



CardinalHealth™

# Continuing our multi-year growth journey

**Cardinal Health 2025 Investor Day**

June 12, 2025



# Welcome and overview

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**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](http://ir.cardinalhealth.com)



# Evolving to reach our full potential

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**JASON HOLLAR | CHIEF EXECUTIVE OFFICER**



# Today's focus

**1** Clear and consistent strategy

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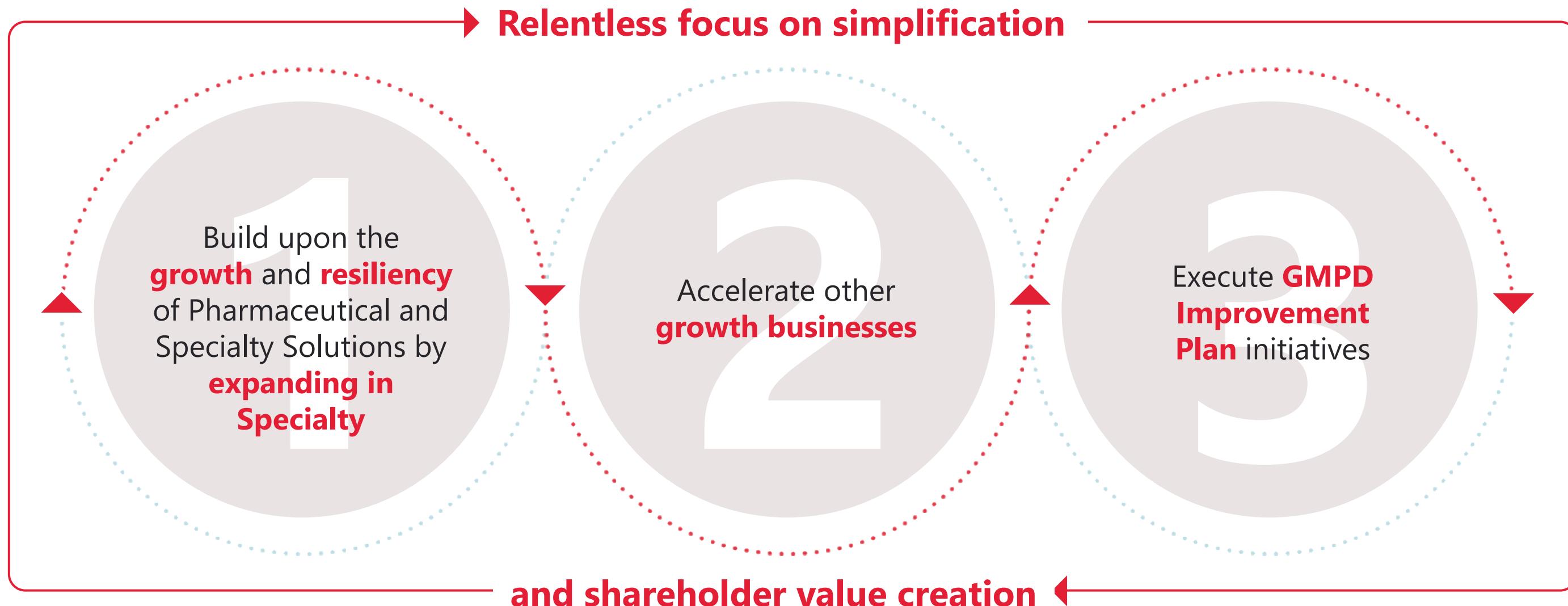
**2** Continued momentum and evolution

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**3** Talented and experienced team



# Consistent strategy



# Strategic progress



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



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



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



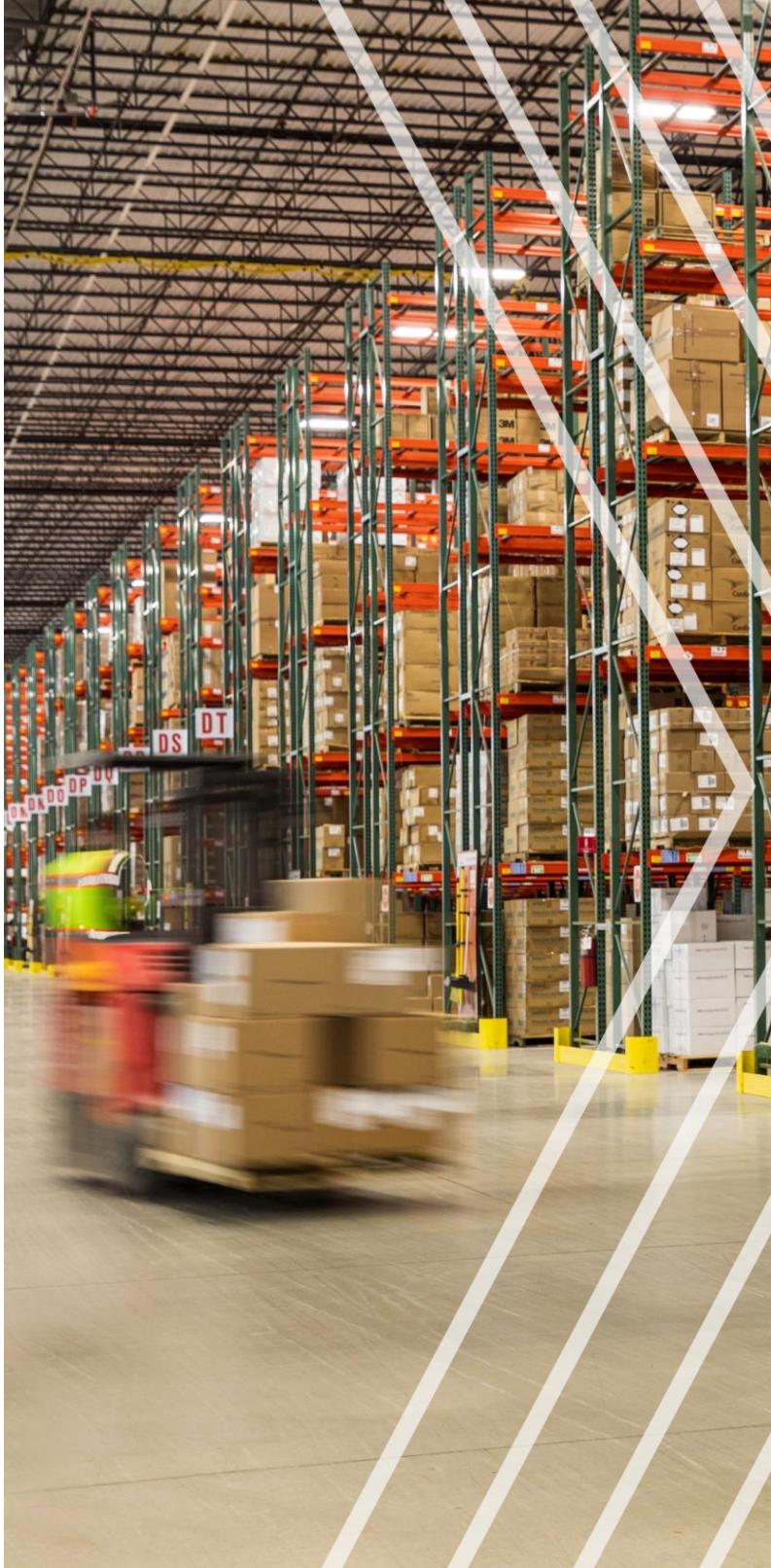
**Expanded in Specialty** and accelerated our **growth businesses**



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



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

<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

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Biopharma  
innovators

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Generic Rx  
manufacturers

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Consumer health  
manufacturers

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Nuclear  
innovators

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Medical-surgical  
product  
manufacturers



Providers  
and customers

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Retail and grocery  
pharmacies



Mail order  
pharmacies



Health systems



Specialty physician  
offices



Government



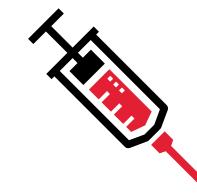
Patients in  
the home

# 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

**Defensive industry** characteristics

Demographic tailwinds drive consistent and **increasing demand** for our services

Consistent **cash flow** generation

Leading value proposition

Strong and **diverse customer base** and **leading partnerships**

**Highly efficient** model with ~1% operating margins

Expanding **suite of services** with diverse revenue streams

Proven adaptability

**Fee for service** model

**History of managing through** regulatory and industry changes

**Strong balance sheet** and financial flexibility

# Confidence in our resilient business model

## Administration action on drug pricing

Confident in essential role of **safely, securely and efficiently** providing critical products and services for customers and patients

Expect to continue to be **appropriately compensated** for significant value provided

## Tariffs

**~95%** of segment profit **largely unimpacted** by current tariffs

**Minimal net impact** anticipated to enterprise in FY26 (<3% of EPS)

Well-positioned to manage through **pharmaceutical tariffs**

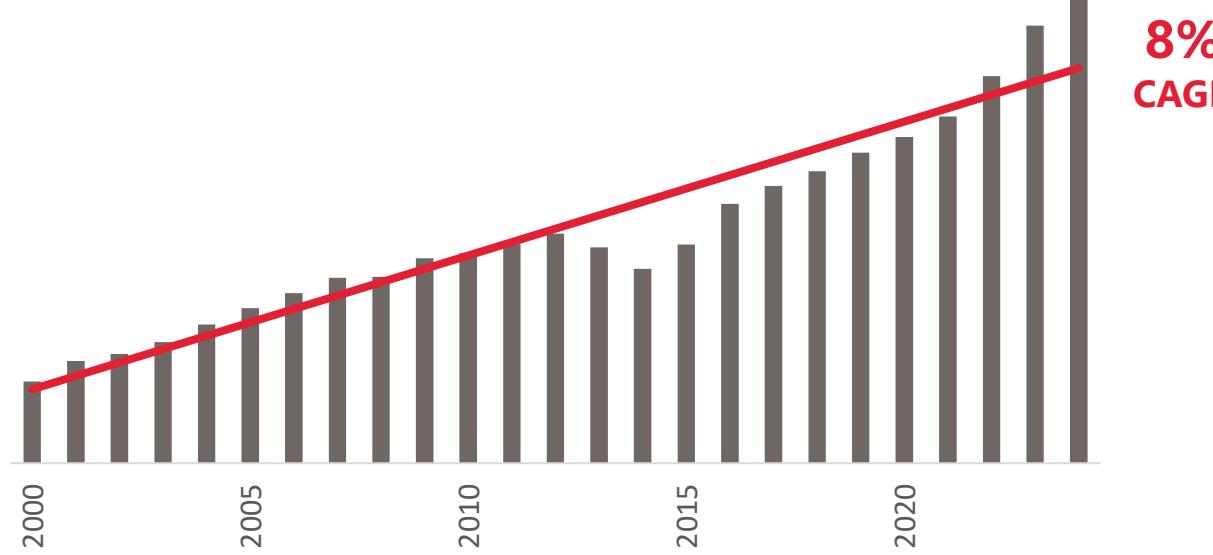
## Engagement

Continuing to **work with policymakers to advocate for our customers** and business

