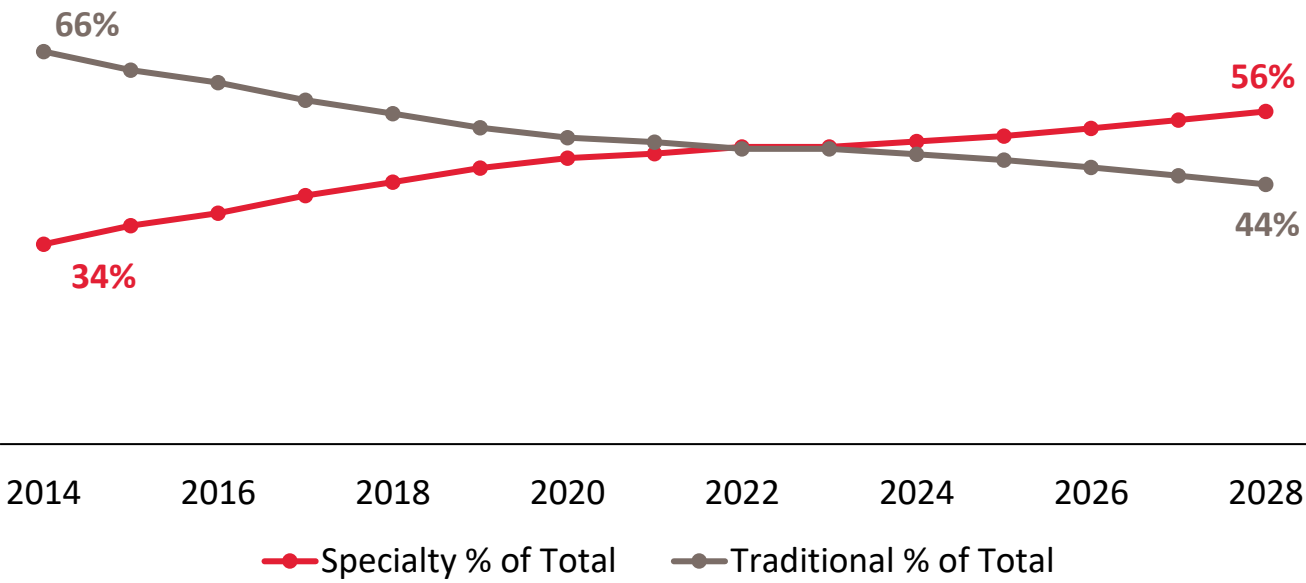
## US Pharmaceutical Industry

5-yr CAGR	
Specialty	10%
Traditional	6%
Total	8%

**Industry Growth**  
(Invoice prices at \$ in billions)



**Traditional & Specialty Mix**  
(Invoice prices at \$ in billions)



Source: IQVIA Institute



# Segment strategy

**Continuing to execute our plan**

## Pharmaceutical & Specialty Solutions

**1**

**Strengthen our core**  
**Pharmaceutical Distribution**

**2**

Expand in Specialty  
MSO Platforms | Biopharma  
Solutions



# Commercial momentum

Customer-oriented service **+** Disciplined onboarding and ongoing execution **=** **Momentum across classes of trade**



**Retail chain /  
grocery**



**Health  
systems**



**Retail  
independents**



**Long-term  
care**



**Physician  
office**



# Strategic sourcing

Partnerships with CVS Health enabling sourcing scale and expertise across:

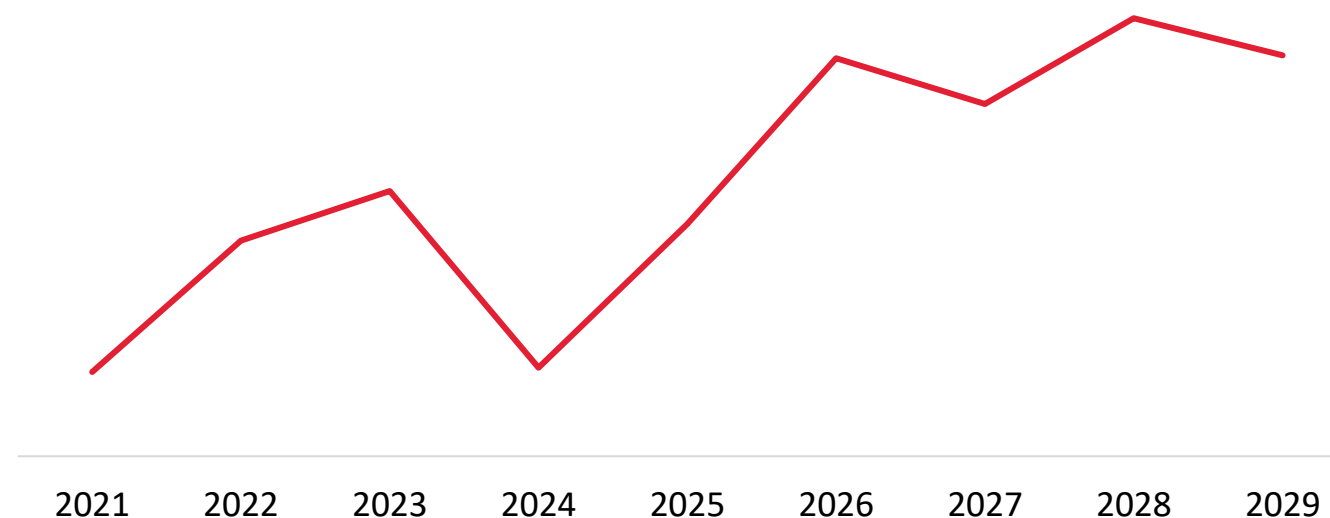
- Generic Rx: **Red Oak Sourcing**
- Private label OTC: **IQ Purchasing**
- Biosimilars: **Averon**



**Leading scale**  
in U.S. generic  
purchasing

**2-3%** projected generic  
unit market growth  
between 2024-2029<sup>1</sup>

**Brand sales loss of exclusivity**  
(Small molecule only)<sup>1,2</sup>



<sup>1</sup> Information licensed from IQVIA: IQVIA DDD® and IQVIA Market Prognosis for the period 2019 - 2029 reflecting estimates of real-world activity. All rights reserved. Includes Cardinal Health analysis

<sup>2</sup> Brand sales loss of exclusivity shown at ex-manufacturer price

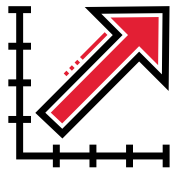


# Consumer Health Logistics Center

**Customer experience and  
operational efficiency investment**



**Opens  
July 2025**



**Enables growth:**

- Frees network capacity
- Improves service levels
- Opens new revenue channels



**Deploys  
automation  
for operational  
efficiency**



# Continuing to invest for growth in the core



Distribution  
network

Warehouse and  
transportation focused  
initiatives to **improve  
cost, capacity and  
productivity**



Inventory  
optimization

Inventory management  
and forecasting for  
**better service** and  
working capital  
utilization



Technology  
architecture

**Modern technology**  
infrastructure to align  
people, process and  
technology



Customer  
solutions

Innovative,  
**customer-facing  
solutions**  
that complement  
go-to-market



# Segment strategy

**Continuing to execute our plan**

## Pharmaceutical & Specialty Solutions

1

Strengthen our core  
**Pharmaceutical Distribution**

2

**Expand in Specialty**

**MSO Platforms**

**Biopharma  
Solutions**

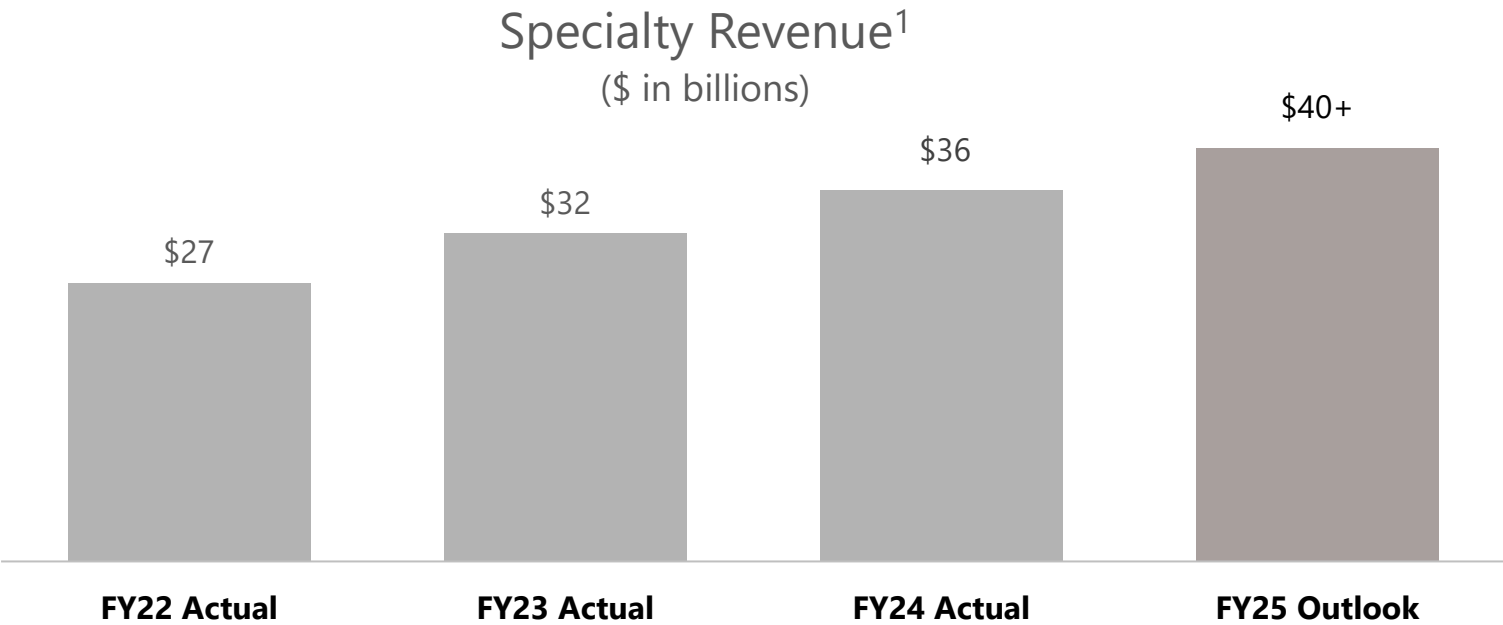


# Accelerating growth in Specialty

**Specialty is now over \$40B in revenue, growing at a 14% CAGR over the last 3 years<sup>1</sup>**

**1** Accelerate growth in **autoimmune<sup>2</sup>, urology and oncology**

**2** Scale and expand offerings **to pharmaceutical manufacturers**



<sup>1</sup>Specialty Distribution + Biopharma Solutions + MSO platforms; <sup>2</sup>Includes gastroenterology, neurology and rheumatology



# Managed Service Organizations

## The **Specialty** Alliance



..... **Multi-Specialty** .....



**Navista**<sup>TM</sup>  
*A Cardinal Health company*

..... **Oncology** .....

**Contributing ~\$3B** of higher-margin revenue and positioned for future growth



# Focus on autoimmune, urology and oncology

Similar practice  
economic profiles

Treatment of  
certain cancers

## **AUTOIMMUNE<sup>1</sup>**

- Significant use of **infusible therapies** for treatment with **meaningful drug overlap** across therapeutic areas
- **Diverse revenue streams** beyond infusion

## **UROLOGY**

- Partner in treatment of **certain cancers** with oncology
- Share **similar practice economic profiles** with Autoimmune

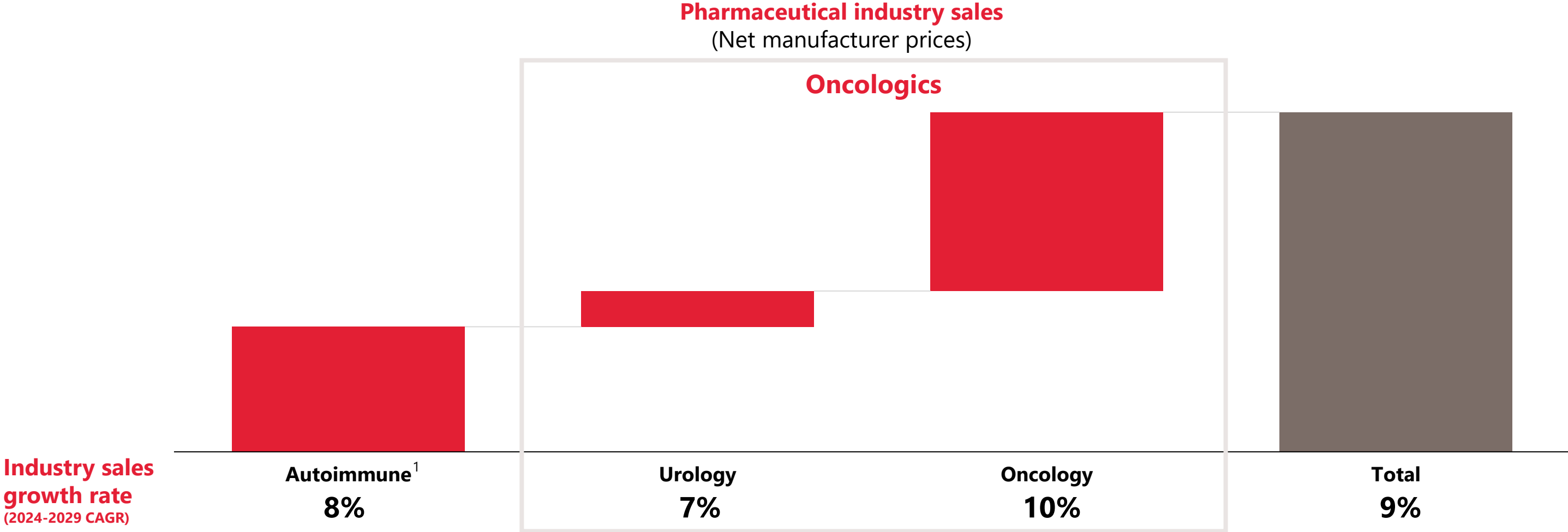
## **ONCOLOGY**

- Single **largest therapeutic area**
- Robust growth driven by **drug pipeline**
- Opportunity to offer **comprehensive care** (medical, radiation, surgical)

<sup>1</sup> Includes gastroenterology, neurology and rheumatology



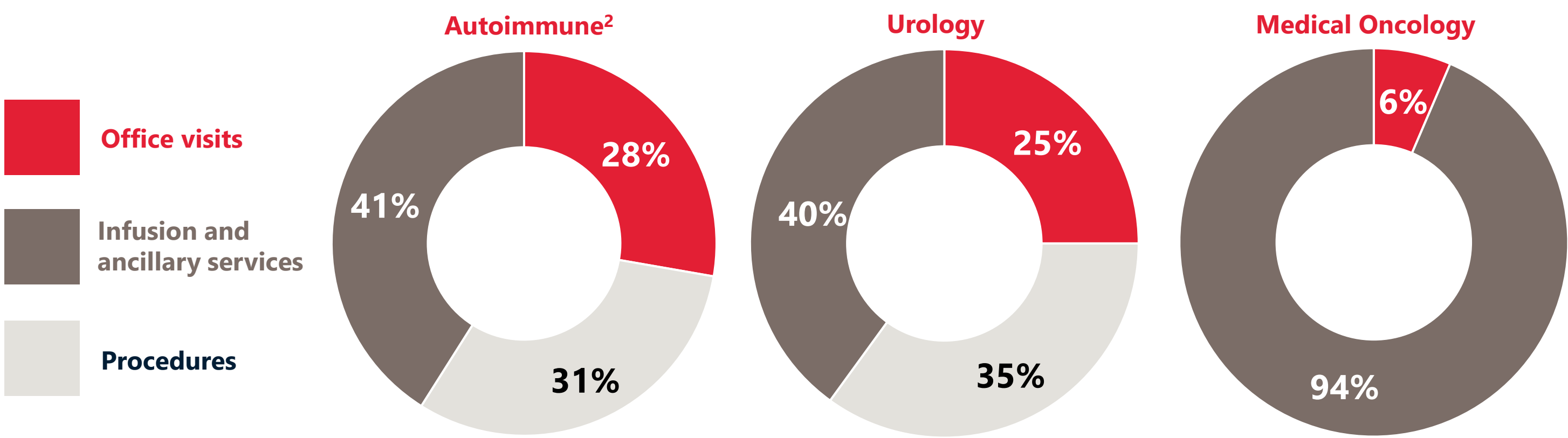
# Oncologics and autoimmune represent large and growing opportunities



Source: Market sizing and market growth rates sourced from Evaluate Pharma  
<sup>1</sup> Includes gastroenterology, neurology and rheumatology



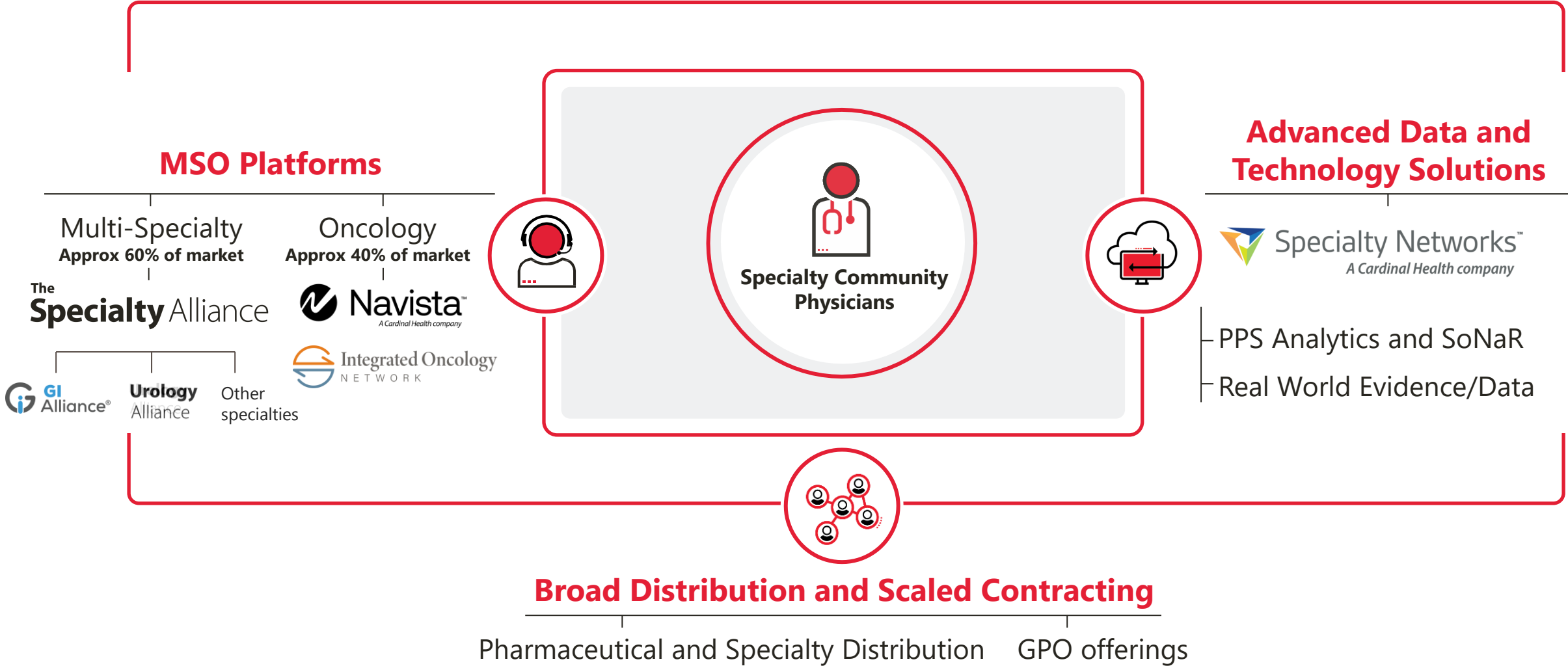
# Community practices have diverse revenue streams<sup>1</sup> with similar mix across Autoimmune and Urology