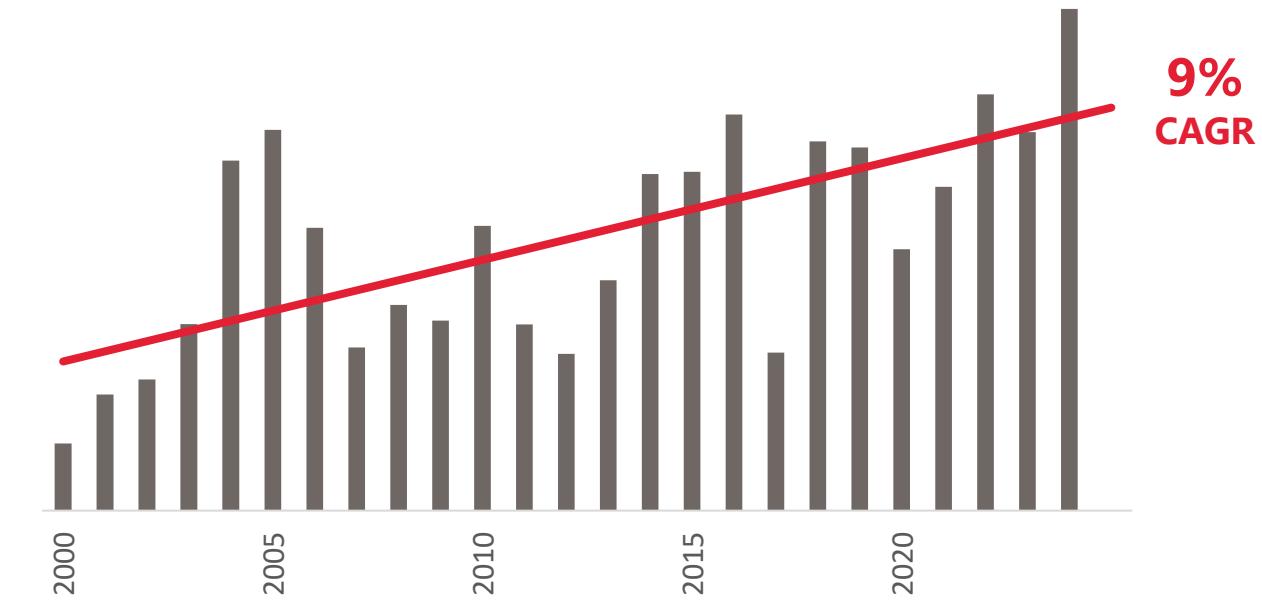
Supporting healthcare policies that promote increased **access, affordability** and **innovation**

# Confidence in our resilient business model

## Revenue



## Operating Cash Flow



# Building on our core

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## 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

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## Launching The Specialty Alliance

## Expanding Biopharma Solutions

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

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

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**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

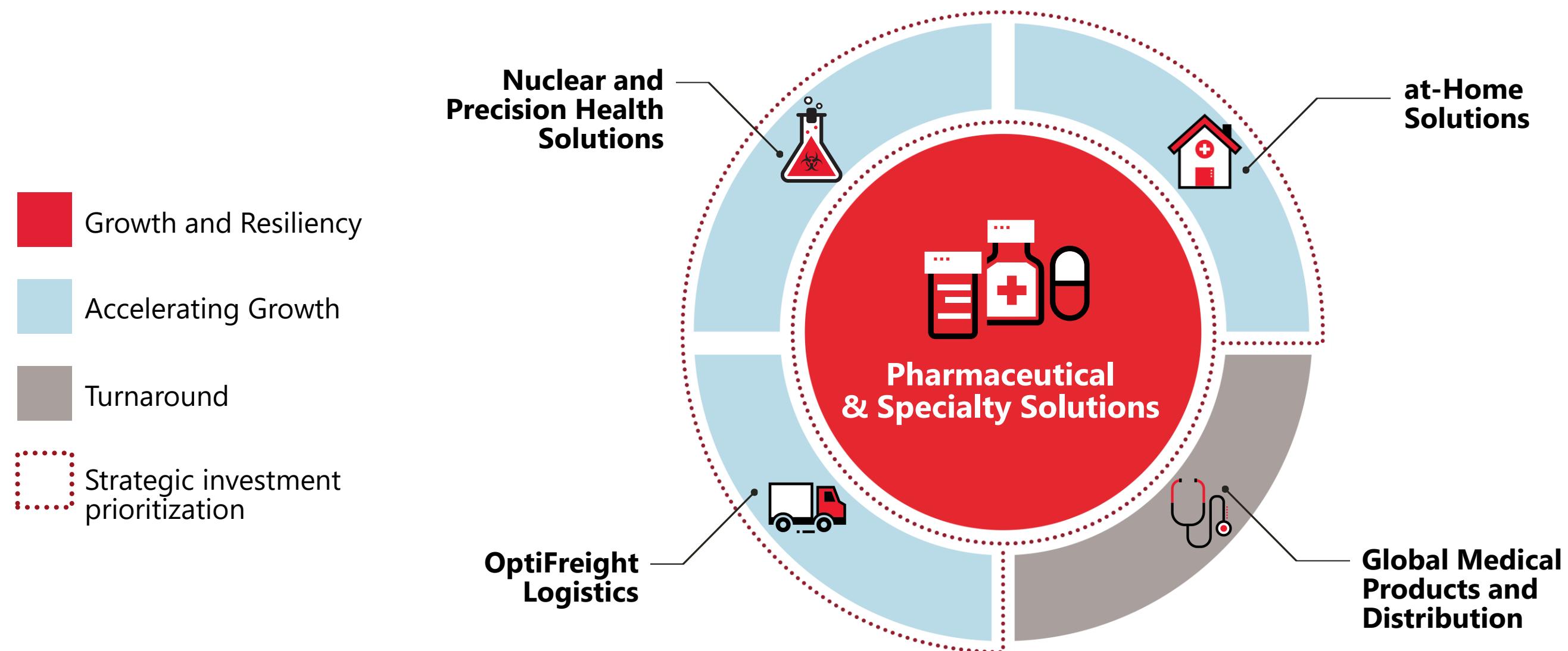
Driving **continued simplification and cost optimization**

across the business by executing our manufacturing transformation and improving distribution cost-to-serve



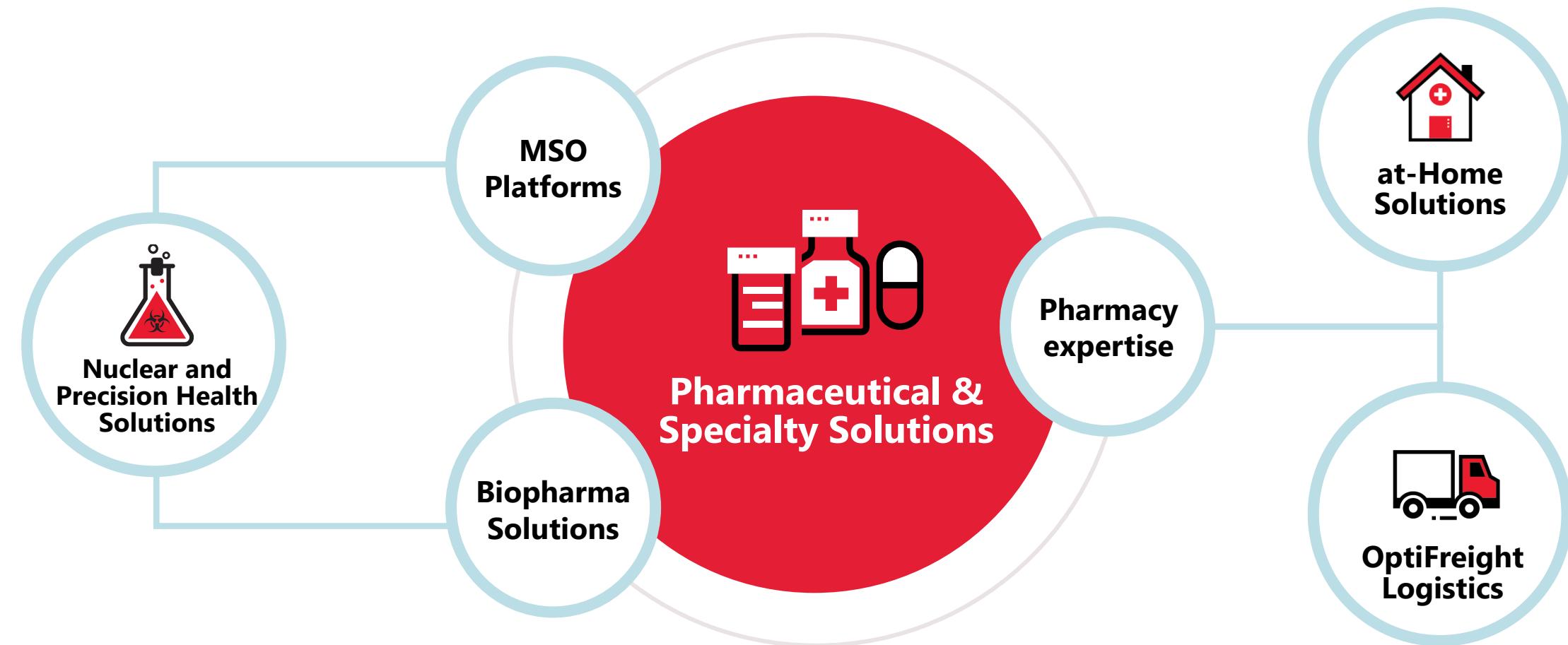
# Portfolio overview

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



# Longer-term opportunities

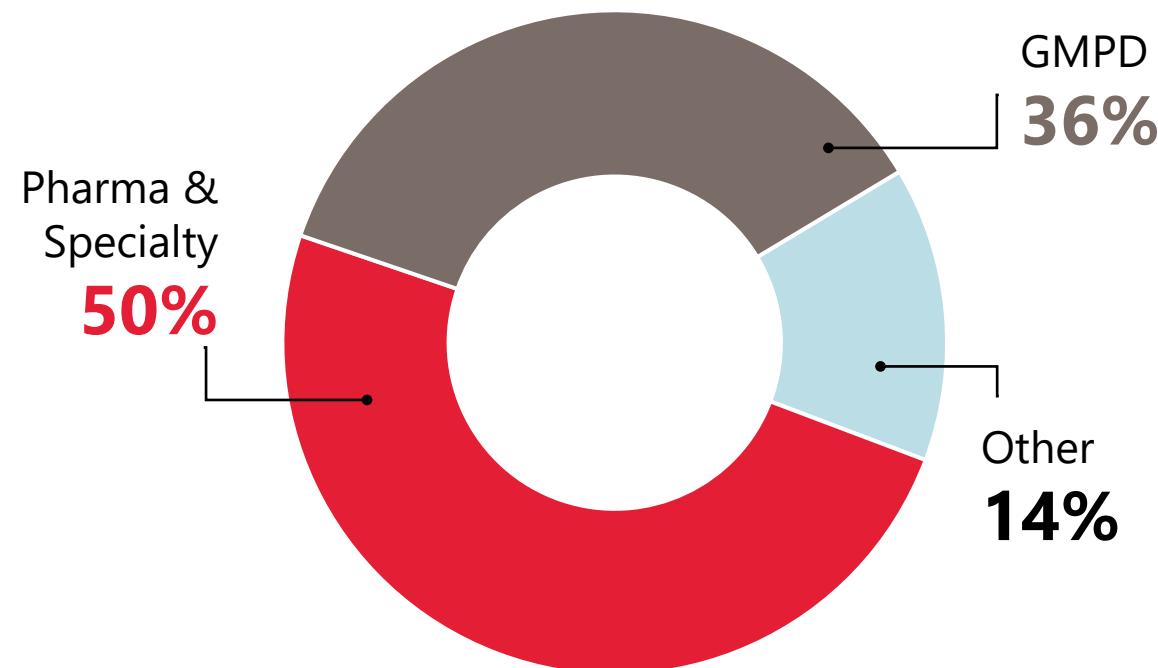
Examples of potential value creation from CAH's unique assets and capabilities



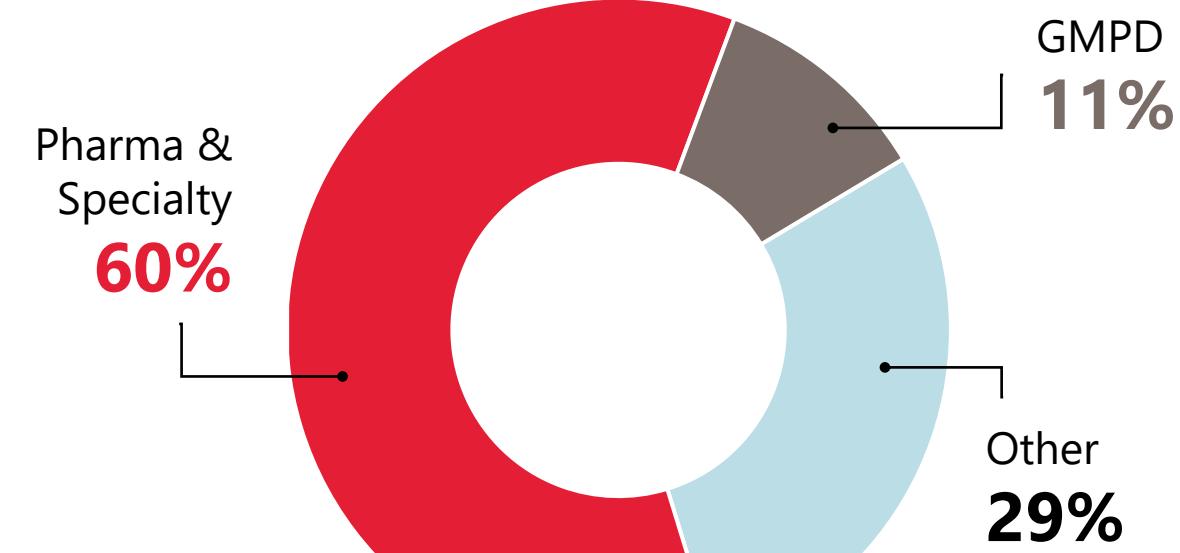
# Our ongoing evolution

## 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

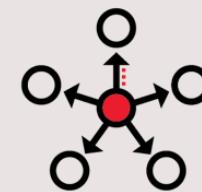
Other includes: Nuclear and Precision Health Solutions | at-Home Solutions | OptiFreight Logistics