Source: Bain & Co.; Ancillaries includes infusion, surgery center, laboratory, and other revenue streams  
<sup>1</sup>Includes revenue that is typically addressable to a community physician practice  
<sup>2</sup>Includes gastroenterology, neurology and rheumatology



# Building a platform to provide best-in-class support to community-based physicians



PHARMACEUTICAL & SPECIALTY SOLUTIONS

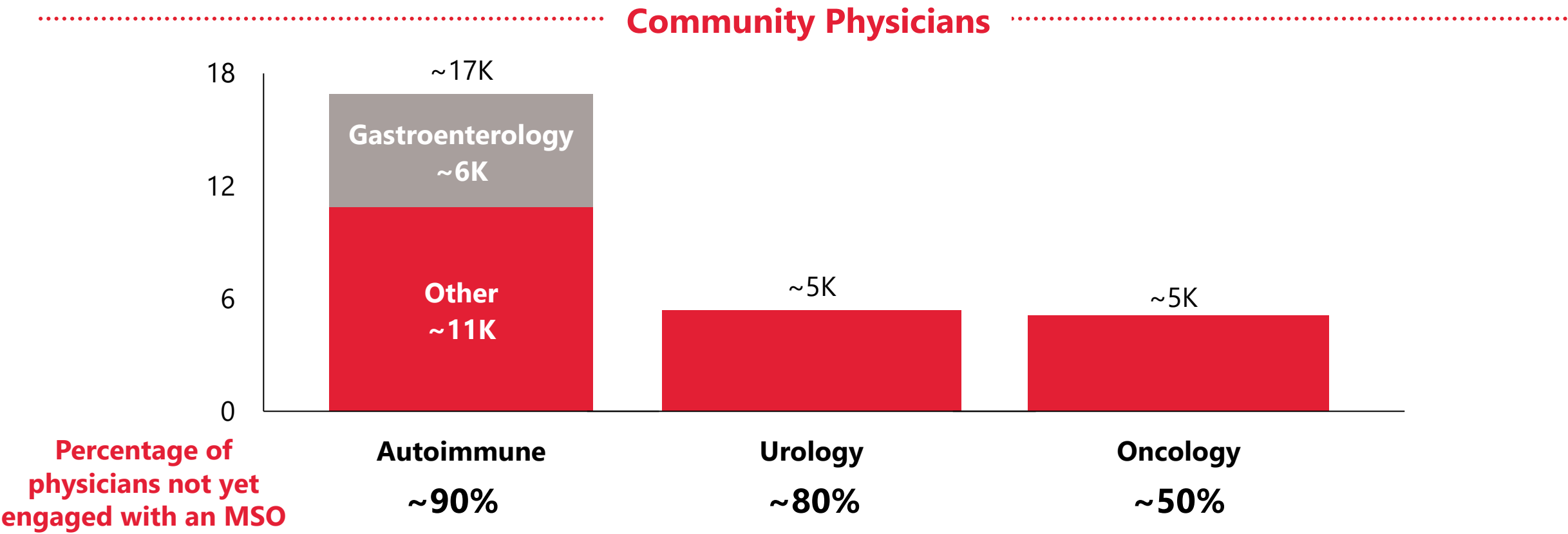
---

# JAMES WEBER, MD

THE SPECIALTY ALLIANCE



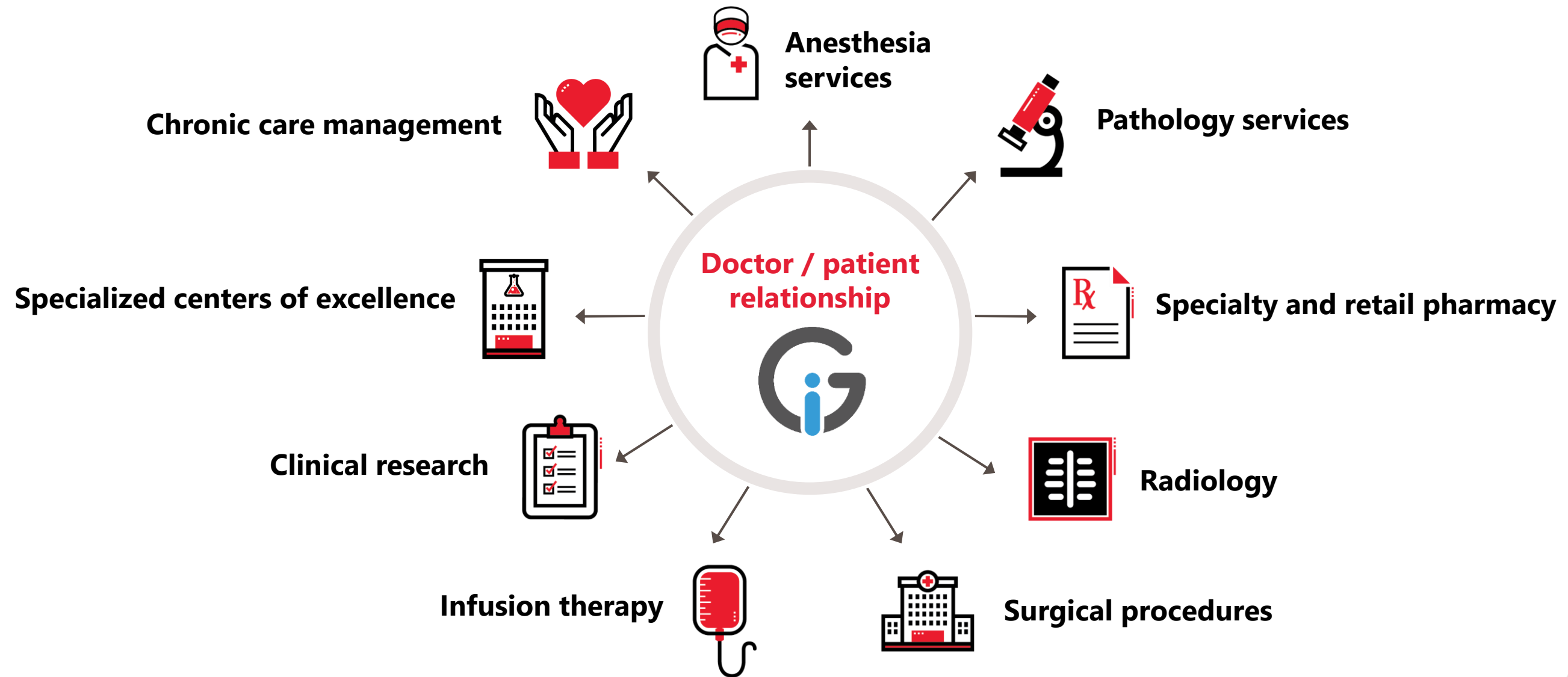
Community physicians are a large population of providers committed to providing high quality, convenient and cost-effective care



Source: Internal analysis and Bain & Co



# How a managed service organization helps



# Partnering with Cardinal Health

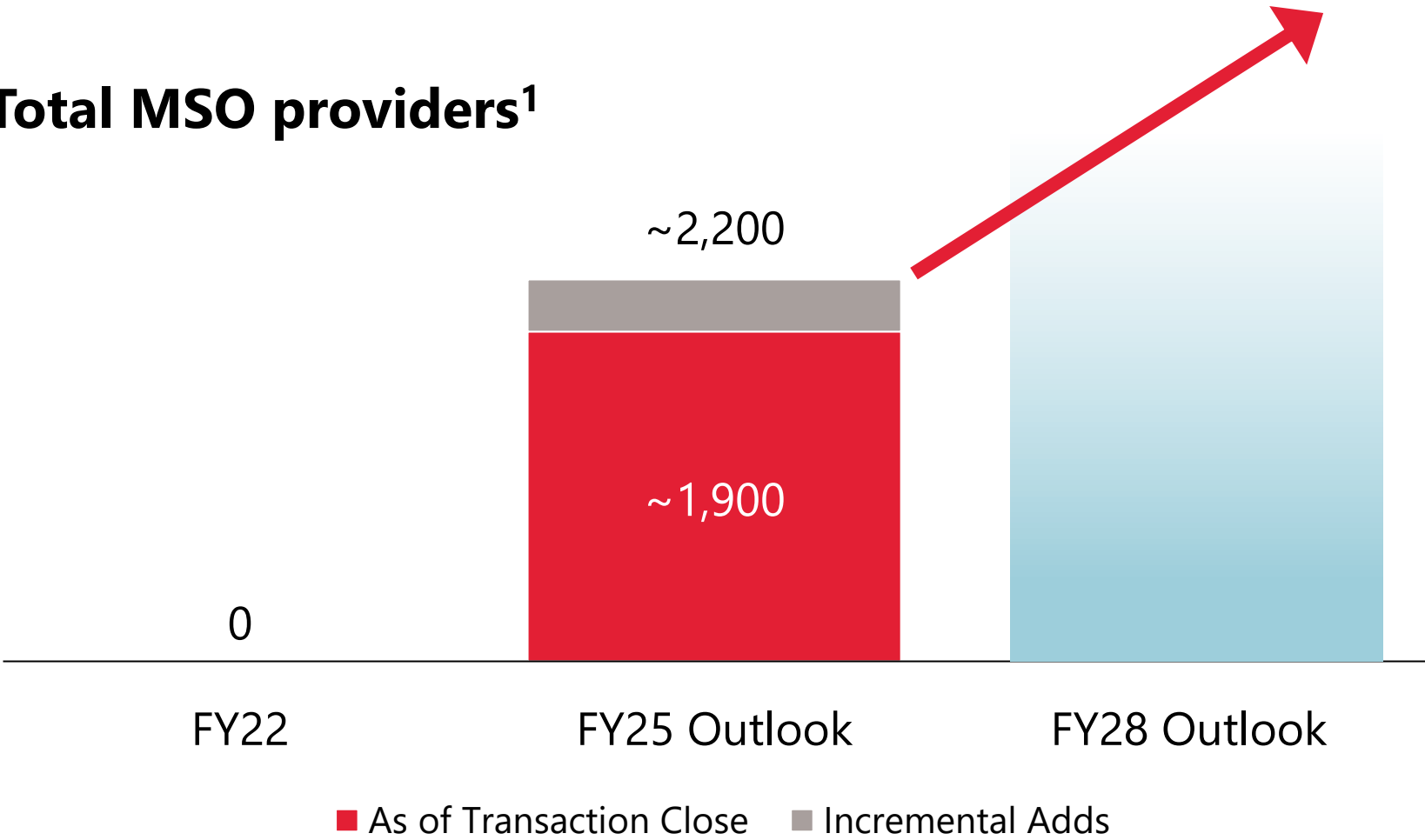


- 1 Physicians maintain clinical autonomy
- 2 Continued physician ownership and governance
- 3 Access to capital to fund growth
- 4 Complementary expertise



# Our MSO platforms are positioned for growth

**Total MSO providers<sup>1</sup>**



<sup>1</sup>Includes physicians and advanced practice providers supported by The Specialty Alliance and Navista



PHARMACEUTICAL & SPECIALTY SOLUTIONS

# CRAIG COWMAN

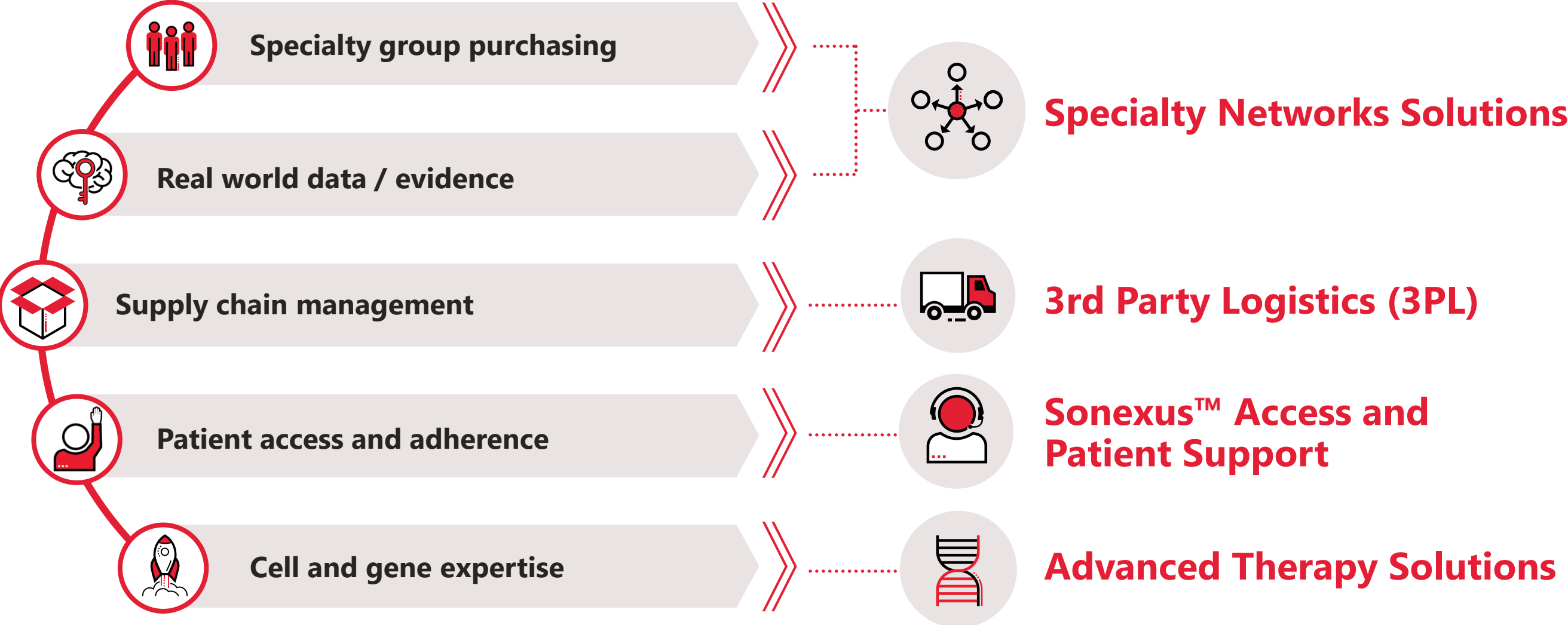
BIOPHARMA SOLUTIONS



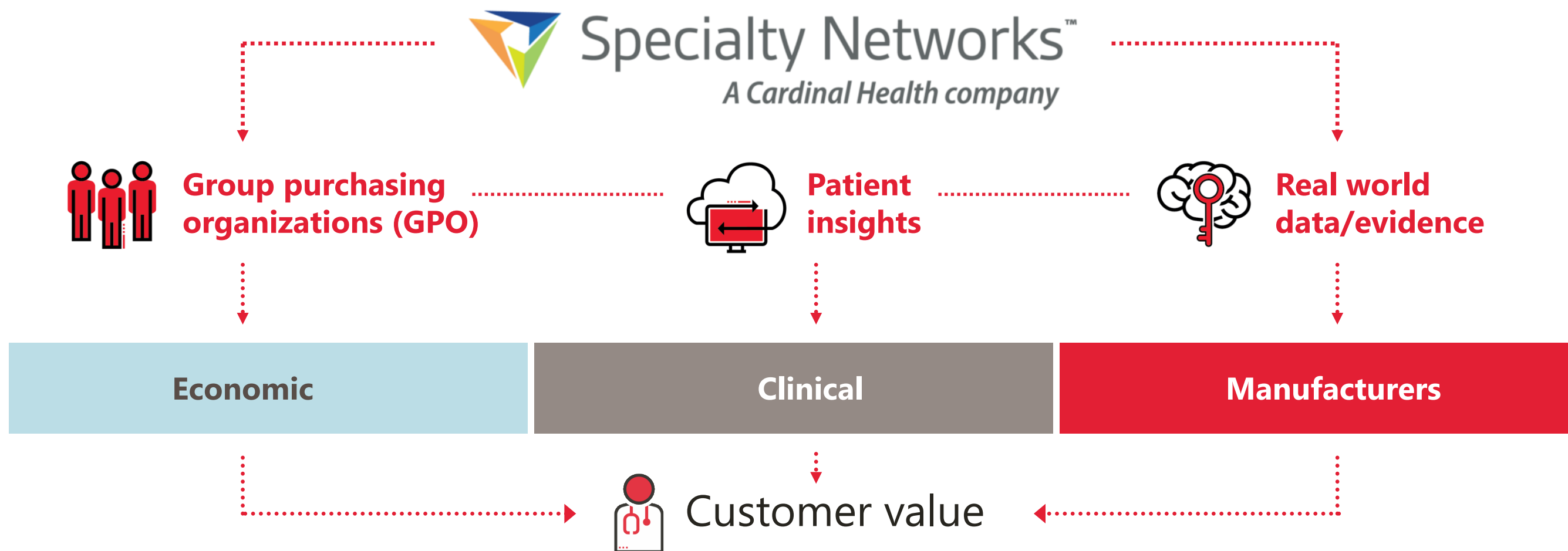
# Biopharma Solutions overview

## Manufacturer needs for commercialization

## Cardinal Health capabilities

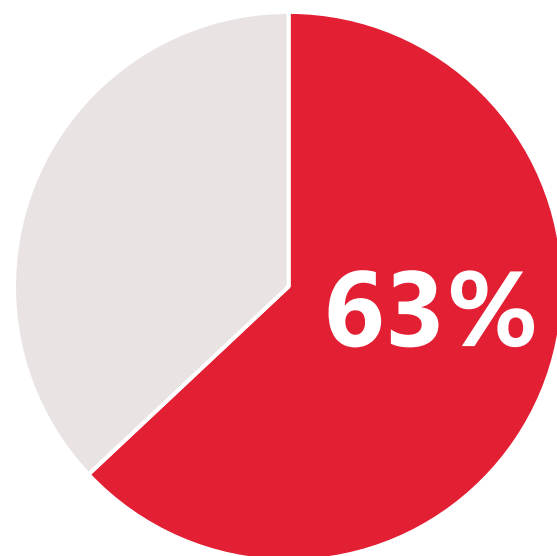


# Specialty Networks Solutions creates holistic value for physicians and manufacturers



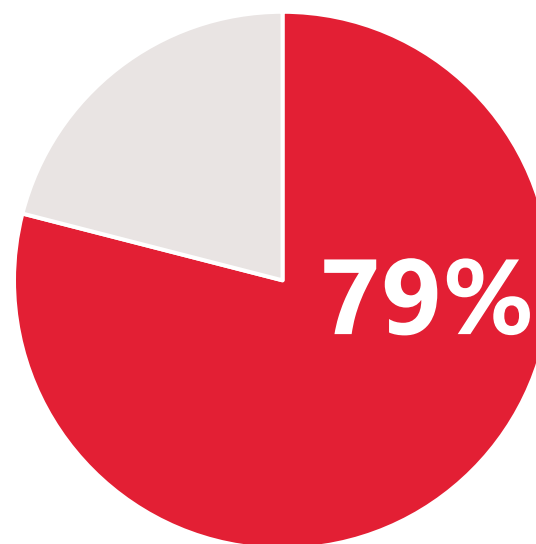
# 3PL growth driven by investments in technology and infrastructure