<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

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



# Who we are today

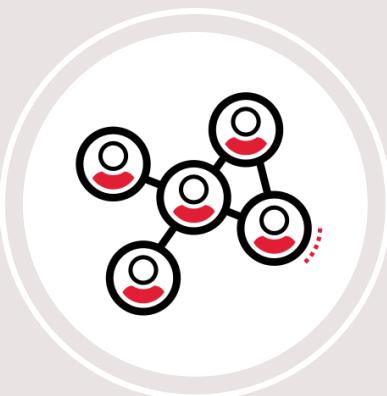
## Key areas



**Pharmaceutical & Specialty Distribution**

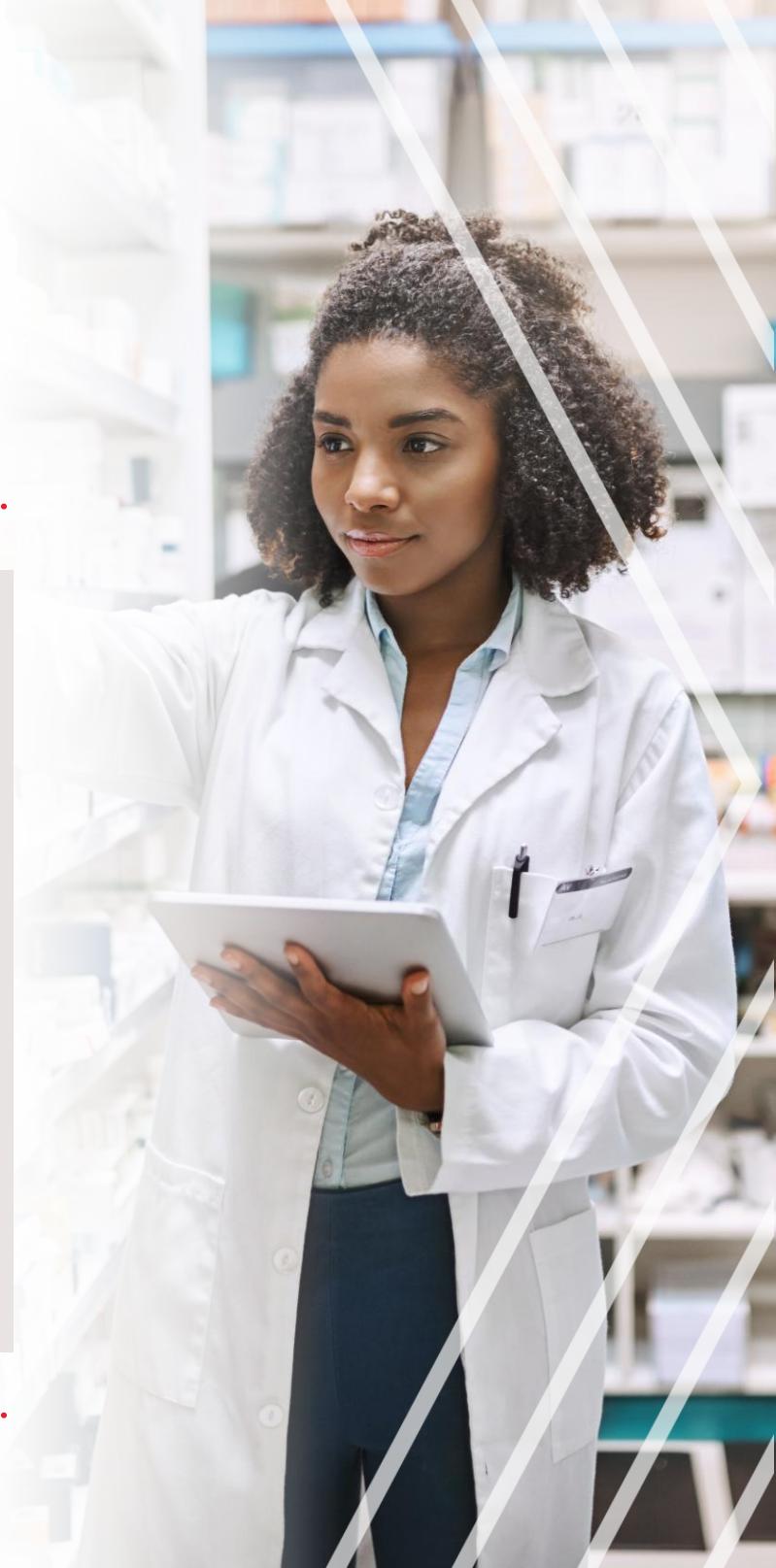


**Biopharma Solutions**



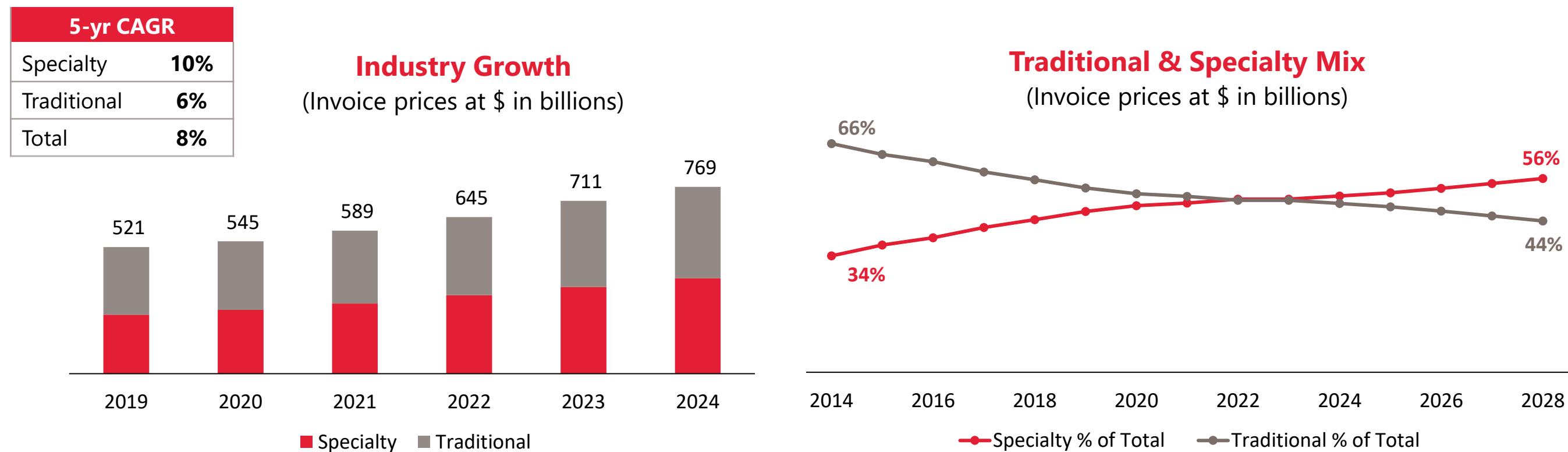
**MSO Platforms**

MSO: Managed Services Organization Platforms



Specialty represents the fastest growing segment of the industry

## US Pharmaceutical Industry



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**

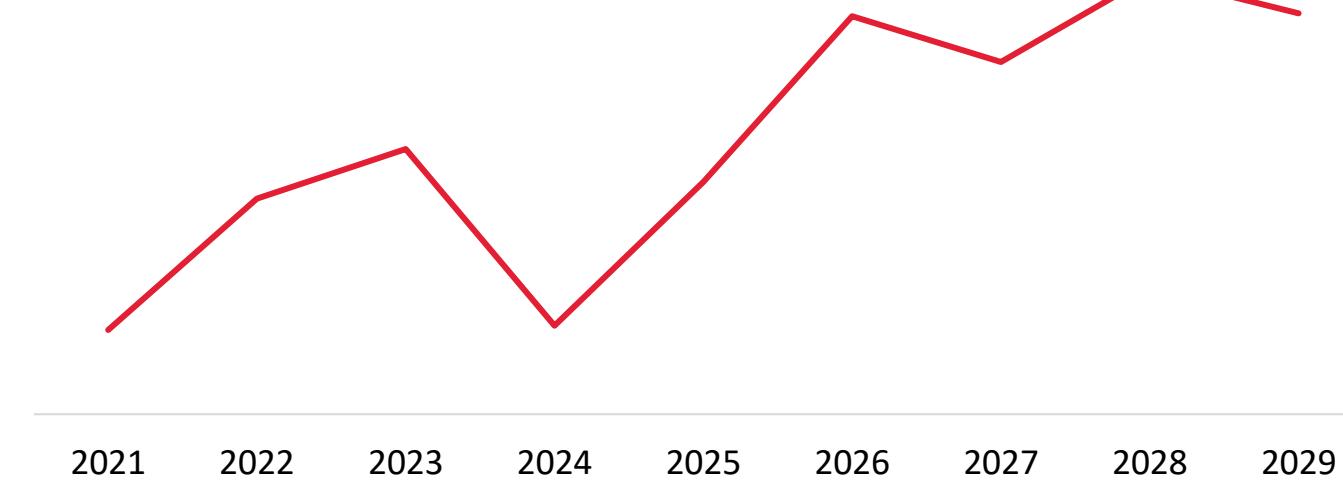


**Leading scale**  
in U.S. generic  
purchasing

**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>



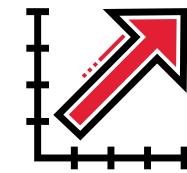
<sup>1</sup> Information licensed from IQVIA: IQVIA DDD® and IQVIA Market Prognosis for the period 2019 - 2029 reflecting estimates of real-world activity.  
All rights reserved. Includes Cardinal Health analysis  
<sup>2</sup>Brand sales loss of exclusivity shown at ex-manufacturer price