**All 3PL new drug launches  
2024**



■ CAH 3PL ■ All Others

**First-time 3PL launches  
2024**



■ CAH 3PL ■ All Others



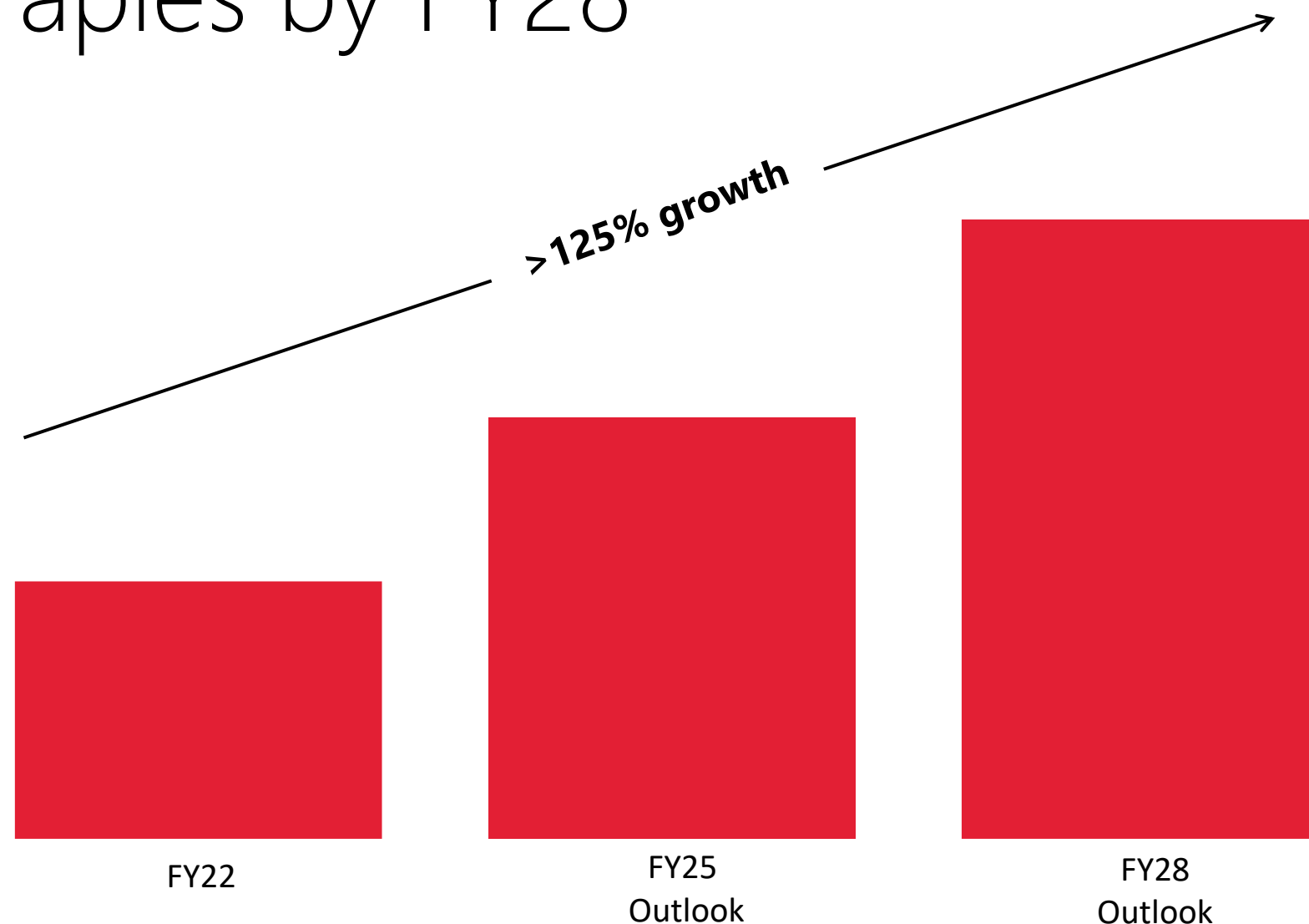
Source: 2024 Novel Drug Approvals per FDA.gov, FiercePharma



# Sonexus to more than double its number of supported therapies by FY28

## **Sonexus™ Access & Patient Support,**

combines pharmacy operations with smart digital tools to streamline patient onboarding and increase adherence to prescribed care

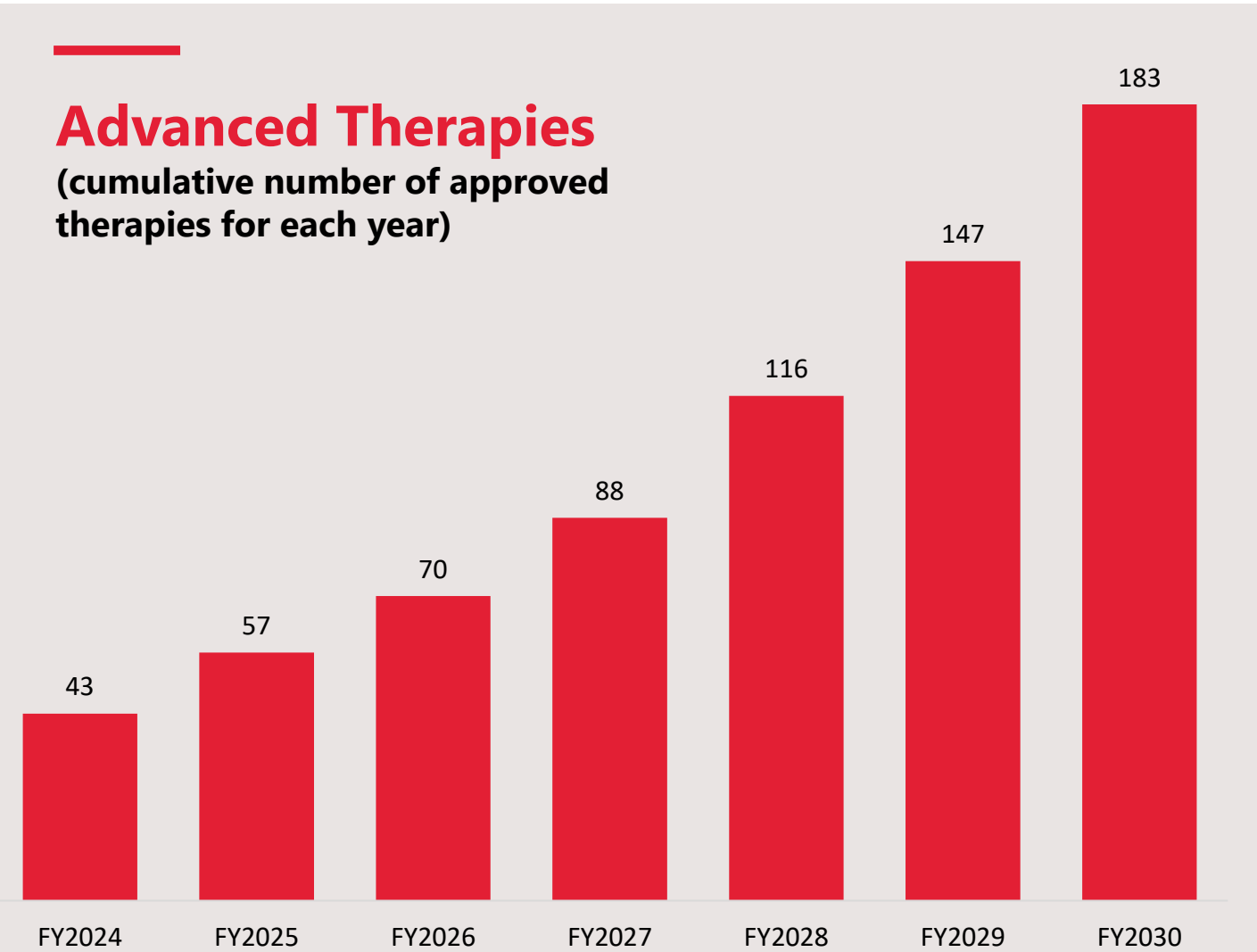


**Number of therapies supported at Sonexus**



# Advanced Therapy Solutions' suite of go-to-market offerings are uniquely designed to meet evolving market needs

**Advanced Therapies**  
(cumulative number of approved therapies for each year)



Sources: Evaluate Pharma; Cardinal Health Analysis

## Current offerings



**Evidence planning and regulatory support**

Evidence generation, regulatory consulting and submissions and real-world evidence collection



**3rd Party Logistics and distribution**

Supply chain and 3rd party logistics, unified ordering and reporting (Advanced Therapy Connect) and financial risk management



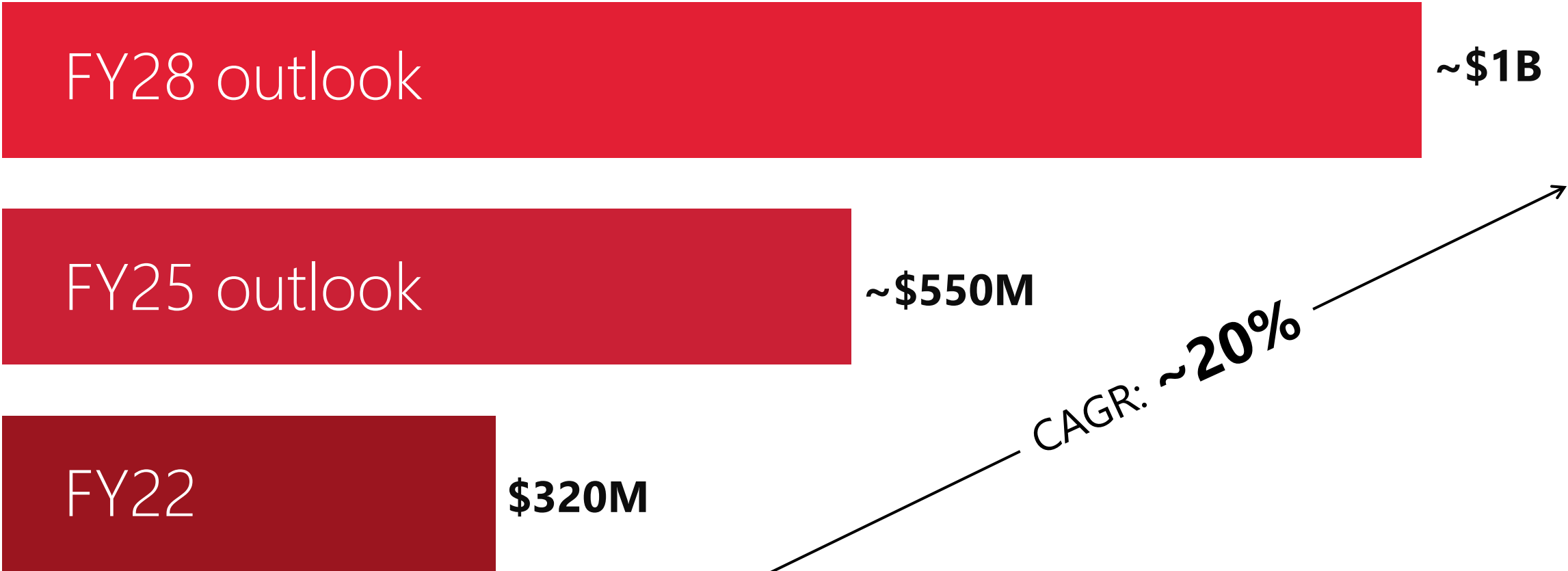
**Patient support services and market access**

Patient support services powered by Sonexus, clinical programs and market access consulting



# Biopharma Solutions will continue to deliver strong double-digit growth

## Biopharma Solutions revenue



# FY26-28 Growth and resiliency

**Bringing it all together –  
delivering results**

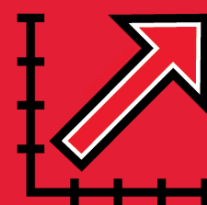
<sup>1</sup> CAGR over FY26 to FY28 period, as of FY25 baseline  
Profit CAGR includes approximately 2 percentage points  
of growth attributable to the acquisitions of GIA and ION

**1**

Strong core  
foundation

**2**

Expanding  
in Specialty



**Segment to deliver 8% to 10% revenue  
and 7% to 9% segment profit CAGR<sup>1</sup>**



# Higher-margin growth businesses



<b>Key trends</b>	Care shifting to <b>more cost-effective</b> and <b>comfortable settings</b>	Increasing <b>pressures on providers</b> to <b>reduce costs</b> and leverage technology	Acceleration of <b>biopharma innovation</b> and precision medicine
<b>Leading positioning</b>	Leading scale, breadth and distribution reach	Leading value proposition and technology-driven solutions	Leading network and differentiated end-to-end capabilities

 **\$5.3B** revenue

 **>\$500M** profit

 **9.5%** operating margin

Positioned for continued double-digit growth

Other includes: Nuclear and Precision Health Solutions | at-Home Solutions | OptiFreight Logistics; Financials represent mid-point of Other’s FY25 outlook



# at-Home Solutions

---

**ROB SCHLISSBERG**



# Complementary businesses focused on the home



**Leading direct-to-home medical supplies distributor – B2B**

- **3,000+ customers** that care for people in their homes
- Offer broad product portfolio of medical supplies
- National network of **11 dedicated distribution centers**
- Provides scale and efficiencies across at-Home Solutions



**Leading direct providers of medical supplies to people in their homes – B2C**

- Access to nearly **90% of covered lives in the U.S.**
- Provide medical supplies needed to manage chronic conditions
- Attractive reoccurring revenue model – diabetes, ostomy, urology
- **Asset-light model** with attractive product mix

**Currently serve more than 6M patients with over 22M shipments to homes annually**



# Compelling opportunities

at-Home Solutions  
competes in a segment  
of the HME industry

**\$45B**

TAM

**8%**

projected  
CAGR

With a scaled platform  
to capture growth in  
an expanding diabetes  
industry

**\$17B**

TAM

**10%**

projected  
CAGR



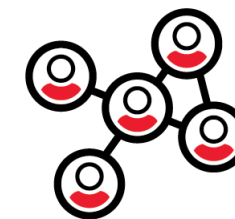
## **Aging population**

Americans 65+ expected  
to grow **15%** the next 5 years



## **Rise in chronic conditions**

>**50%** American adults have  
multiple chronic conditions



## **Expanding access**

~**65%** of people with  
diabetes who qualify for  
CGM under insurance  
are not yet using it

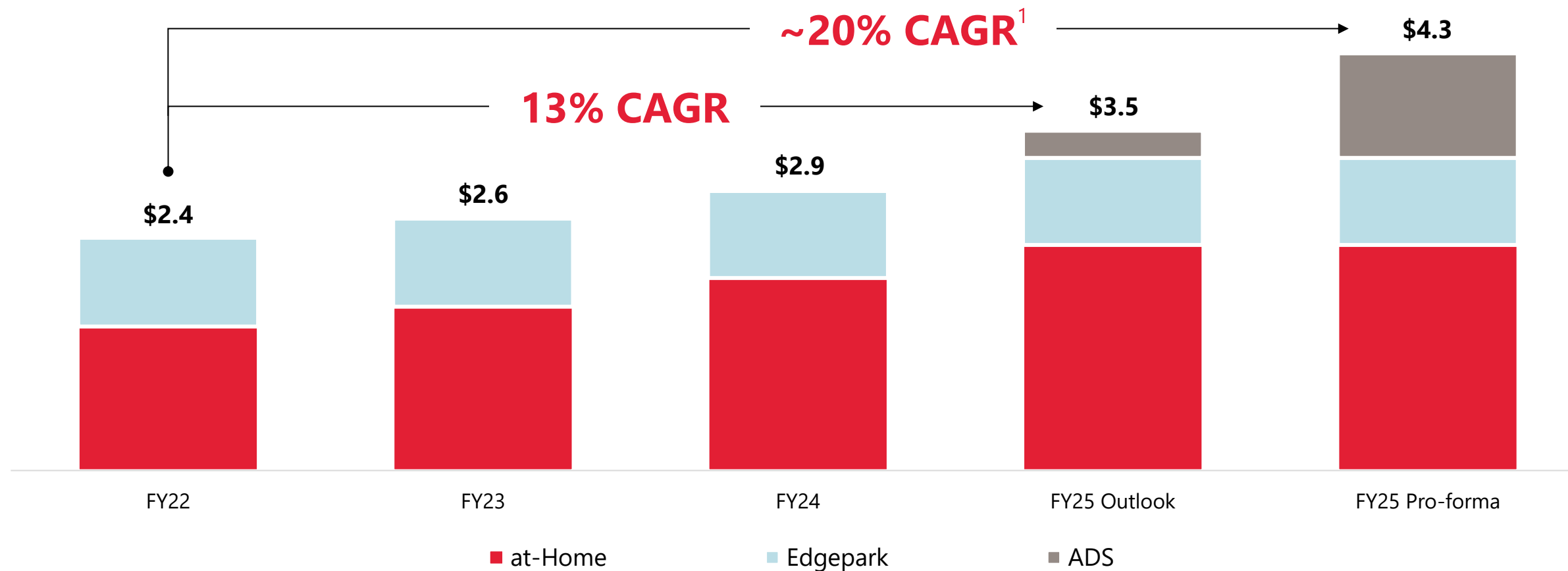
Sources: HME Databank, CMS National Health Expenditures, American Diabetes Association: Economic Costs of Diabetes in the US in 2022, National Diabetes Statistics Report, Centers for Disease Control and Prevention, May 15, 2024, February 2025 Wolfe Research, and public earnings reports



# Consistent above-market growth

## at-Home Solutions

revenue by business unit (\$B)



<sup>1</sup>ADS acquisition closed 4/1/25; Pro-forma includes ADS annualized \$1.1B in revenue



# Clear and connected strategy

1

**Building on our strengths** as a scaled supply chain and logistics leader through our dedicated direct-to-home network

---

2

**Accelerating core growth** across chronic conditions as both a direct-to-home distributor and direct provider

---

3

Leveraging our infrastructure and large populations we serve to create a **platform for future growth** opportunities