# Consumer Health Logistics Center

**Customer experience and  
operational efficiency investment**

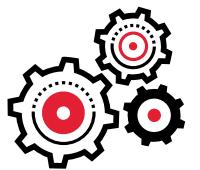


**Opens  
July 2025**



**Enables growth:**

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



**Deploys automation**  
for operational efficiency

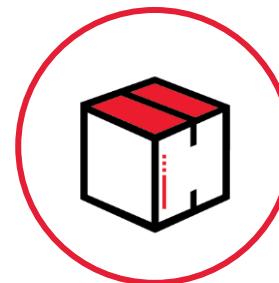


# Continuing to invest for growth in the core



## 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

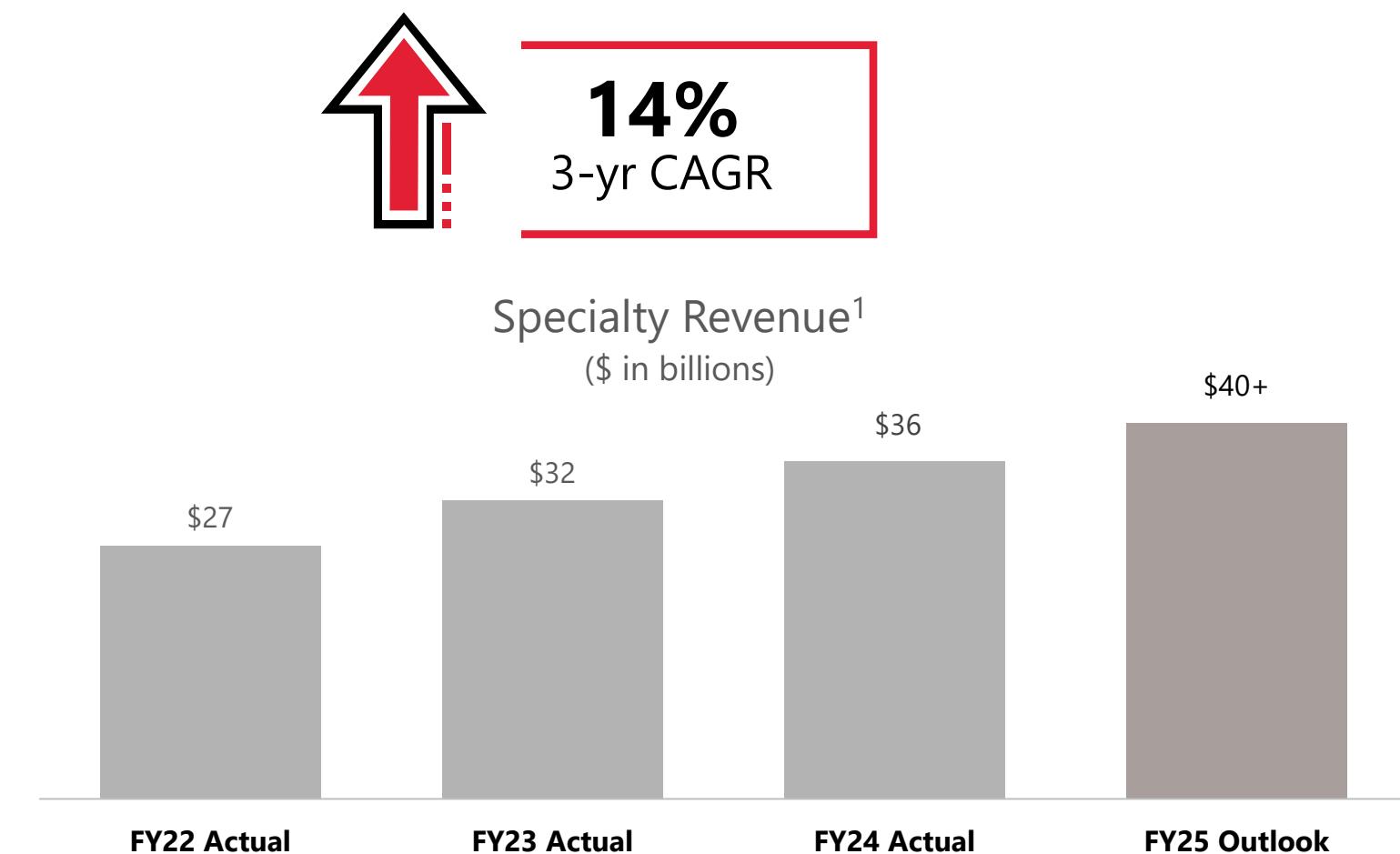
MSO Platforms

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

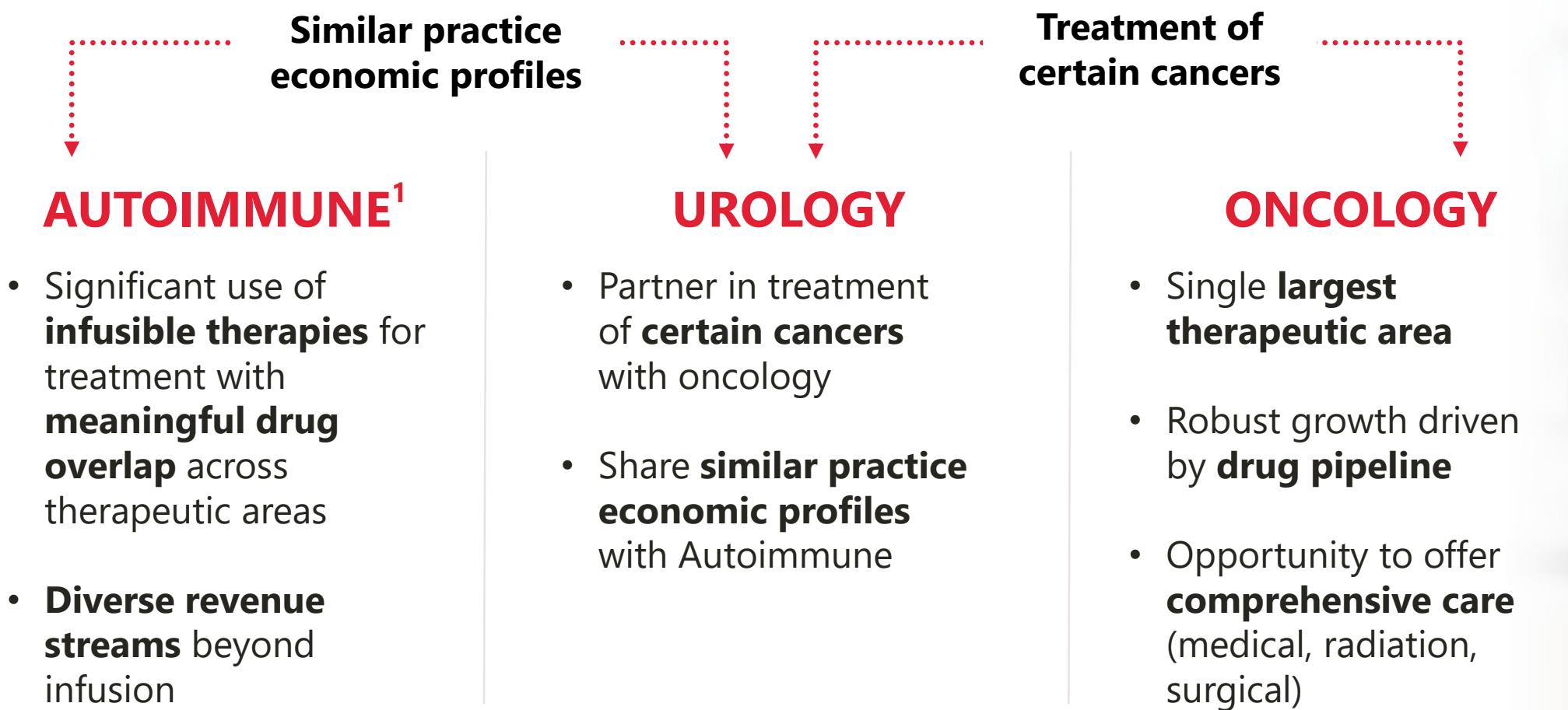
## The **Specialty** Alliance



Oncology

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

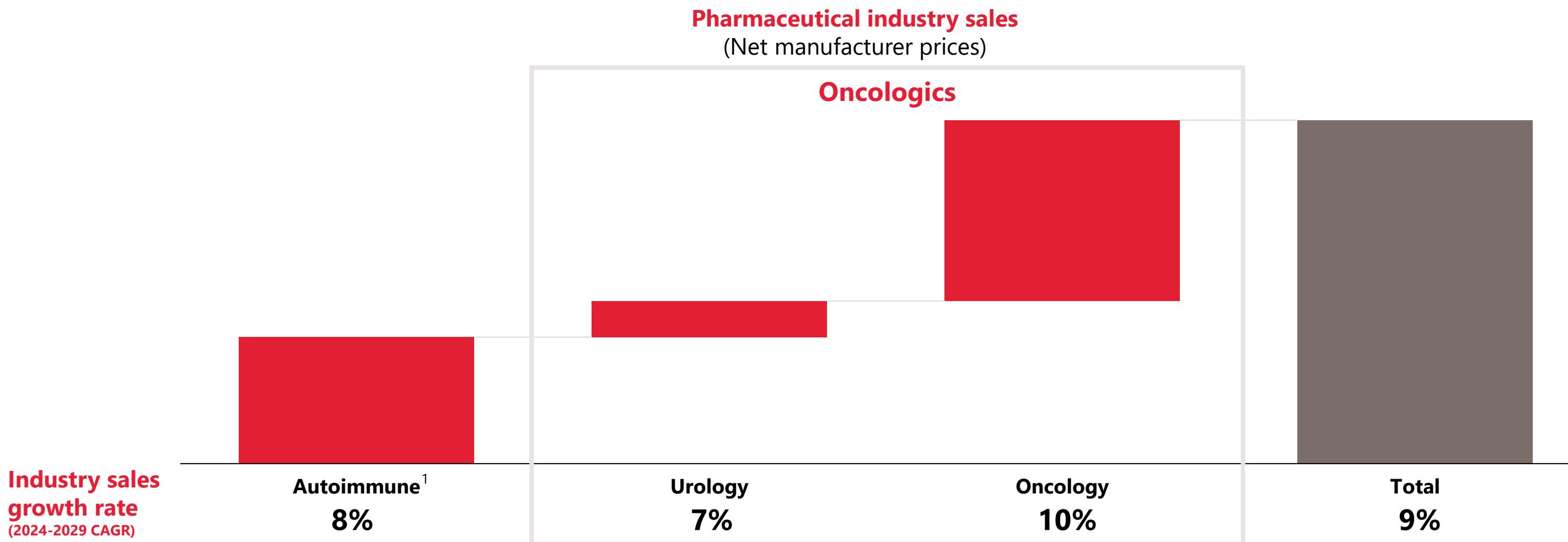
# Focus on autoimmune, urology and oncology



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



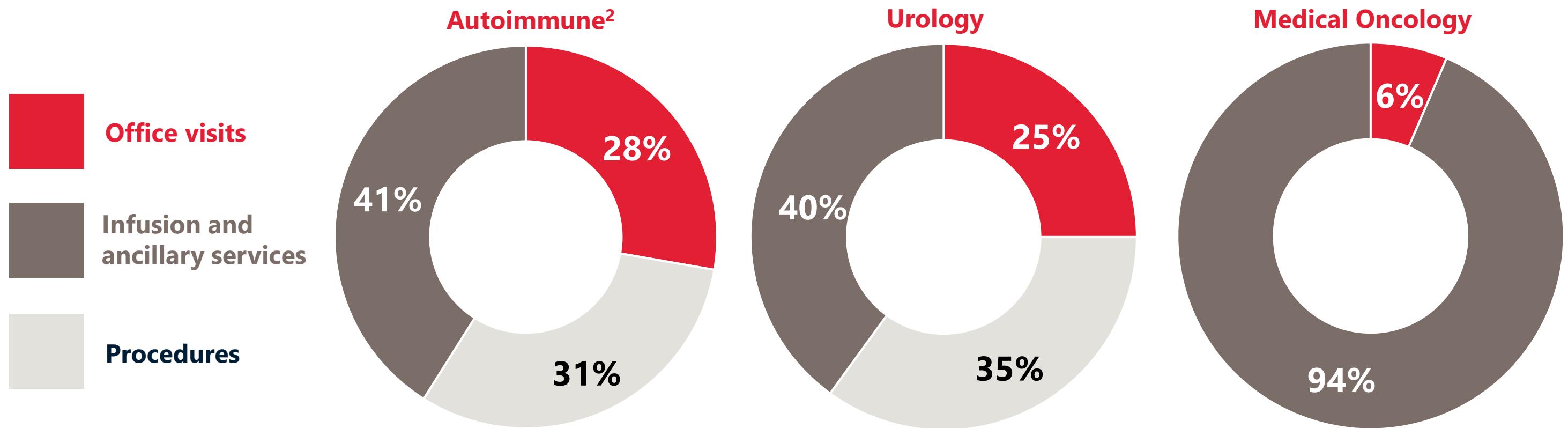
# Oncologics and autoimmune represent large and growing opportunities



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

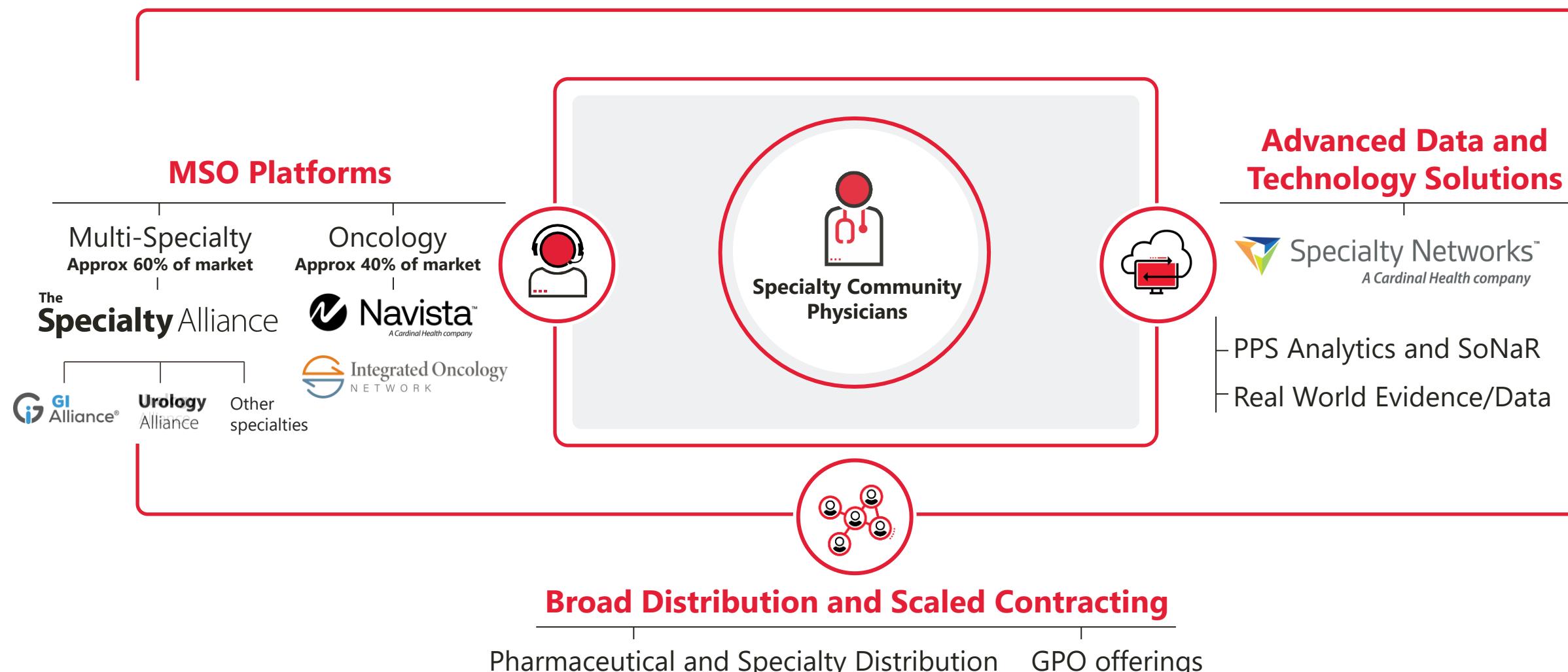


Source: Bain & Co.; Ancillaries includes infusion, surgery center, laboratory, and other revenue streams

<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

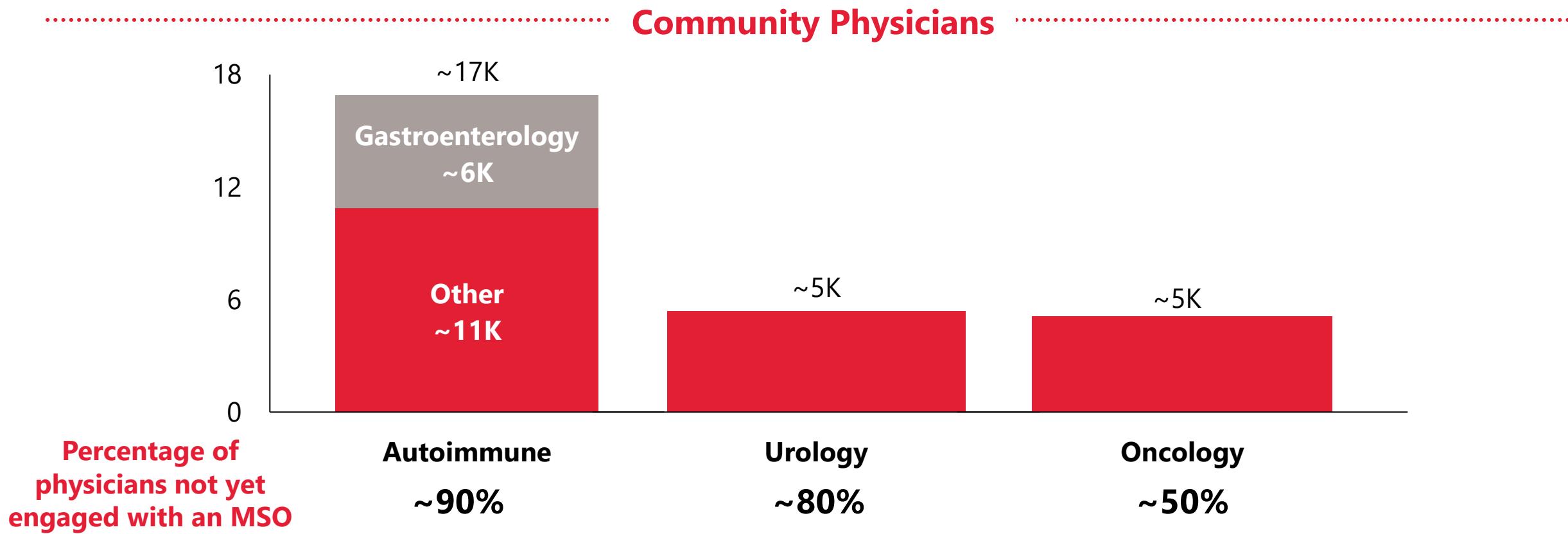
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# JAMES WEBER, MD