# Strong foundation to build on

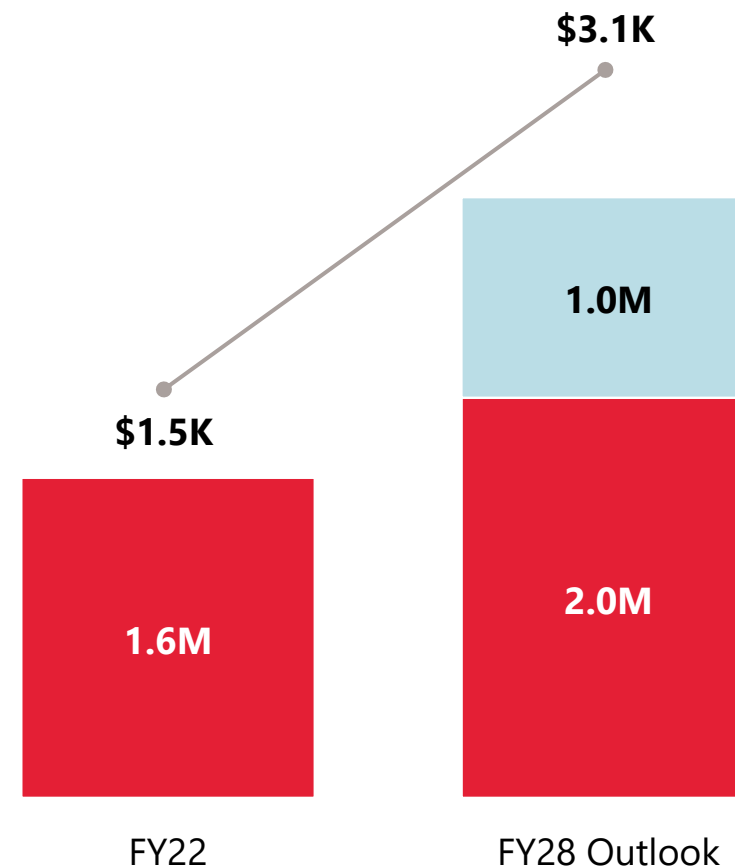
## Customer experience (FY22 vs. FY25)



## Productivity (Legacy vs. New Site)



## Capacity to support growth



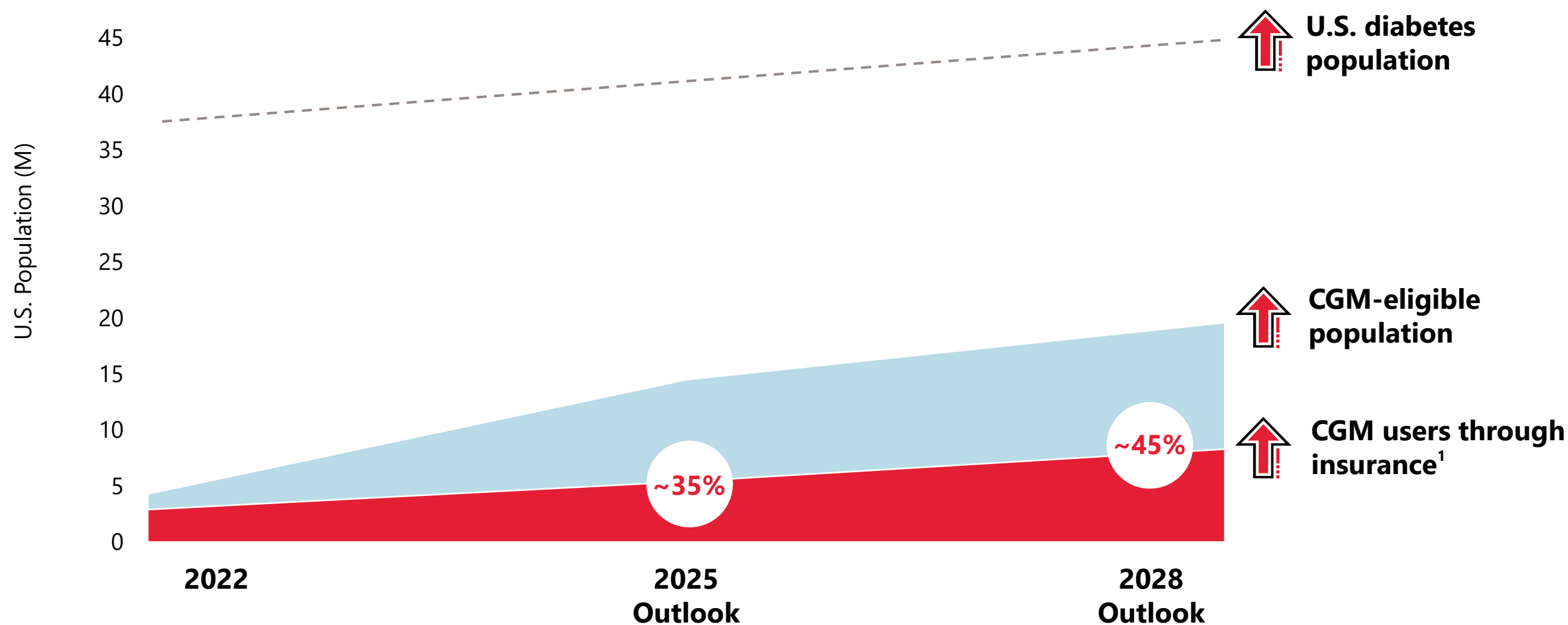
**More than doubling**  
revenue per physical  
square foot

- Physical square feet
- Additional effective square feet (due to automation)
- Revenue per physical square foot



# Significant opportunity in diabetes

**Growing patient population, expanding access and increasing CGM penetration**



<sup>1</sup>Percentages represent CGM penetration of insurance-eligible population



# Enabling a platform for future growth



## **Omnichannel customer experience**

Navigate all payment and benefit models at scale – medical benefit (DME), pharmacy benefit, and cash pay



## **Category expansion**

Large and growing patient base provides opportunities to expand our portfolio and develop programs in and around diabetes

**Potential to more comprehensively support customers and patients by leveraging enterprise capabilities within the at-Home Solutions platform**



# Differentiated approach to growth

Our intent is to reach

**10M+**

patients annually in  
the next five years



Consistent track record of  
**double-digit** revenue growth



**Dual strategy** to win in  
attractive growth industry



Operating at peak levels with  
a **strong foundation** to build on



Clear strategy with **ADS serving  
as an accelerator**



# OptiFreight Logistics

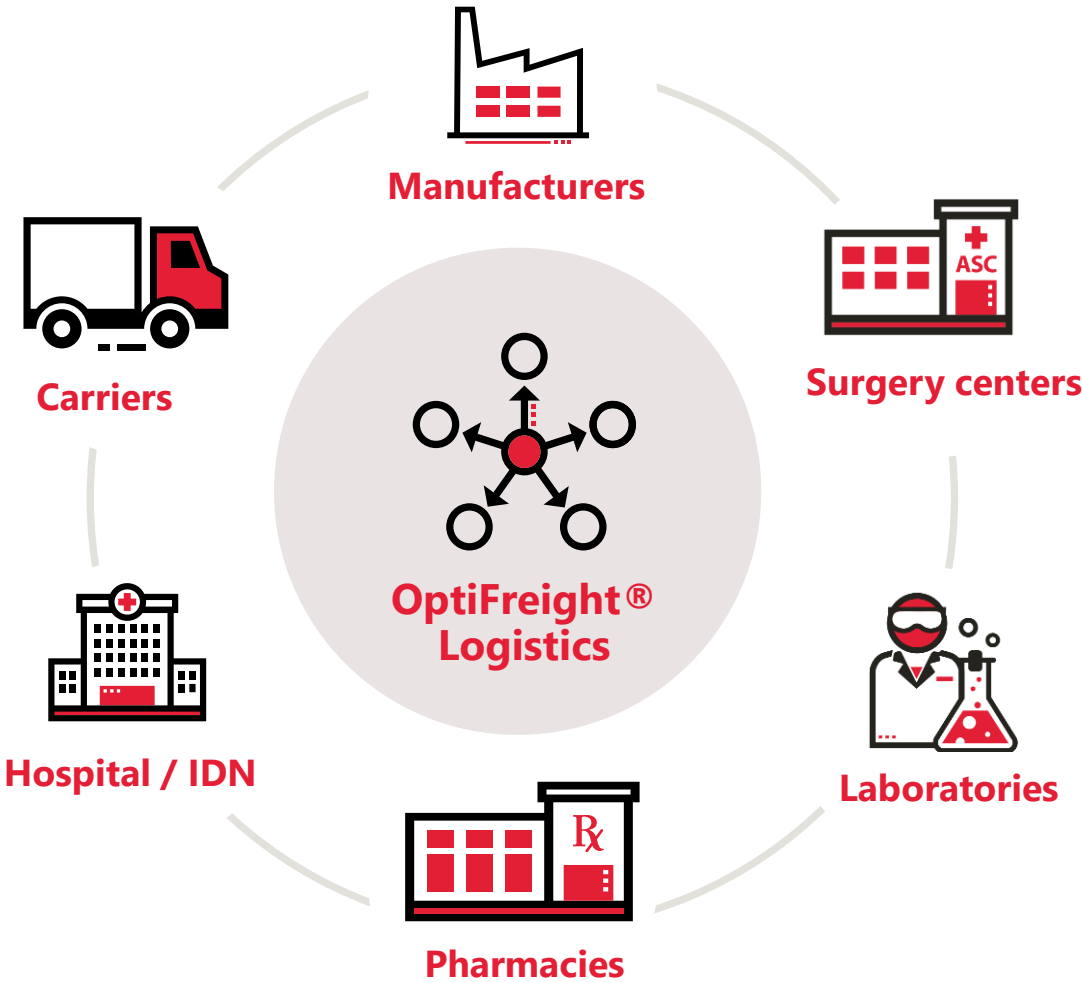
**EMILY GALLO**




# Our OptiFreight Logistics business is driving strong growth

Delivering cost savings and efficiencies for healthcare customers' direct shipments


## Intersection of value and performance



## Breadth, scale, satisfaction<sup>1</sup>

 **23M+**  
shipments managed for our customers annually

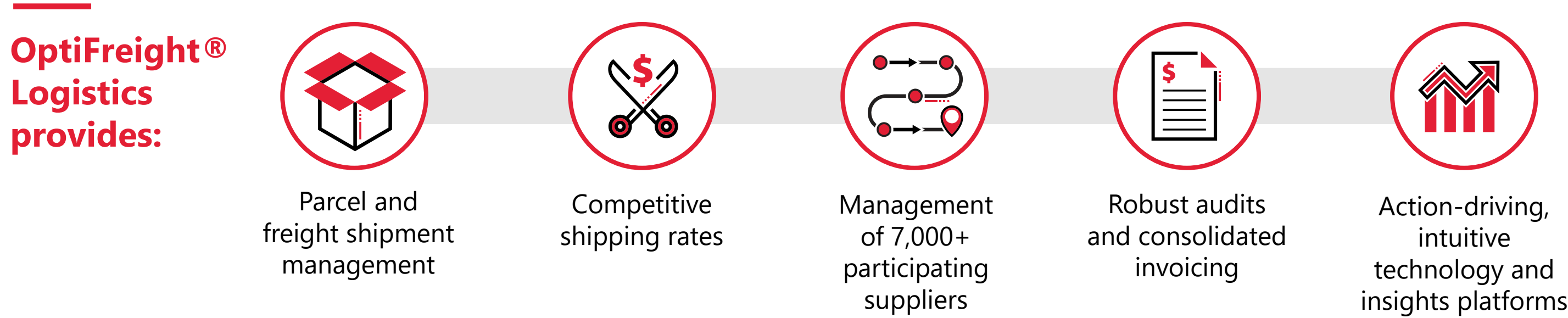
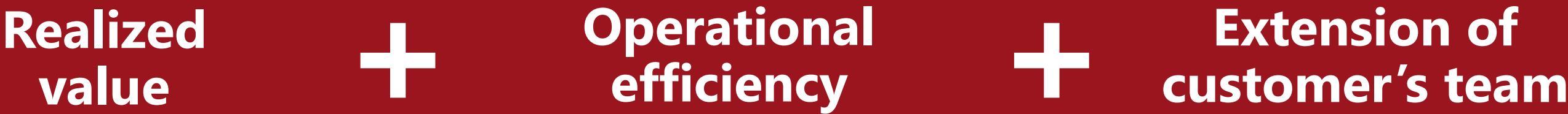
 **7 of top 10<sup>2</sup>**  
Gartner Top Supply Chain Health Systems  
use OptiFreight® Logistics

 **\$1B+**  
annual spend savings for our customers

<sup>1</sup> Stats based on 2024 customer data; <sup>2</sup>Gartner Supply Chain Top 25; 2024



# Combination of technology and expertise provides differentiated value

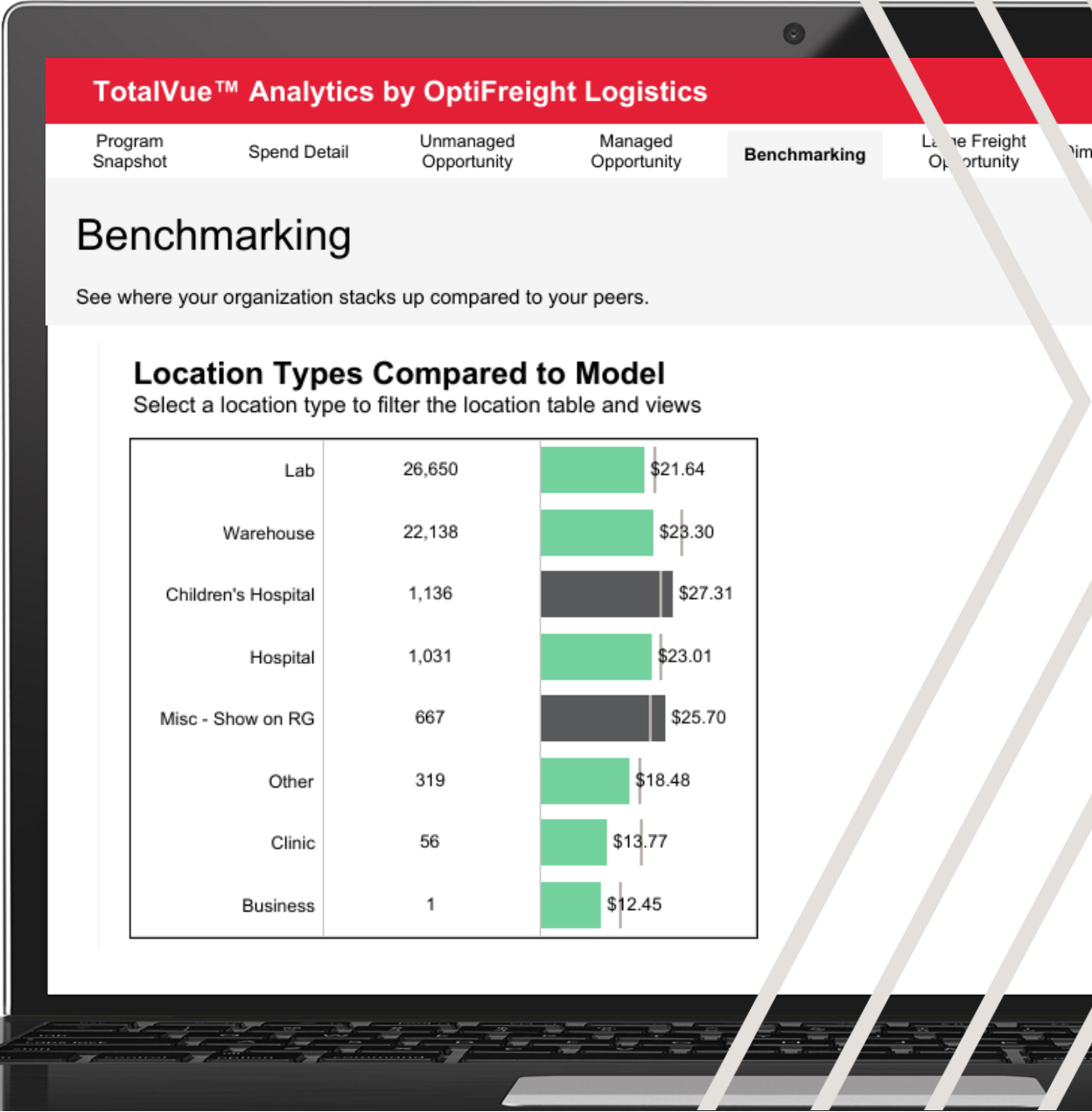
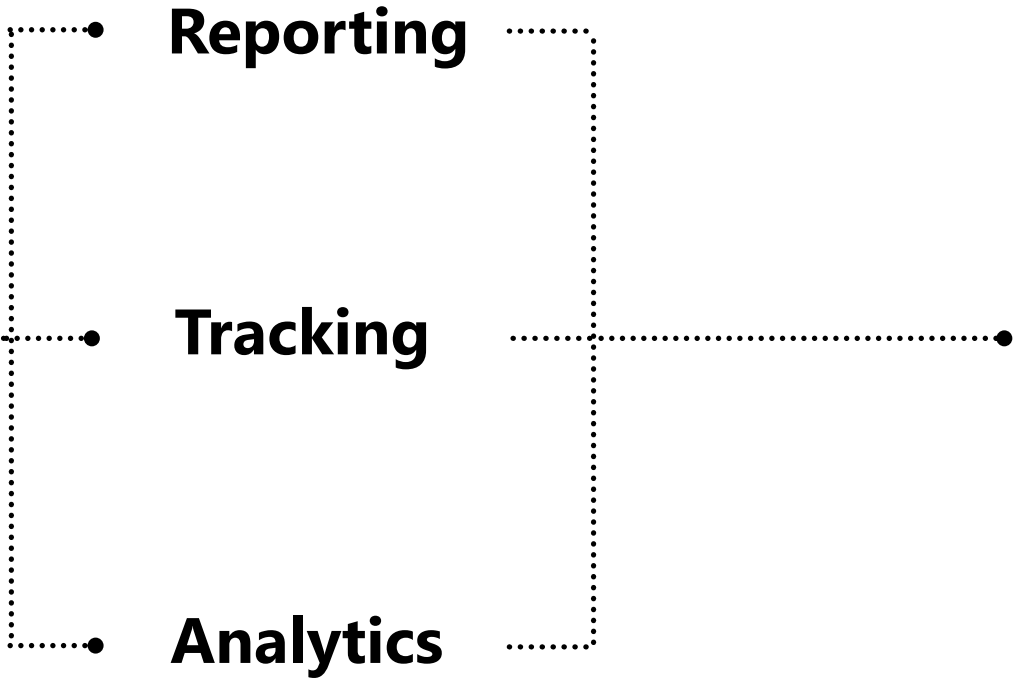


# TotalVue™ Insights Platform

Using AI and machine learning benchmarking to **inform actions, drive performance** and **create value**



**TotalVue™  
Insights**



# Consistent above-market growth

Volume CAGR	Market Growth	OptiFreight® Logistics
<b>Inbound</b> (supplier-direct)	Low single-digit volume growth	<b>Exceeding market</b>
<b>Outbound</b> (customer-initiated)	Double-digit volume growth	<b>At least rate of market</b>

———— **OptiFreight Logistics 15% 3-year revenue CAGR<sup>1</sup>** ————

<sup>1</sup> FY23 to FY25 Outlook, as of FY22 baseline



# Positioned for tomorrow's growth



## **PRIORITY 1: GROW**

Expand and win in current market



## **PRIORITY 2: INNOVATE**

Introduce new and enhanced products to meet growing pharmacy needs

Delivering  
a predictive,  
integrated  
and frictionless  
customer  
experience

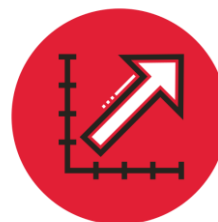


# Delivering double-digit growth

## **Core business growth**

- + Customer expansion**
- + Technology transformation**

**Strong CAGR and forward momentum**



Proven track record



Significant investment



Robust growth roadmap



Unmatched expertise



# Nuclear & Precision Health Solutions

---

**MIKE PINTEK**



# Oral tablet vs. radiopharmaceutical



## Oral tablet



## Radiopharmaceutical

<b>SHELF-LIFE</b>	Typically, longer expiration dates	Decays constantly, expires within hours or days
<b>REGULATIONS</b>	Federally regulated by FDA, DEA	Complex regulatory landscape, often varying by state
<b>ADMINISTRATION</b>	Typically, patient self-administers, as prescribed	Requires specialized physician and staff training (Authorized User, Radioactive Materials License)



# Consistent above-market growth

## Partner of choice with comprehensive portfolio

1

### **SPECT<sup>1</sup> (low-energy radiodiagnostics)**

- Prepare, dispense and distribute SPECT diagnostics
- Exclusive North American rights to manufacture and distribute Lymphoseek<sup>®</sup>

2

### **PET<sup>2</sup> (high-energy radiodiagnostics)**

- Manufacture, prepare, dispense and distribute PET diagnostics
- Exclusive U.S. distribution rights to IRE's Gallium-68 generator

3

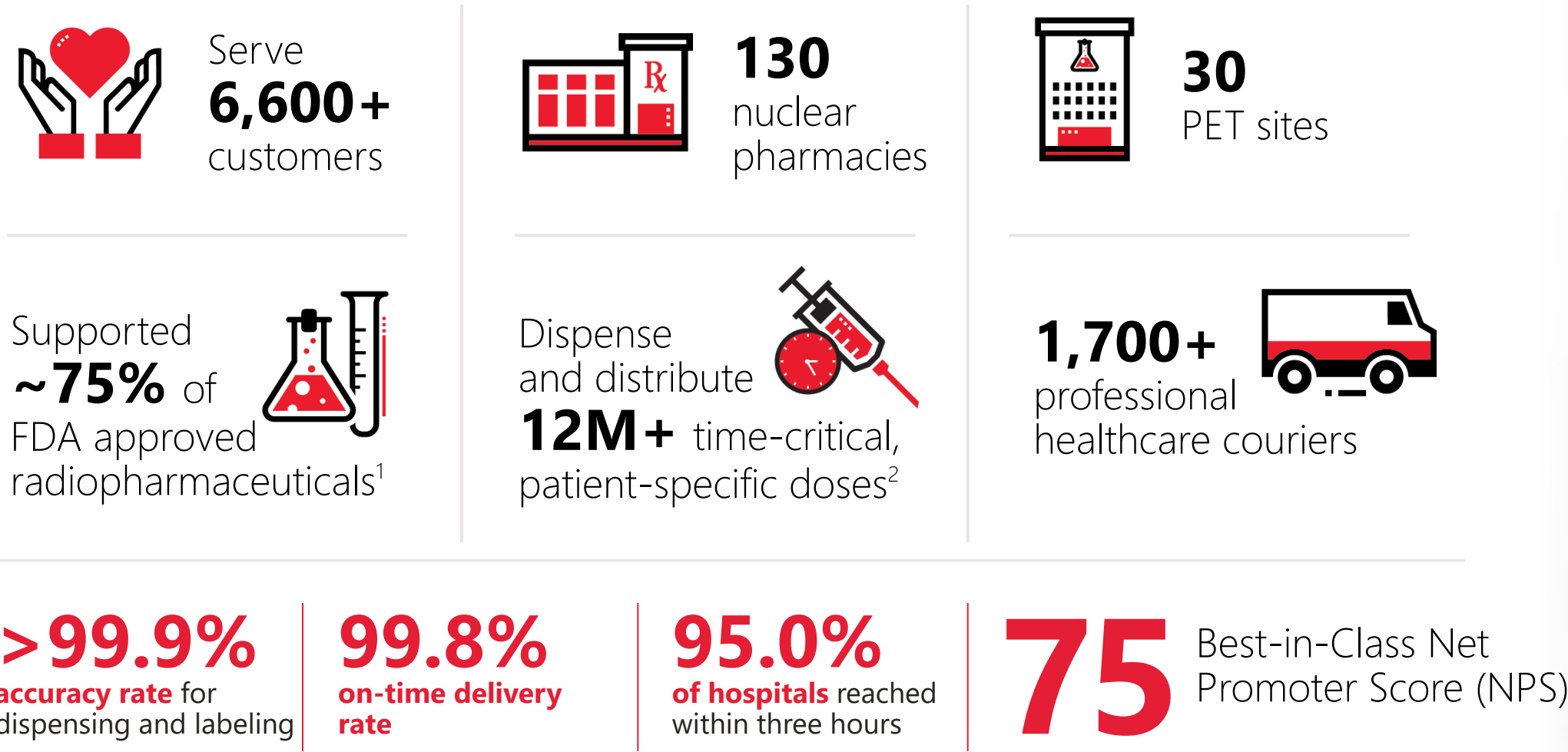
### **Theranostics**

- Leading Contract Development & Manufacturing Organization, supporting clinical assets and commercialized products
  - Novel isotopes (e.g., Actinium-225)
  - Radioligand therapies (e.g., Xofigo<sup>®</sup>)
- Prepare, dispense and distribute final drug products (e.g., Pluvicto<sup>®</sup>)

<sup>1</sup> Single Photon Emission Computed Tomography; <sup>2</sup> Positron Emission Tomography



# National scale and service excellence shaping the future of precision health



<sup>1</sup>Includes products approved from 2013 to 2023; <sup>2</sup>Annually



# Nuclear medicine industry in early innings of growth with a strong trajectory

## Market outlook

**\$10B** in radiopharma  
M&A<sup>1</sup>

**\$5B** in licensing  
deals<sup>1</sup>

**> 100**

Radiopharmaceuticals  
in development

## Growth drivers



Aging population



Superior imaging and  
therapeutics profiles



New emerging  
isotopes



Increasing use cases

## Potential accelerants



Drug performance  
with novel isotopes



Combination  
therapy



Movement in  
line of treatment



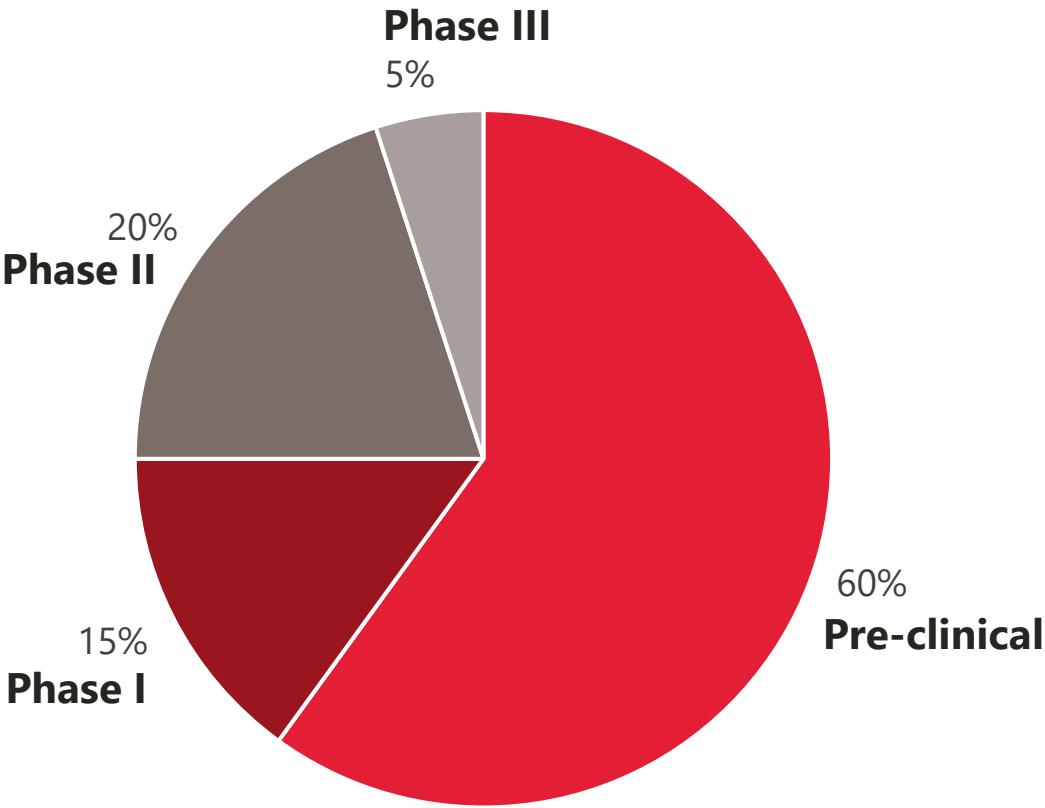
Social momentum

<sup>1</sup>Deal value includes M&A transactions based on publicly available data; M&A encompasses acquisitions of companies, product, facility and business units. Time period is past 18 months (Oct. 2024 - April 2025)

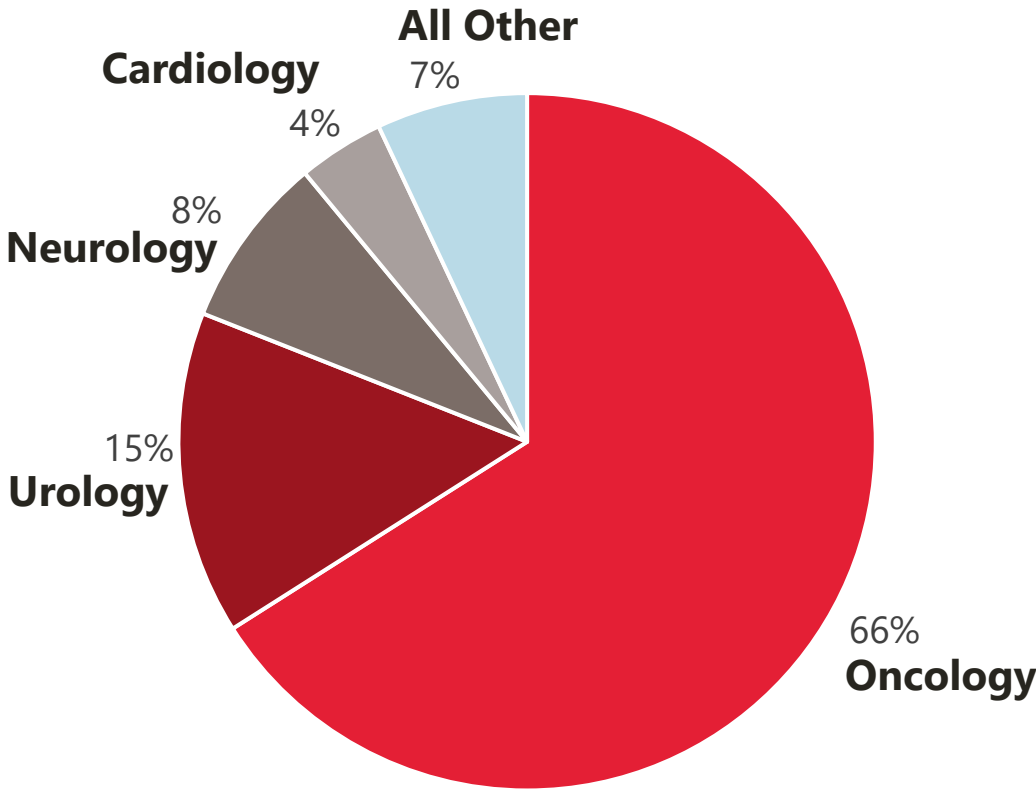


# Industry growth will rapidly evolve with the commercialization of novel theranostics

**Radiopharmaceutical R&D pipeline by clinical stage**



**Radiopharmaceutical R&D pipeline by disease state**



**Robust industry pipeline with 100+ projects under development**



# Enabling pharmaceutical innovators to bring new radiopharmaceuticals to market

**Early investments in Theranostics & PET are paving the way for 70+ projects in the NPHS pipeline**

## Center for Theranostics Advancement



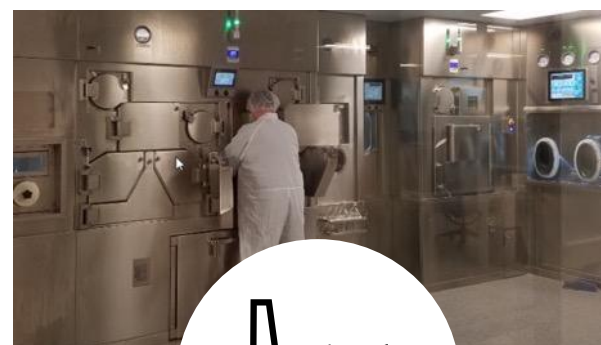
### Innovation center

Support preclinical through phase II studies



### Pre-commercial manufacturing

Manufacture phase III and small-scale commercial products



### Commercial manufacturing

Long-term home for commercial or phase III products



### Pharmacy operations

Nationwide preparation, dispensing and delivery services

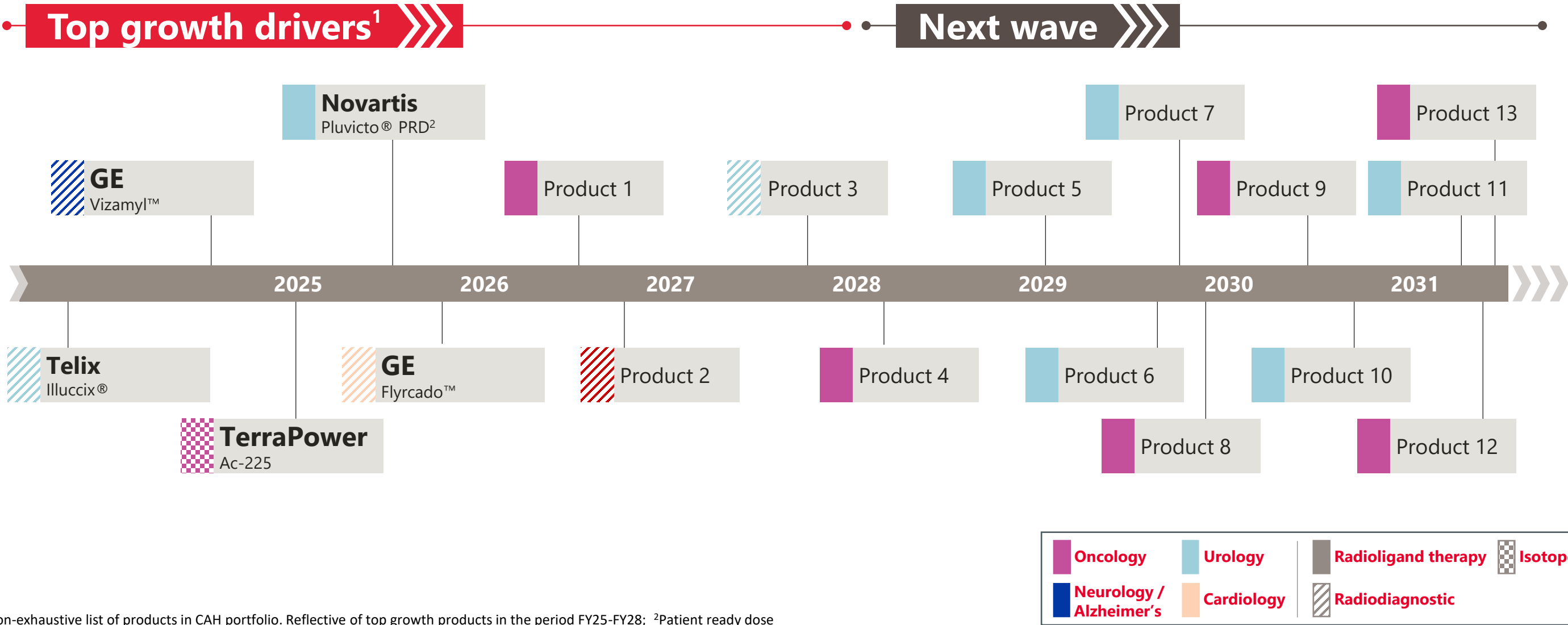


### Commercial services

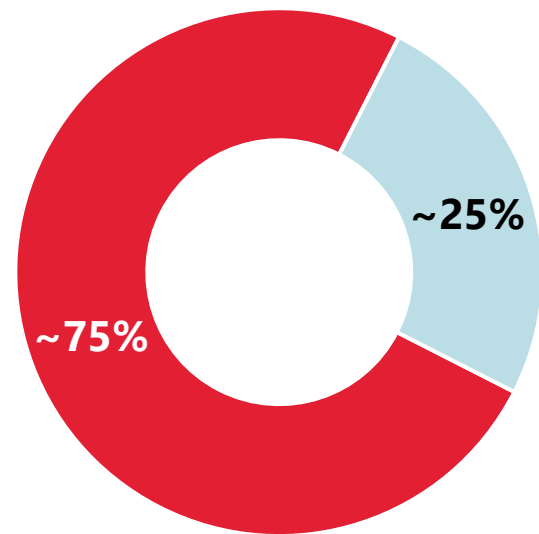
Comprehensive marketing and sales capabilities



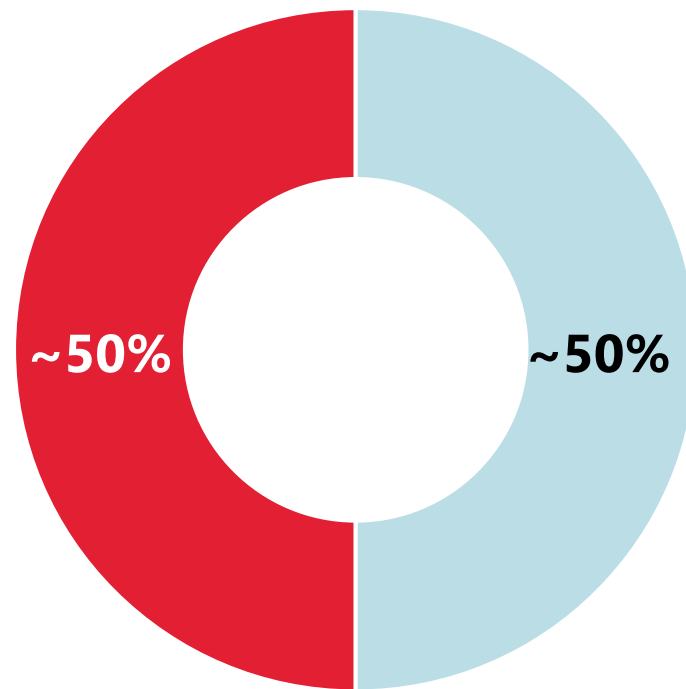
# Recent product launches will serve as growth engine until next wave of entrants