THE SPECIALTY ALLIANCE



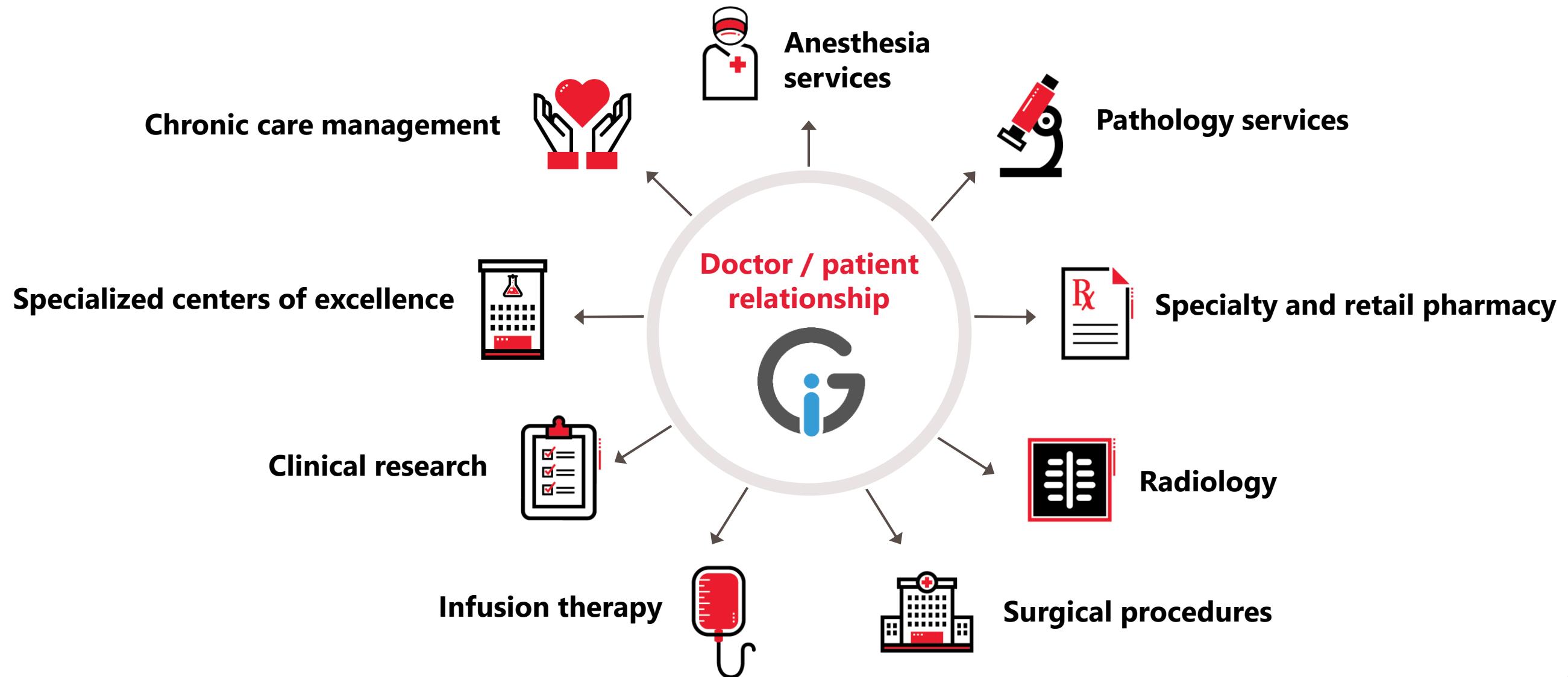
Community physicians are a large population of providers committed to providing high quality, convenient and cost-effective care



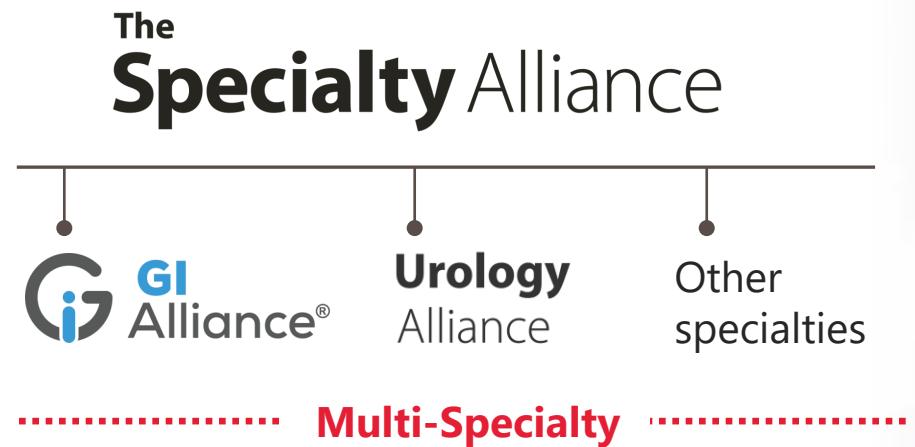
Source: Internal analysis and Bain & Co



# How a managed service organization helps



# Partnering with Cardinal Health

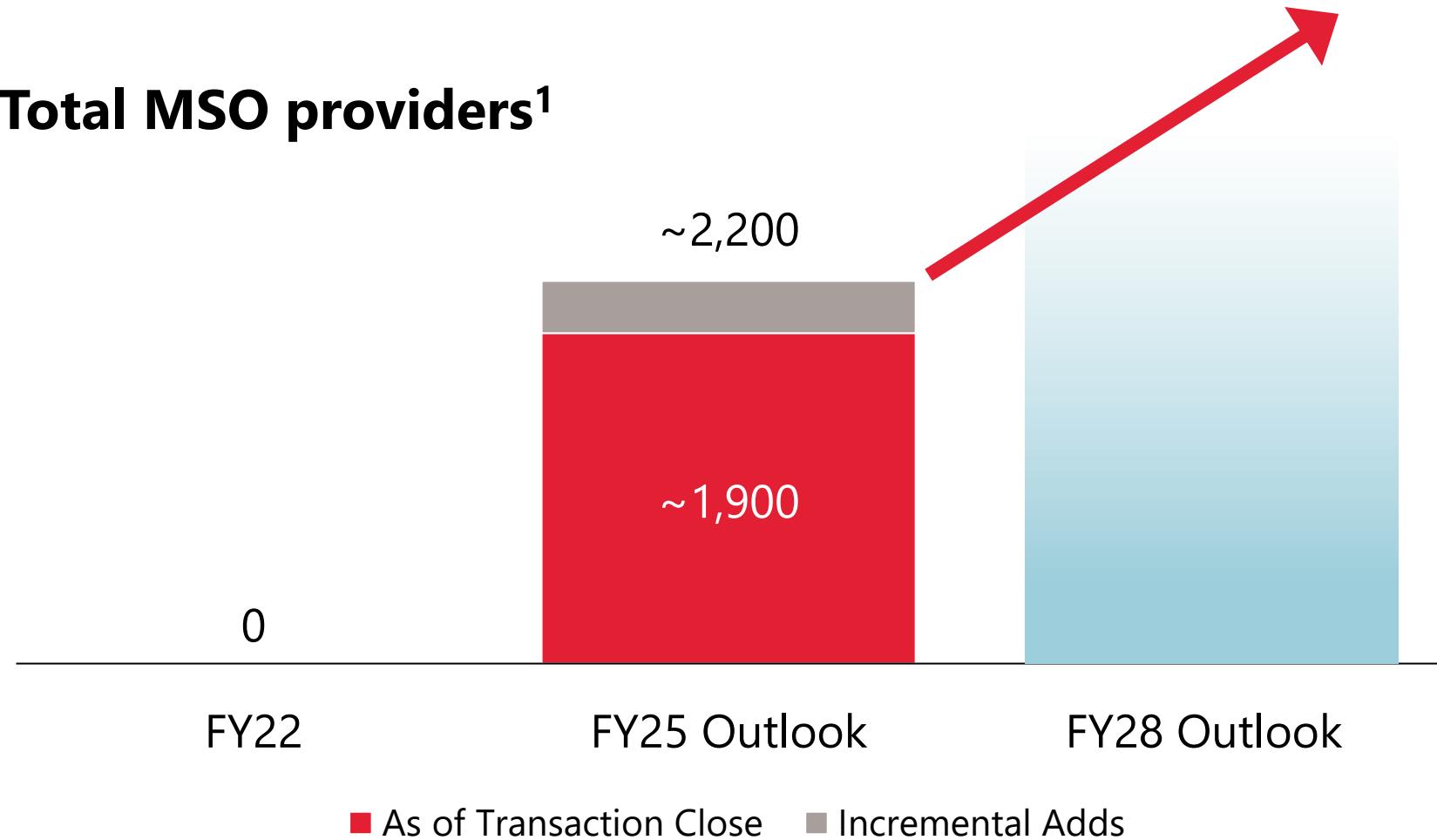


- 1** Physicians maintain clinical autonomy
- 2** Continued physician ownership and governance
- 3** Access to capital to fund growth
- 4** Complementary expertise



# 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

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# CRAIG COWMAN

## BIOPHARMA SOLUTIONS



# Biopharma Solutions overview

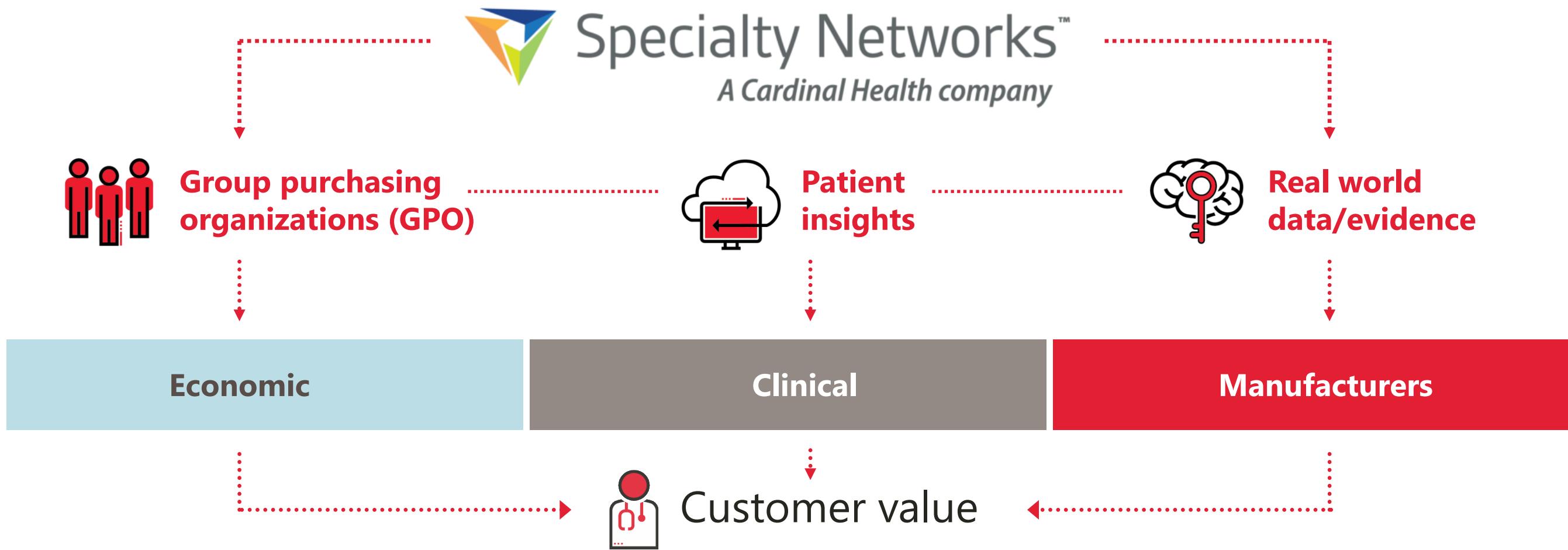
## Manufacturer needs for commercialization