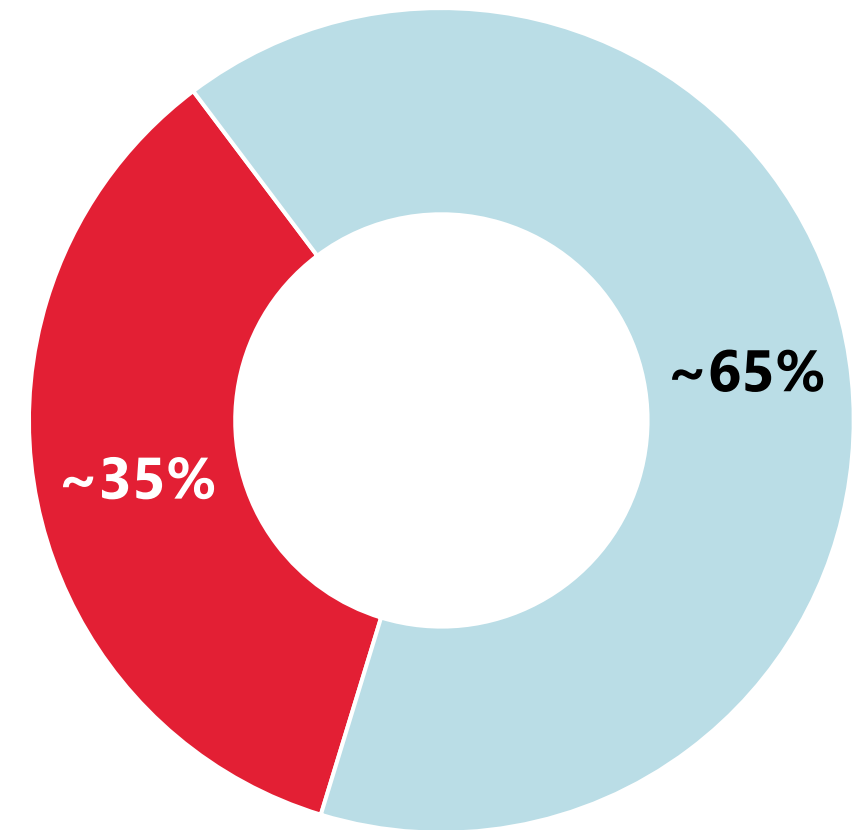
# Theranostics and PET underpinning long-term growth



Revenue by business mix  
**FY22 actuals**



Revenue by business mix  
**FY25 outlook**



Revenue by business mix  
**FY28 outlook**



# Strong profile for **sustainable** growth



## Capabilities

Robust operational infrastructure enabling **best-in-class service levels**

**Highly differentiated** with customized and scalable services



## Investments

Investing **\$150M+** over the next 3 years

**Expanding capabilities** to support manufacturer needs

**Strengthening the PET network** in 11 high-growth markets



## Outlook

Large, growing industry with **favorable tailwinds**

On track to outpace industry with **double-digit growth**





# Global Medical Products and Distribution

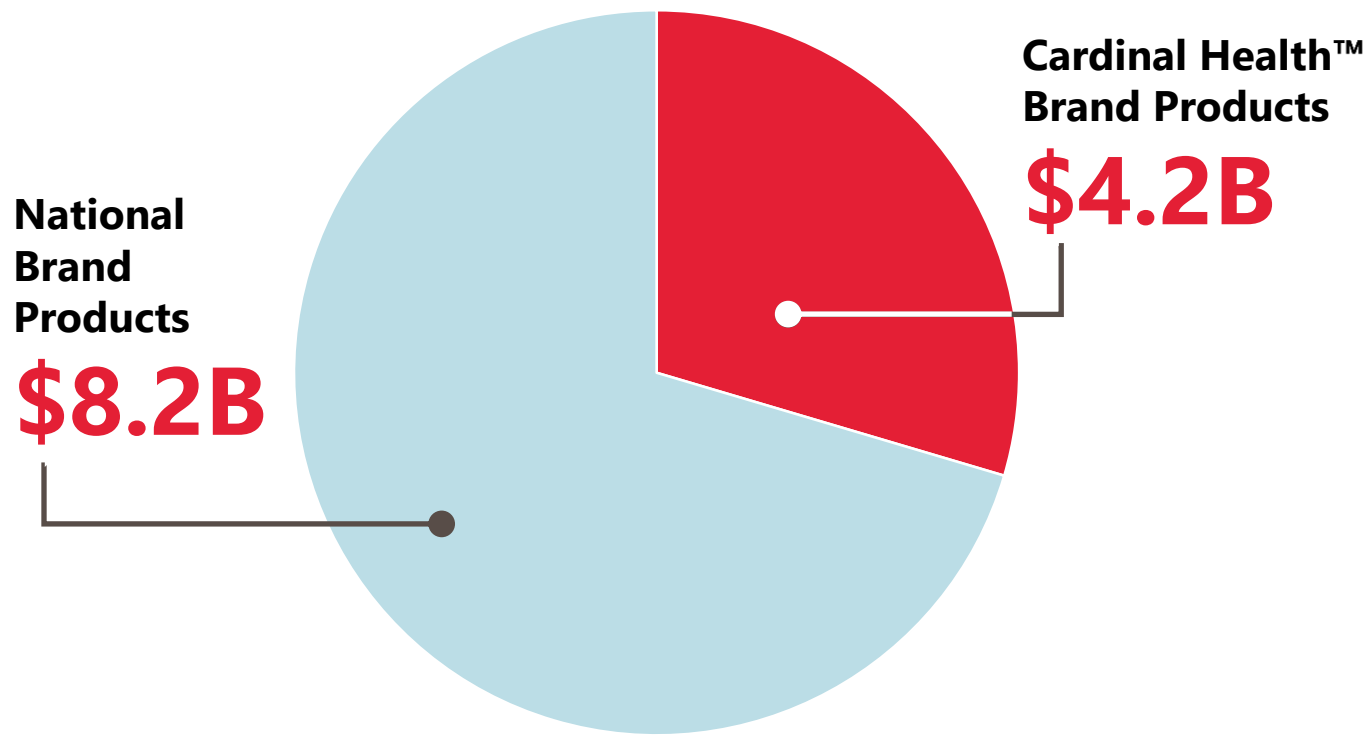
---

**STEVE MASON**

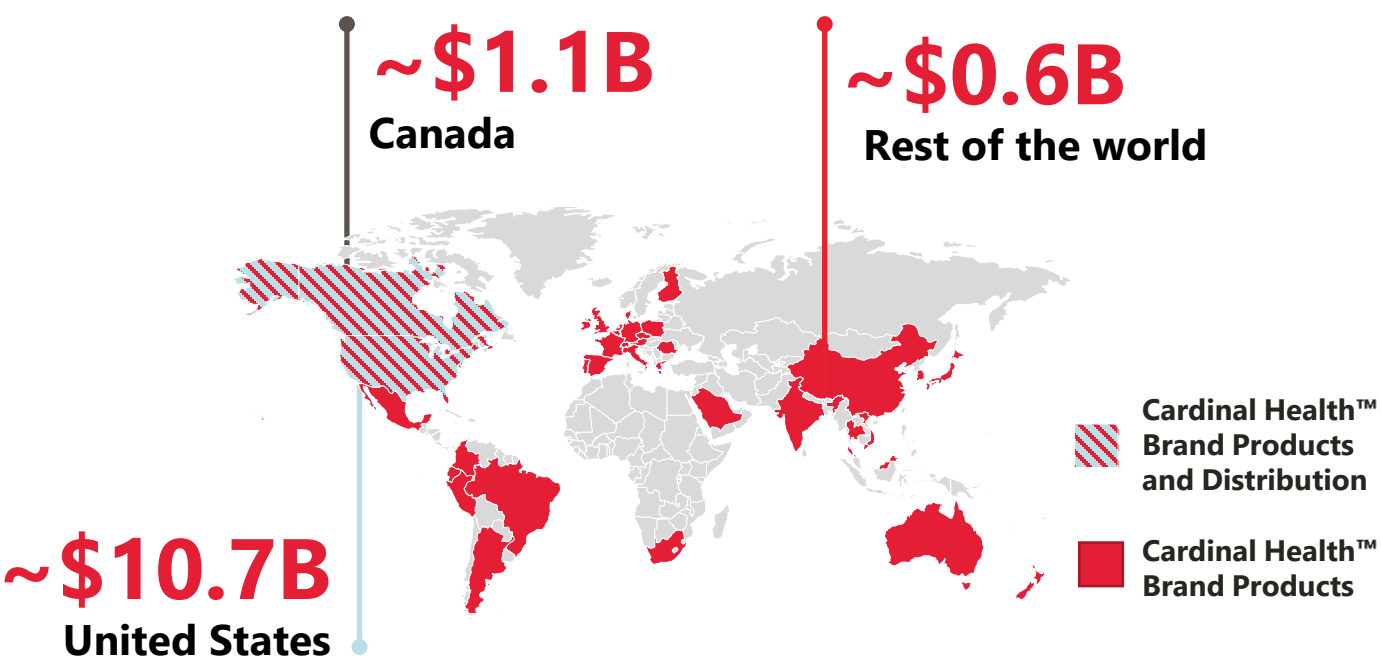


# Provide the right product at the right place and time

..... Products and distribution .....



..... Revenue by region<sup>1</sup> .....



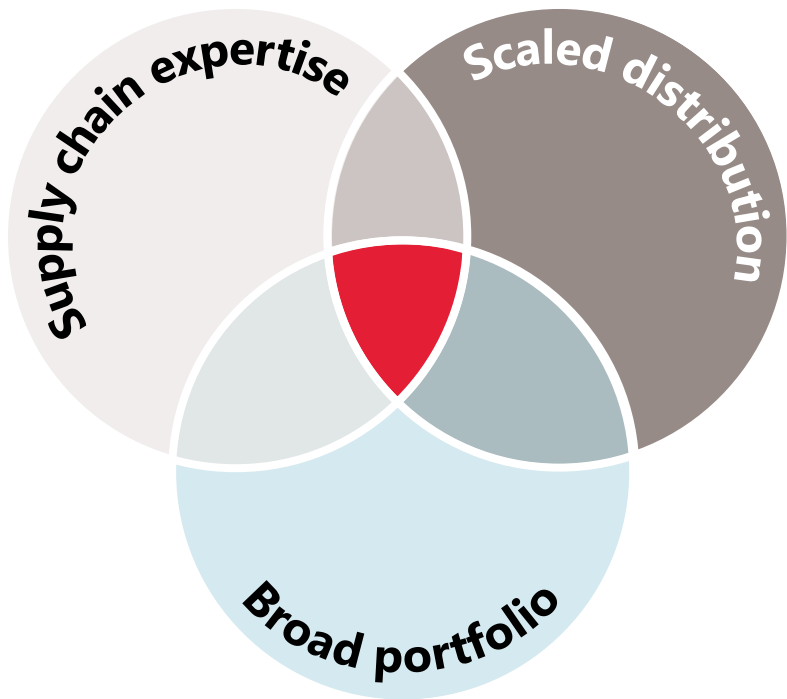
Cardinal Health™ Brand Products are sold in 46 countries, and we offer distribution in the U.S. and Canada

<sup>1</sup>FY24 Revenue



# Our strengthened and integrated model delivers value

..... Scaled platform ..... Broad portfolio of innovative and essential products .....



Presource®  
Procedure Packs



Drapes and  
gowns



Incontinence



Infection control  
apparel



Laboratory



Kangaroo™  
Enteral Feeding



Kendall™  
Electrocardiography



Kendall SCD™  
Compression



Protexis™  
Surgical Gloves

..... Delivering value across healthcare systems worldwide .....

**30M+** Surgical procedures in U.S. utilize  
Cardinal Health™ products

**30%+** U.S. hospitals rely on  
our integrated platform

**60%+** Canadian hospitals rely on  
our integrated platform



# Our Improvement Plan priorities set the path

**to successfully return the GMPD segment to profitable growth and positive cash flow**

Returned to profitability and growth

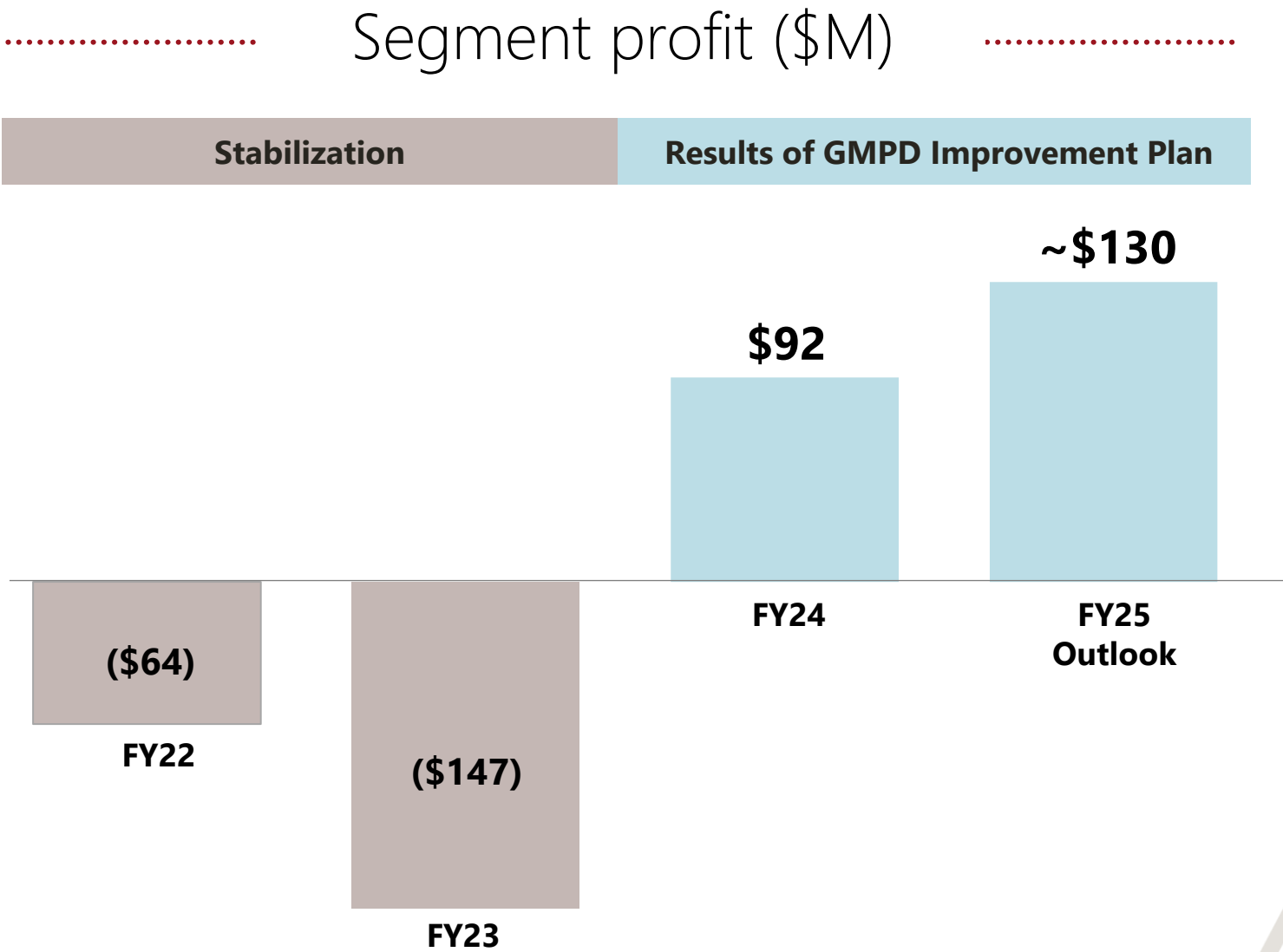


**Segment profit**

After two years of losses, GMPD delivered \$92M of segment profit in FY24, a **~\$240M increase over FY23**



**Mitigated elevated inflation**



# We are consistent in our strategic focus

**Strategic pillars**

**Key priorities (FY26 to FY28)**

1

**Grow Cardinal Health™ Brand**

- **3%-5%** revenue growth CAGR
  - 2-3% industry growth
  - Modestly increase penetration of existing customers
  - Continue to deliver on the 5-point plan for product growth
- Execute mitigation actions to offset tariff impacts

2

**Drive simplification and continued cost optimization**

- Continue to achieve **net cost savings**
  - Execute manufacturing transformation
  - Reduce distribution cost to serve



# Continue to deliver our Five Point Plan for product growth

..... **FIVE POINT PLAN** .....

1

Customer  
experience



2

New product  
development and  
commercialization



3

Portfolio  
and supply  
chain health



4

Commercial  
structure  
and incentives



5

Conversion  
and pipeline  
close rate



# Continue to deliver our Five Point Plan for product growth

**SERVICE**

**+11 pt**

Service level improvement



FY22

FY25<sup>1</sup>

<sup>1</sup>Trailing 12 months through March 2025

**BREADTH**

Next generation  
flagship product  
launches

**Kendall SCD\* SmartFlow™**  
Compression Platform



**Kangaroo OMNI™**  
Enteral Feeding System



\*SCD – Sequential Compression Device

**CUSTOMER EXPERIENCE**

**+18 pt**

Customer loyalty index increase



FY22<sup>2</sup>

FY25<sup>2</sup>

<sup>2</sup>Semi-annual survey results from Q1 FY22 and H1 FY25

**GROWTH RESULTS**

Grew Cardinal Health™ Brand (CHB)  
Revenue in FY24: **+3%**

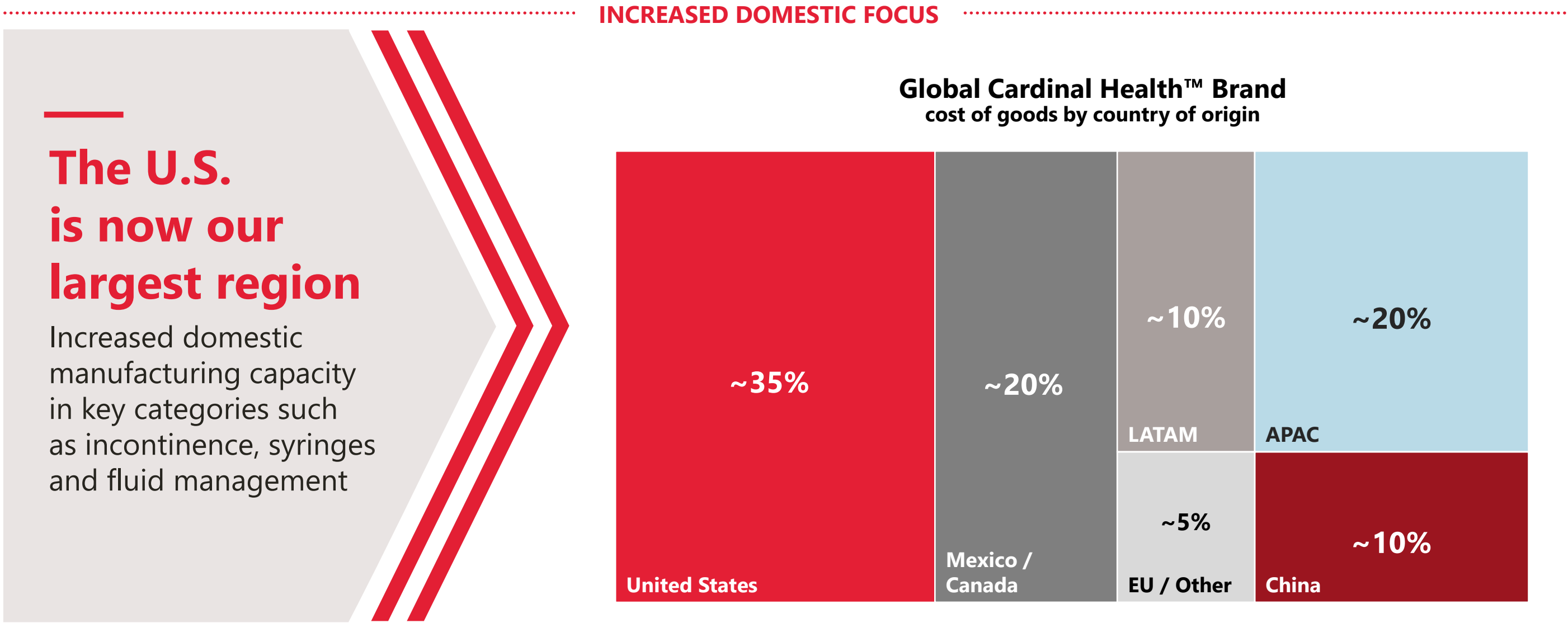
Grew US CHB Revenue  
in FY25 Q3: **over 5%**