## Cardinal Health capabilities

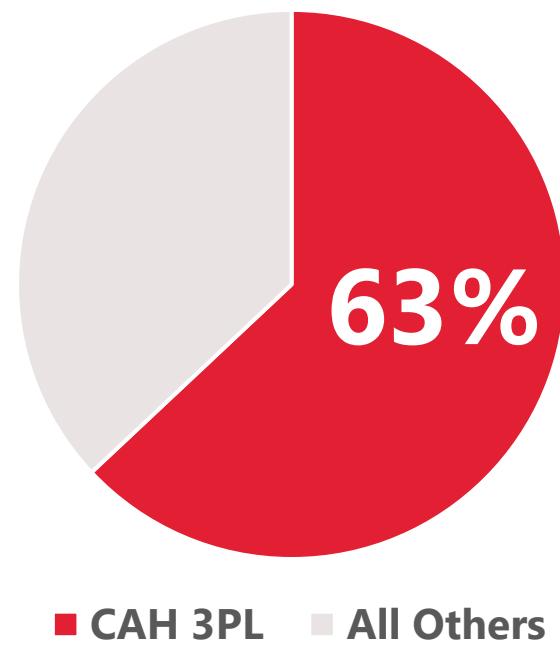
- Specialty Networks Solutions**
- 3rd Party Logistics (3PL)**
- Sonexus™ Access and Patient Support**
- Advanced Therapy Solutions**

# Specialty Networks Solutions creates holistic value for physicians and manufacturers

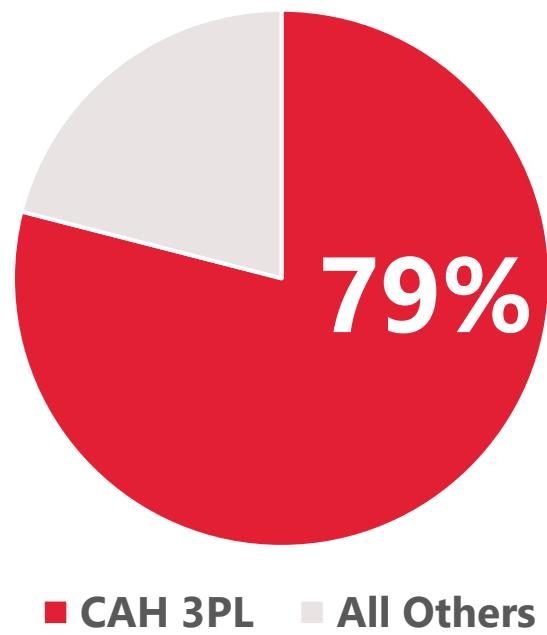


# 3PL growth driven by investments in technology and infrastructure

**All 3PL new drug launches  
2024**



**First-time 3PL launches  
2024**



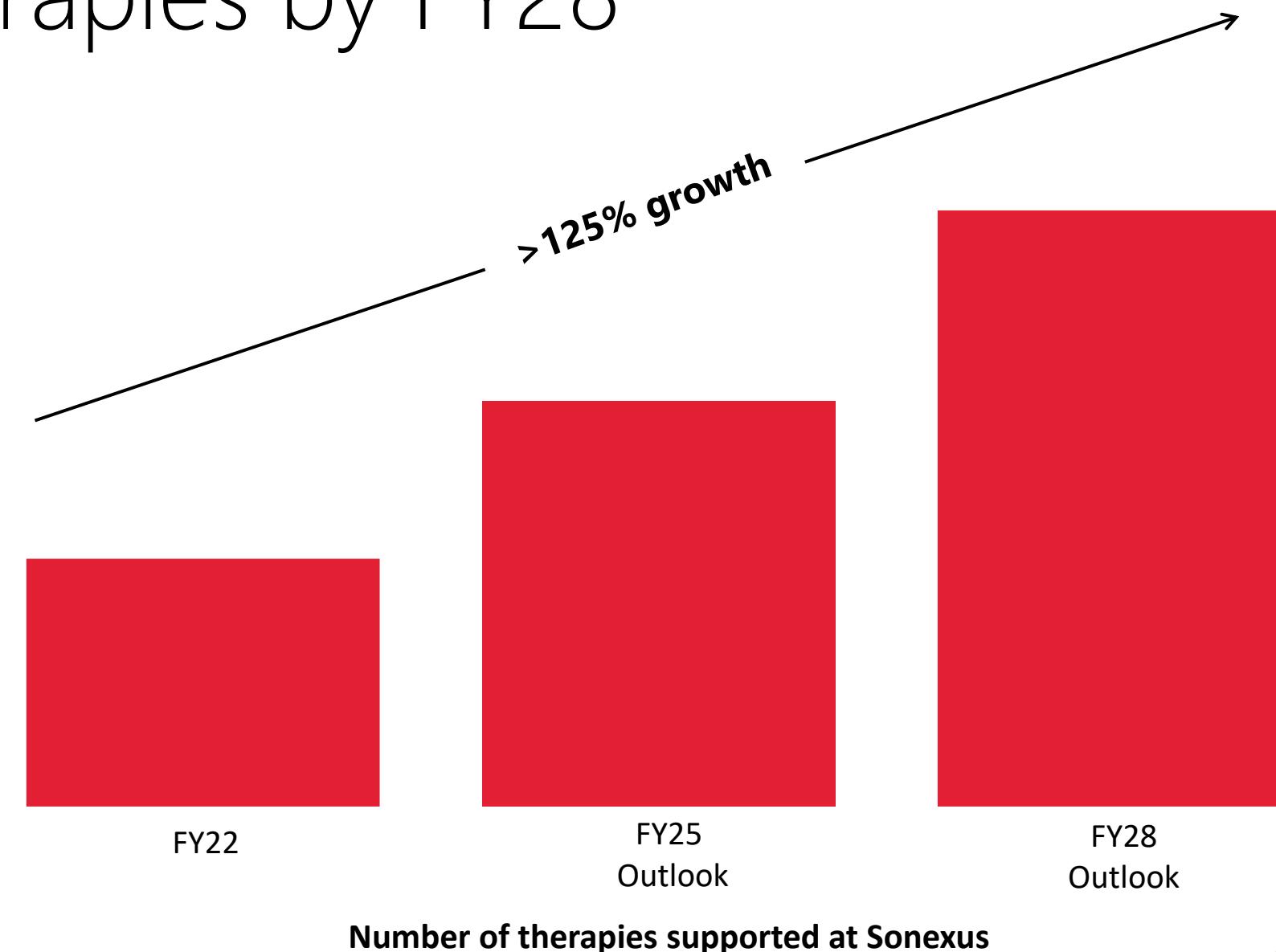
Source: 2024 Novel Drug Approvals per FDA.gov, FiercePharma



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

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

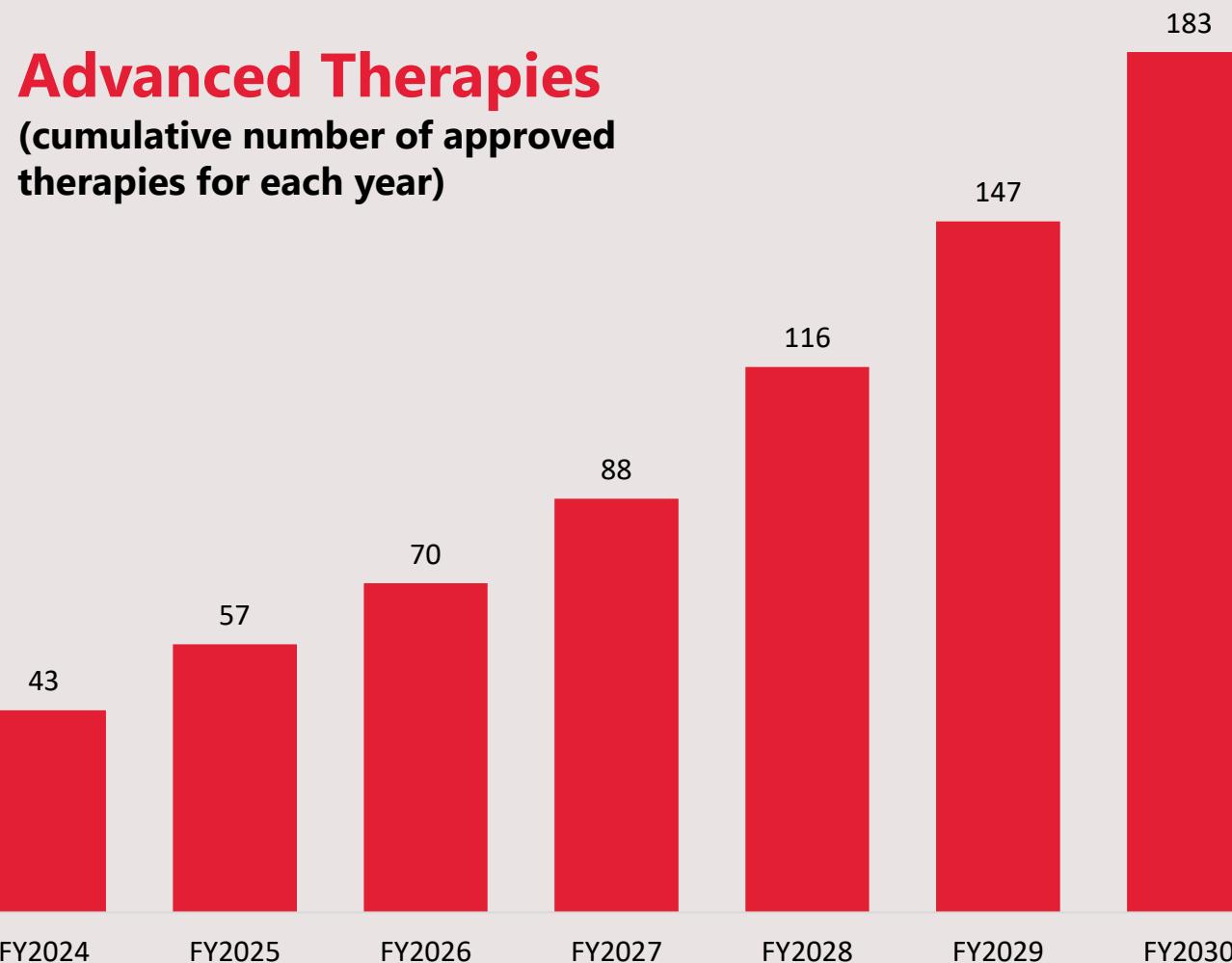
combines pharmacy operations with smart digital tools to streamline patient onboarding and increase adherence to prescribed care