Anticipate CHB Revenue  
growth in FY25: **~3%**



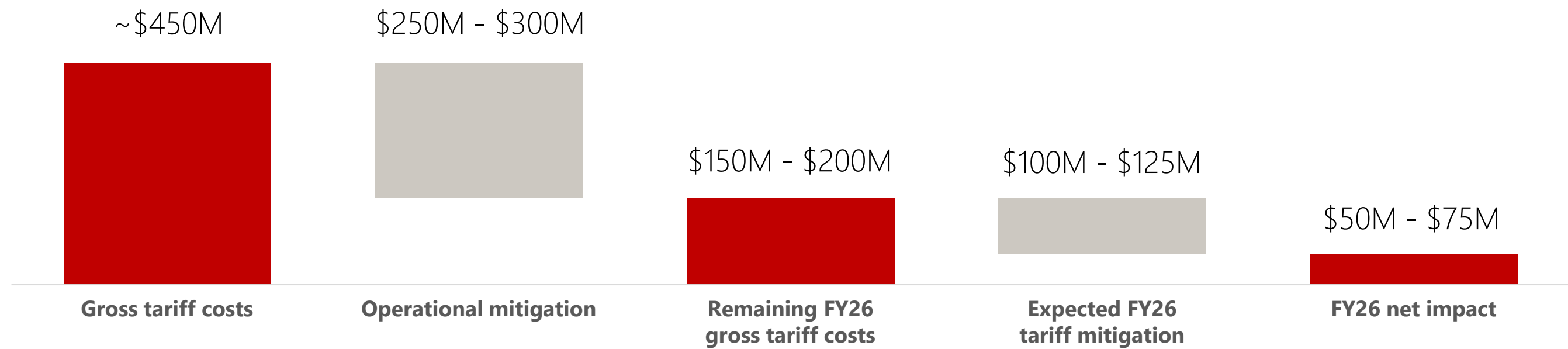
# Significant progress in mitigating tariff exposure

**to ensure we continue to deliver value to our customers and stakeholders**



# Setting a clear approach to mitigate tariff exposure

**to ensure we continue to deliver value to our customers and stakeholders**



1

## Assumptions

**U.S. tariff rates effective today<sup>1</sup>:**

- China 30% plus Section 301 tariffs
- Mexico and Canada at 25%; USMCA exemptions remain
- Rest of world at 10%

<sup>1</sup>Assumes not on hold due to legal intervention

2

## Mitigation actions

- Increasing U.S. manufacturing capacity and diversifying our supplier network
- Optimizing our tariff compliance processes
- Advocating with government agencies
- Continued operational mitigation, along with pricing for tariff impacts

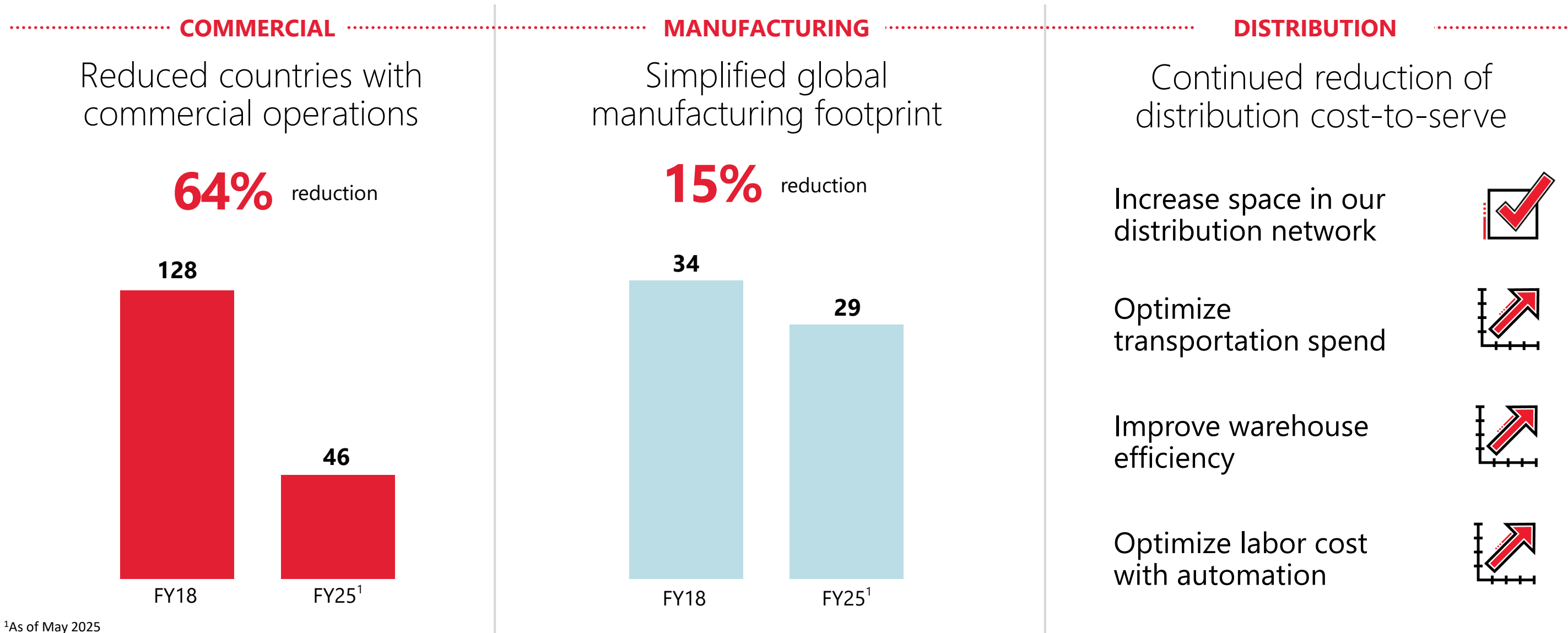
3

## Financial impact

- **\$50M-\$75M net impact** anticipated in FY26
- Continued focus on minimizing impacts for our customers and business



# Continuing our strong track record of cost optimization and simplification while driving resiliency



<sup>1</sup>As of May 2025



# GMPD is well positioned for sustainable growth

We are  
**mission  
critical** to  
healthcare

- ✓ We continue to **optimize our commercial engine** to win with our integrated value proposition
- ✓ We are taking the actions across the business to **mitigate the impact of tariffs**
- ✓ We are driving increasing returns by continuing to **streamline and simplify the business**
- ✓ We are confident that GMPD will deliver at least **\$50M of profit growth per year after FY26**



# Value creation

A man and a woman are sitting at a desk, looking at a laptop screen. The woman is on the left, wearing a striped shirt, and the man is on the right, wearing a blue sweater and glasses. They are both smiling and appear to be in a collaborative work environment. The background is a blurred office space with a lamp and some shelves.

**AARON ALT** | CHIEF FINANCIAL OFFICER



# Financial performance since FY23

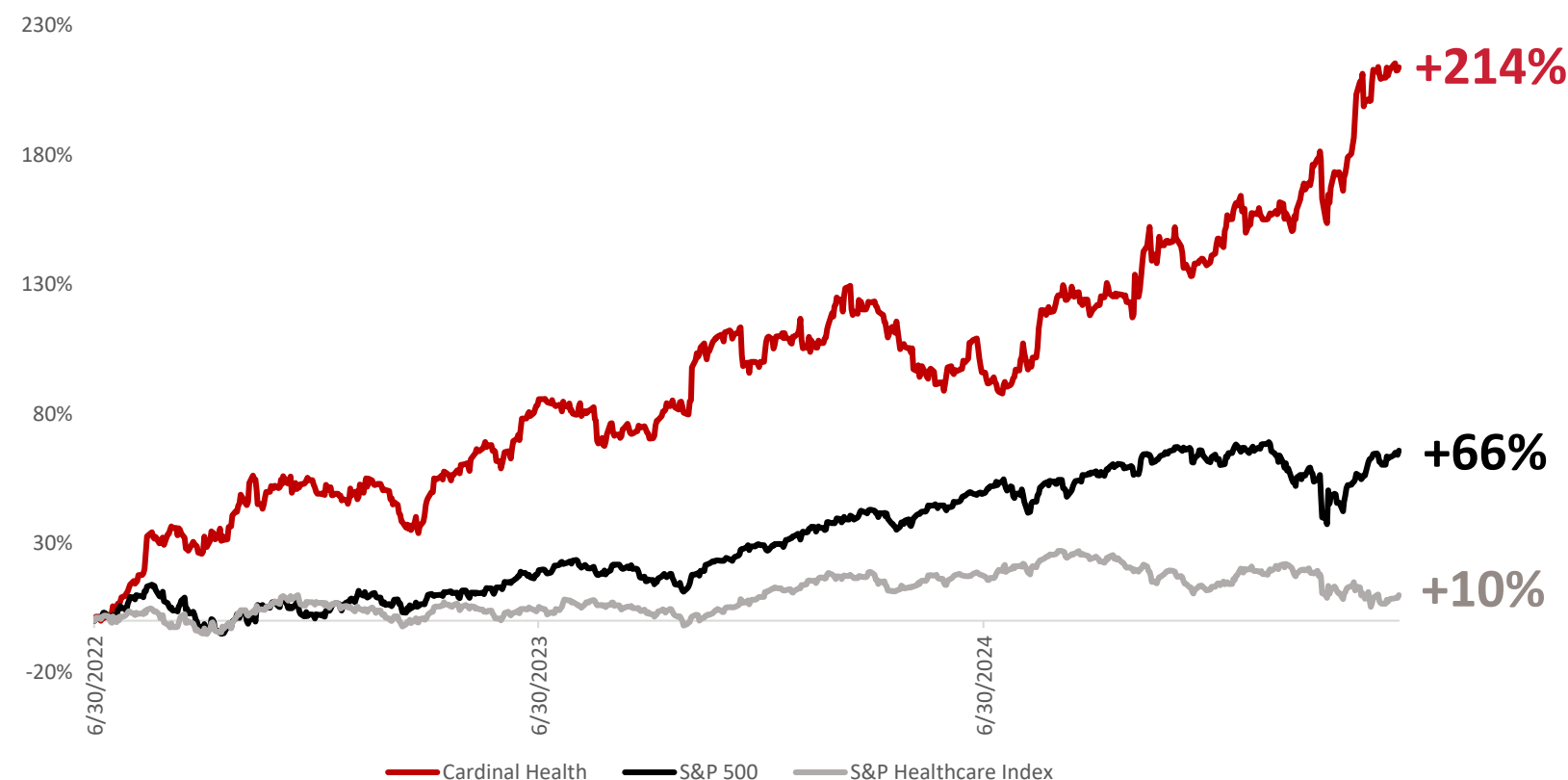
2-Year CAGR<sup>1,2</sup>

EPS CAGR **+18%**

Operating earnings CAGR **+16%**

Adjusted free cash flow **~\$6B**

Total shareholder return FY23 to present<sup>3</sup>



<sup>1</sup>FY24 to FY25 Outlook 2-yr CAGR, as of FY23 baseline; <sup>2</sup>Non-GAAP EPS and Non-GAAP operating earnings

<sup>3</sup>Reflects share price performance plus dividends reinvested for June 30, 2022 to June 6, 2025



# Raising FY25 guidance




	<b>New FY25 outlook</b>
Non-GAAP EPS	<b>\$8.15 - \$8.20</b> <i>Previously \$8.05 - \$8.15</i>
Interest and Other	<b>~\$200M</b> <i>Previously \$200M - \$215M</i>
Non-GAAP ETR	<b>~23.0%</b> <i>Previously 23.0% - 23.5%</i>
Diluted weighted average shares outstanding	~242M
Share repurchases	\$750M
Capital expenditures	\$500M to \$550M
Non-GAAP adjusted free cash flow	<b>~\$2.0B</b> <i>Previously ~\$1.5B</i>

**Bold** indicates a **change** to the FY25 outlook provided in the Q3 FY25 earnings release on May 1, 2025.

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.



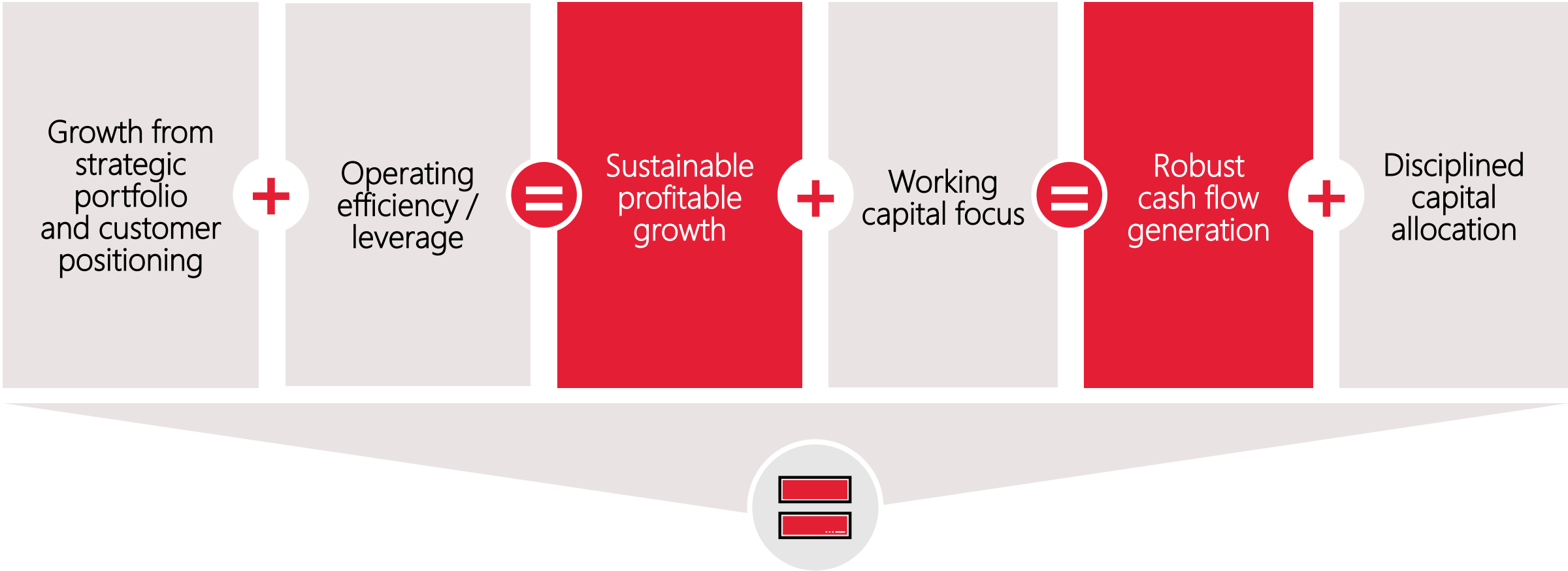
# Updating FY25 segment outlooks

Revenue and segment profit		
 Pharmaceutical and Specialty Solutions	Revenue decline of <b>1% to 3%</b>	Segment profit growth of <b>12% to 13%</b> <i>Previously growth of 11.5% to 12.5%</i>
 Global Medical Products and Distribution	Revenue growth of <b>2% to 4%</b>	Segment profit of <b>~\$130M</b> <i>Previously \$130M - \$140M</i>
 Other: NPHS, at-Home Solutions & OptiFreight	Revenue growth of <b>18% to 20%</b> <i>Previously growth of 17% to 19%</i>	Segment profit growth of <b>19% to 21%</b> <i>Previously growth of 16% to 18%</i>

**Bold** indicates a **change** to the FY25 outlook provided in the Q3 FY25 earnings release on May 1, 2025.  
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.



# Value creation framework



**CONTINUED SHAREHOLDER  
VALUE CREATION**



# Our updated long-term targets

## FY26 – FY28<sup>1</sup>

**5% to 7%**  
Growth CAGR  
normalized<sup>2</sup>



Pharma and  
Specialty Solutions  
**Segment profit**

**~10%**  
Growth CAGR  
normalized<sup>2</sup>



Other  
**Segment profit**

**\$50M+**  
Profit growth  
per year after FY26



GMPD  
**Segment profit**

**At least  
\$2.25B**  
Share repurchases



Capital  
Deployment

**12% to 14%**  
Growth CAGR



Non-GAAP diluted  
**EPS growth**

<sup>1</sup>As of FY25 baseline (mid-point of FY25 Outlook)

<sup>2</sup>Normalized range excludes contribution from GIA, ION and ADS acquisitions



# Preliminary enterprise FY26 guidance

## EPS growth

non-GAAP diluted EPS:  
**\$9.10 to \$9.30**  
FY25: \$8.15 to \$8.20

**+13%**

Growth at the mid-points

## Cash flow and deployment

Adjusted free cash flow  
**\$2.75B to \$3.25B**

Capital expenditures  
**~\$600M**

Share repurchases  
**~\$750M**

## Other assumptions

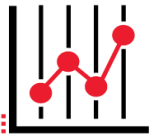

Interest and other:  
**~\$275M**

non-GAAP ETR:  
**22% to 24%**

Diluted weighted average  
shares outstanding:  
**238M to 240M**



# Pharmaceutical and Specialty Solutions

	Preliminary FY26 guidance	Long-term target (FY26 to FY28 CAGR <sup>1</sup> )
 Revenue growth	<b>11% to 13%</b>	<b>8% to 10%</b>
 Profit growth <b>Reported basis</b>	<b>10% to 12%</b>	<b>7% to 9%</b>

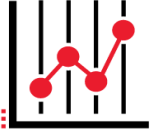

**5% to 7%** normalized<sup>2</sup> profit growth

<sup>1</sup>FY26 to FY28 CAGR, as of FY25 Outlook baseline

<sup>2</sup>Normalized range excludes contributions from GIA and ION acquisitions



# Other: NPHS, at-Home Solutions and OptiFreight

	Preliminary FY26 guidance	Long-term target (FY26 to FY28 CAGR <sup>1</sup> )
 Revenue growth	<b>26% to 28%</b>	<b>16% to 18%</b>
 Profit growth <b>Reported basis</b>	<b>25% to 27%</b>	<b>15% to 17%</b>

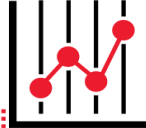

**~10%** normalized<sup>2</sup> profit growth

<sup>1</sup>FY26 to FY28 CAGR, as of FY25 Outlook baseline

<sup>2</sup>Normalized range excludes contributions from ADS acquisition



# Global Medical Products and Distribution

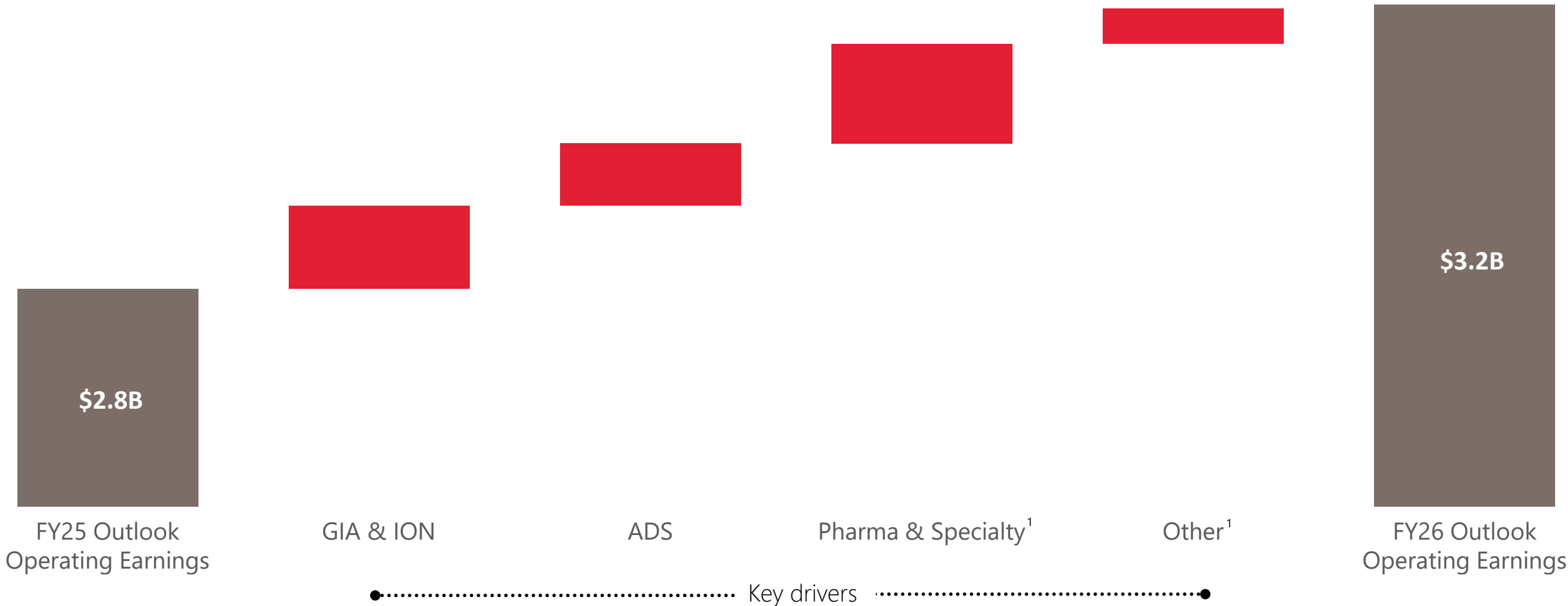
	Preliminary FY26 guidance	Long-term target (FY26 to FY28)
 Revenue growth	3% to 5%	2% to 4% CAGR
 Profit	\$140M+	\$50M+ of profit growth per year after FY26



# Enterprise operating earnings

## **FY26 bridge**

**~14% growth**  
at the mid-points



<sup>1</sup>Excluding ION, GIA & ADS acquisitions      Other includes: Nuclear and Precision Health Solutions | at-Home Solutions | OptiFreight Logistics



# Robust cash flow generation

Anticipate generating:

**\$10B+**

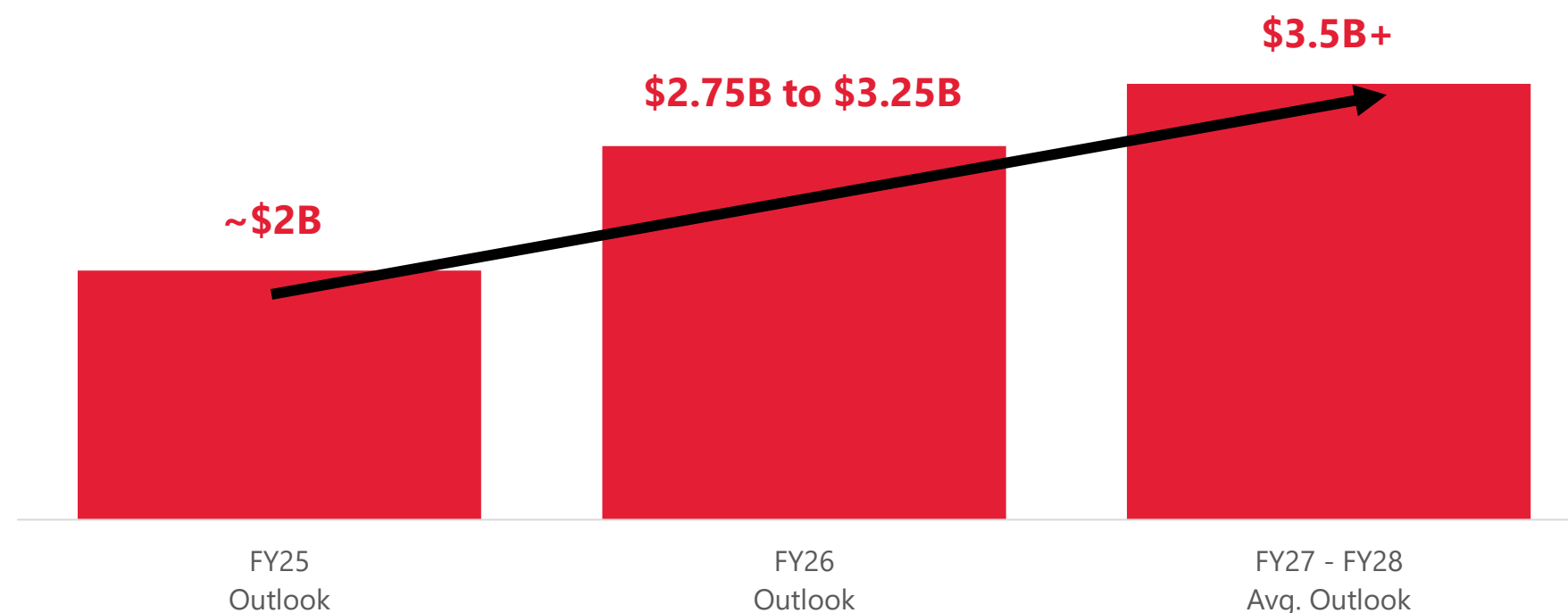
in total adjusted free cash flow **over the next 3 years**

**>125%**

Adj. FCF **conversion**<sup>1</sup>

<sup>1</sup>Adjusted FCF / Non-GAAP Net Earnings, 3-year average

## Adjusted free cash flow



# Our disciplined capital allocation framework remains unchanged: FY26 – FY28

## Table stakes

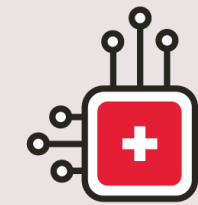
- 1** Investing back into the business to drive organic growth
- 2** Maintain investment grade balance sheet
- 3** Baseline return of capital to shareholders
  - Continue to grow the dividend
  - Baseline share repurchases

## Opportunistic levers

- 4a** Disciplined and strategic M&A
- 4b** Additional opportunistic share repurchases



# Organic investment in business



Automation technology



MSO platform capabilities



11 nuclear PET expansions



New customer solutions

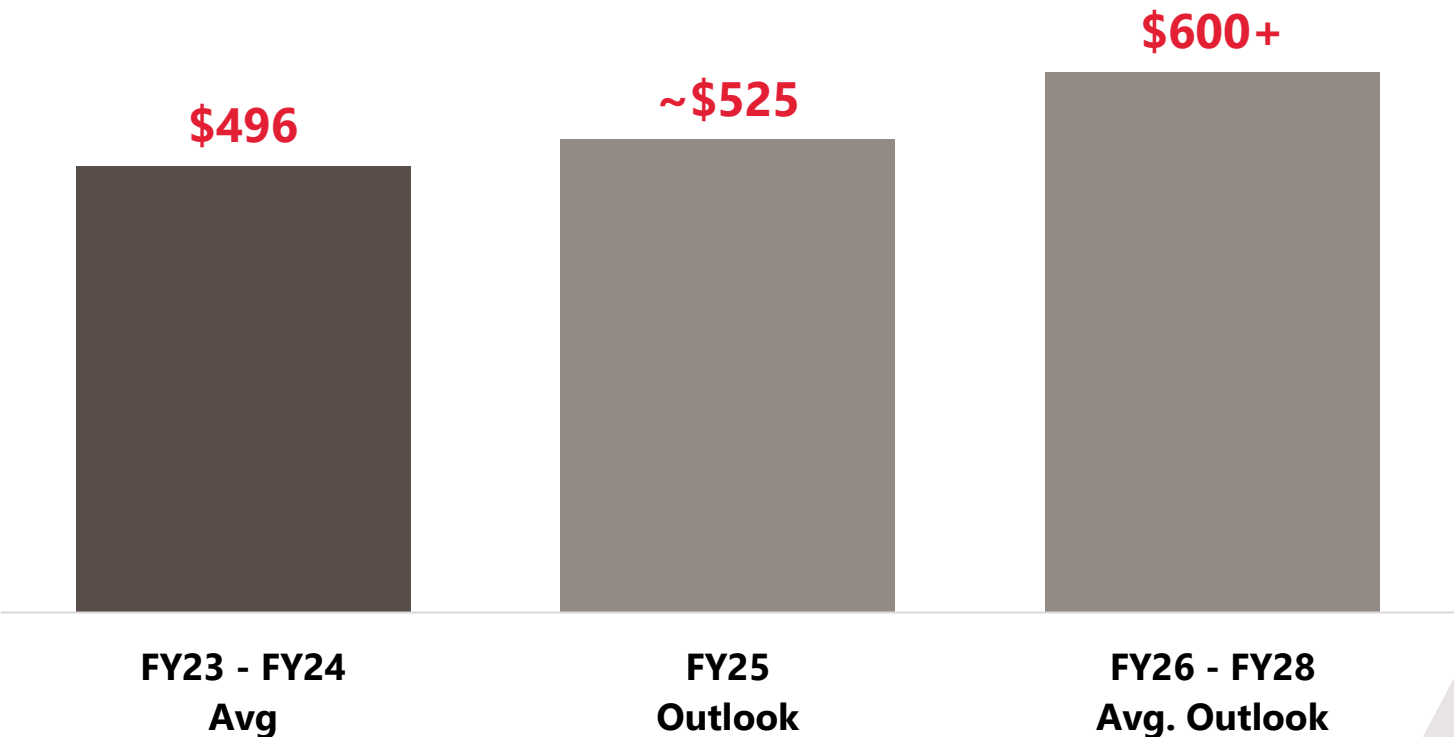


Supply chain technology



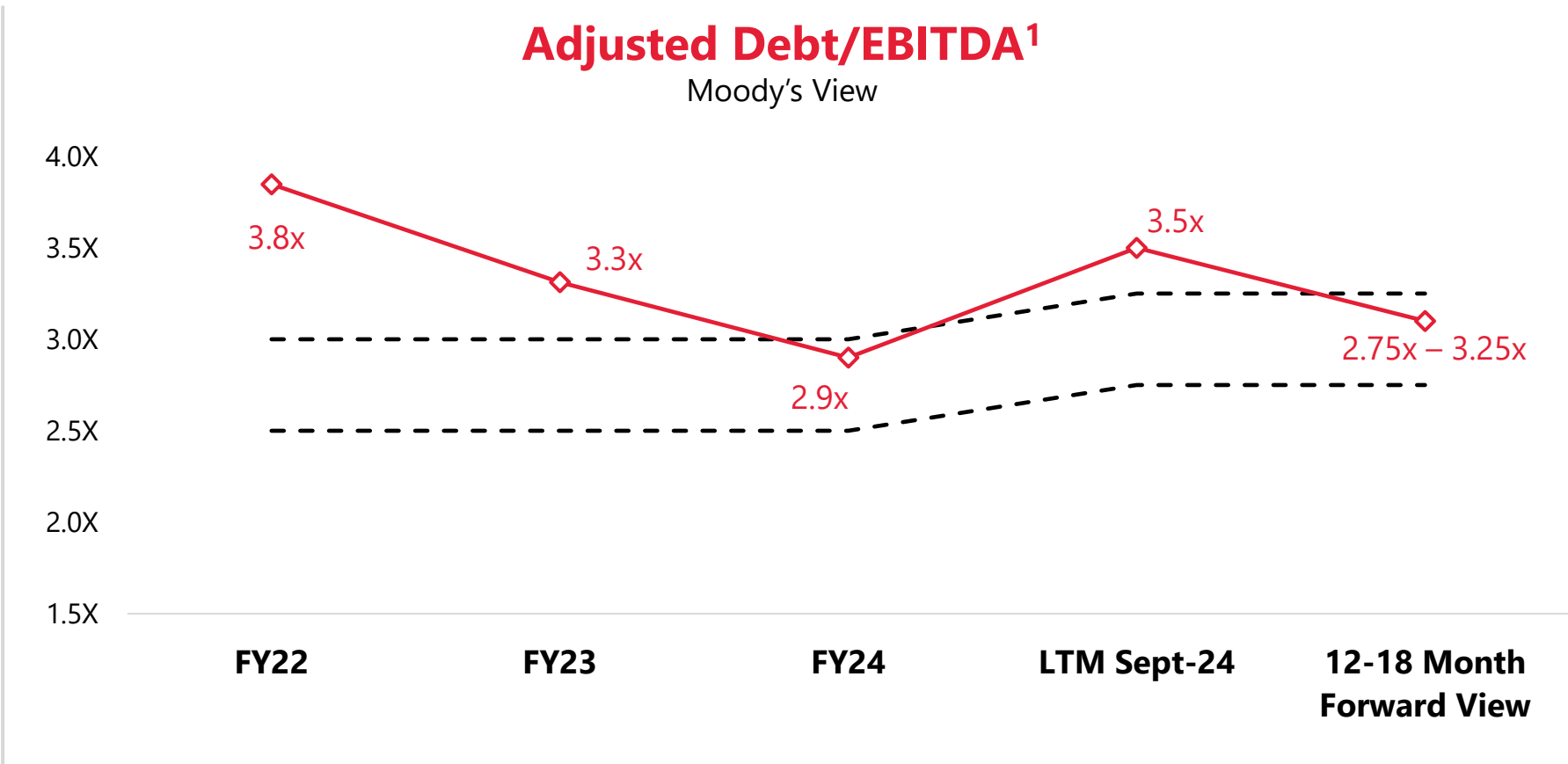
3 new DCs  
Pharma & Specialty and  
at-Home Solutions

## Capital expenditures | (\$ in millions)



# Near term maturities and deleveraging plans support current rating

Quickly returning to our updated **2.75x – 3.25x** Debt/EBITDA target<sup>1</sup> with **\$500M+** of FY26 debt paydown



<sup>1</sup> Source: Moody's credit opinion report for Cardinal Health, Inc. published November 2024. Dotted lines represent Moody's published leverage range for Cardinal Health, Inc., updated as of November 2024 to 2.75-3.25x for its current Baa2 credit rating. Pro forma for the GI Alliance and ADS acquisitions and inclusive of its opioid liability, Moody's estimated Cardinal's adjusted debt/EBITDA was 3.5x for the twelve months ended September 30, 2024. Moody's expects the company to deleverage through earnings growth and debt repayment such that adjusted debt/EBITDA approaches 3.0x (including opioid related liabilities) over the next 12-18 months.



# Increasing our baseline return of capital to shareholders

Consistently growing our dividend:

Nearly **\$500M** in dividend payments expected in FY26

We are a **Dividend Aristocrat**



Baseline share repurchases:

At least **\$750M** each of the next 3 years  
*previously \$500M per year*



Returning at least **\$1.25B** to shareholders each year



# Robust cash flow generation + disciplined capital deployment

**\$5B+**  
FY26-FY28  
**Opportunistic  
deployment**

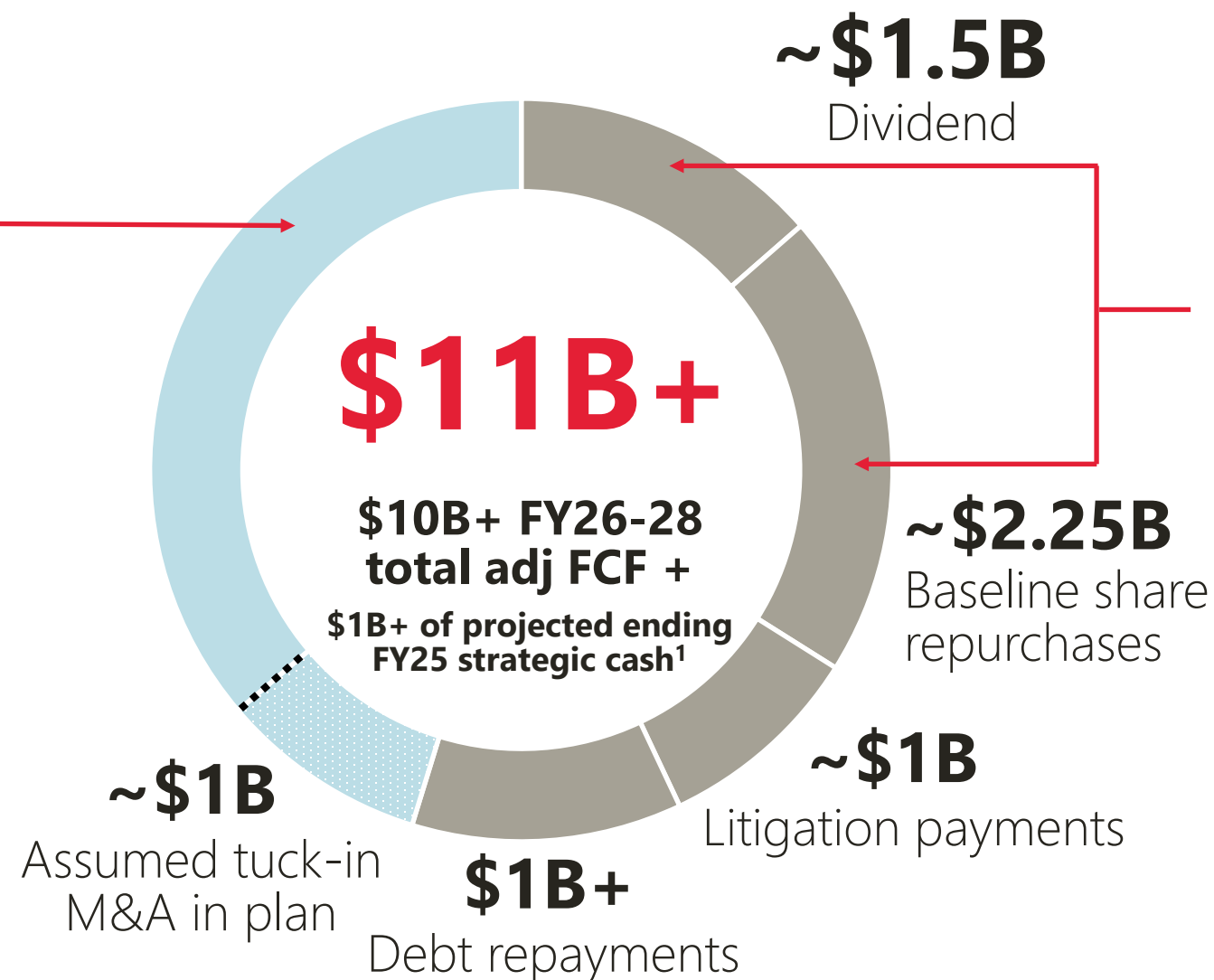
## Opportunistic levers



Strategic M&A



Additional share  
repurchases



Baseline  
return of  
capital  
**~\$3.75B**

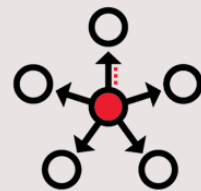
<sup>1</sup>Projected cash at FY25 year-end in excess of general ~\$2B cash on hand target



# 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  
CAGR**