# 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

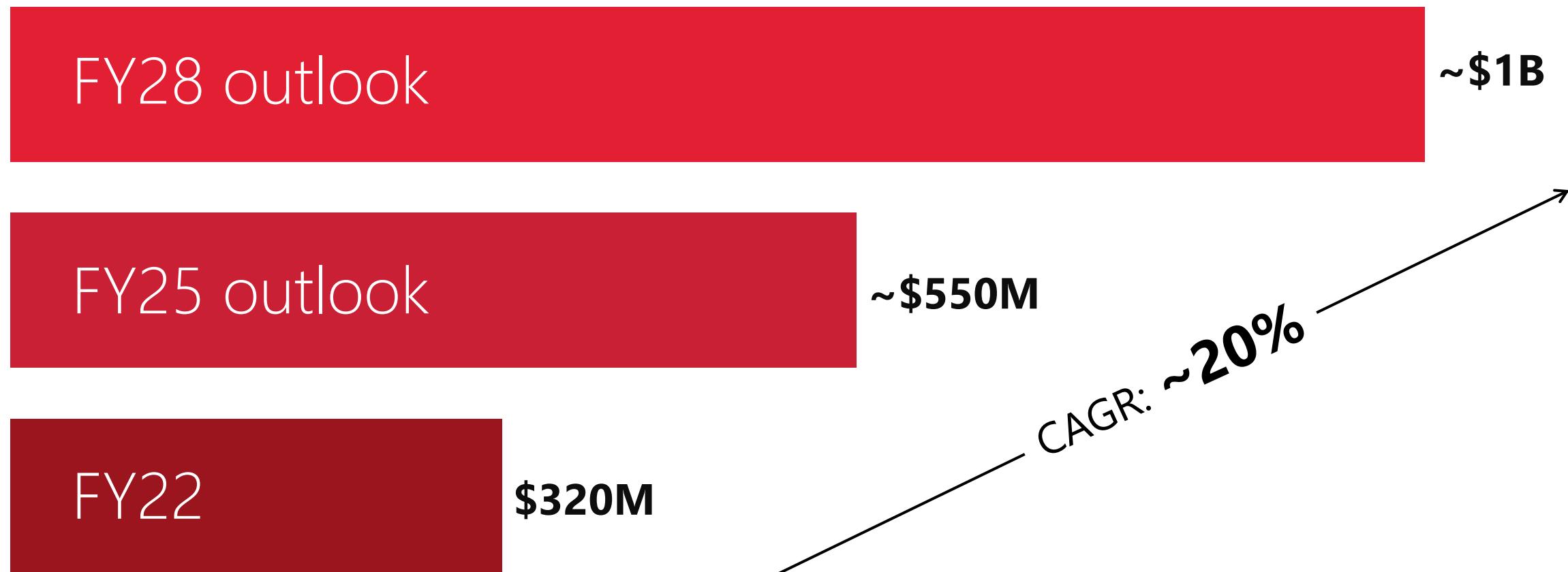


### Patient support services and market access

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

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>**

<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

# Higher-margin growth businesses

	 at-Home Solutions	 OptiFreight Logistics	 Nuclear & Precision Health Solutions
Key trends	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
Leading positioning	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

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**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**

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# Compelling opportunities

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



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



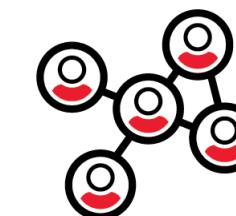
## Aging population

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



## Rise in chronic conditions

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

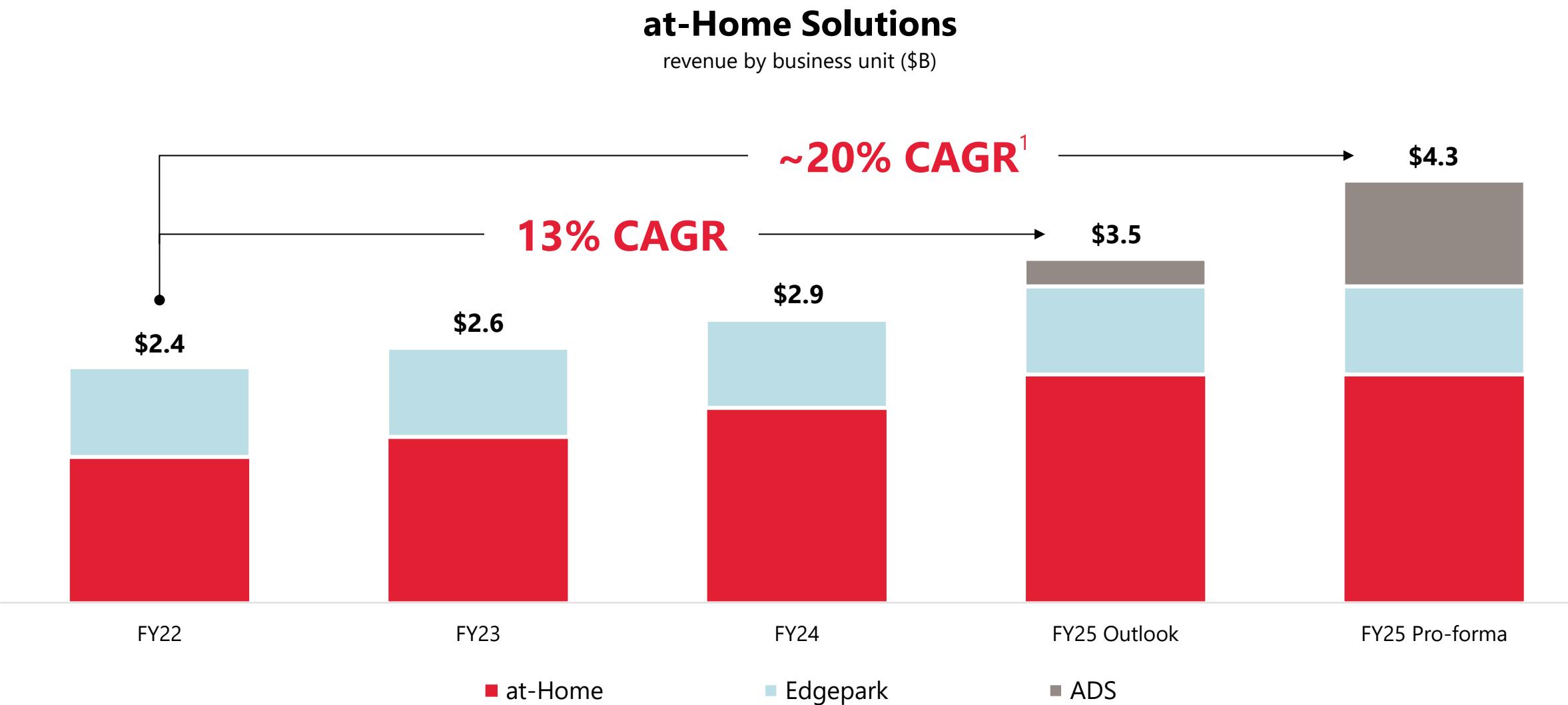


## Expanding access

~**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

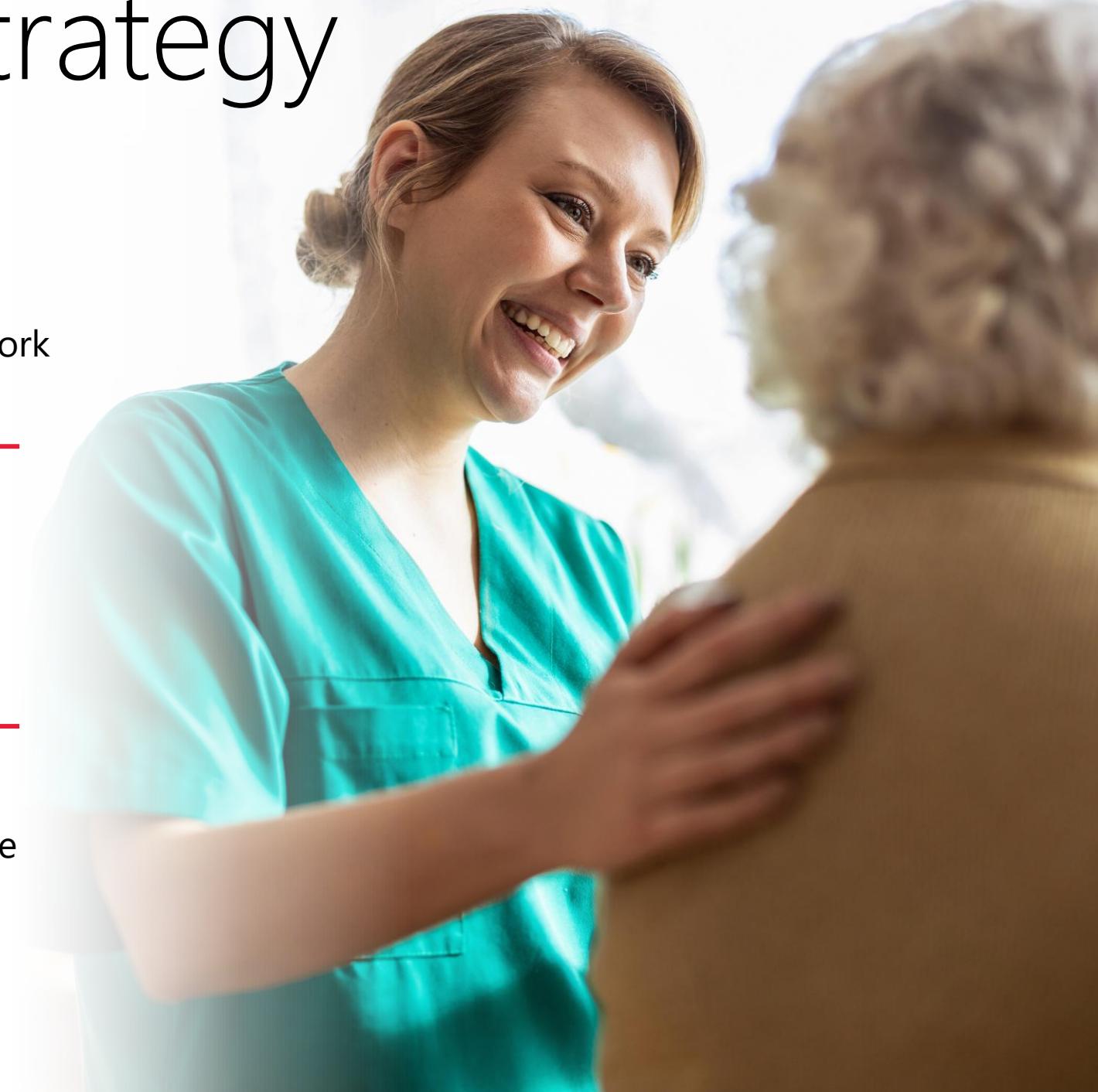


<sup>1</sup>ADS acquisition closed 4/1/25; Pro-forma includes ADS annualized \$1.1B in revenue



# 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

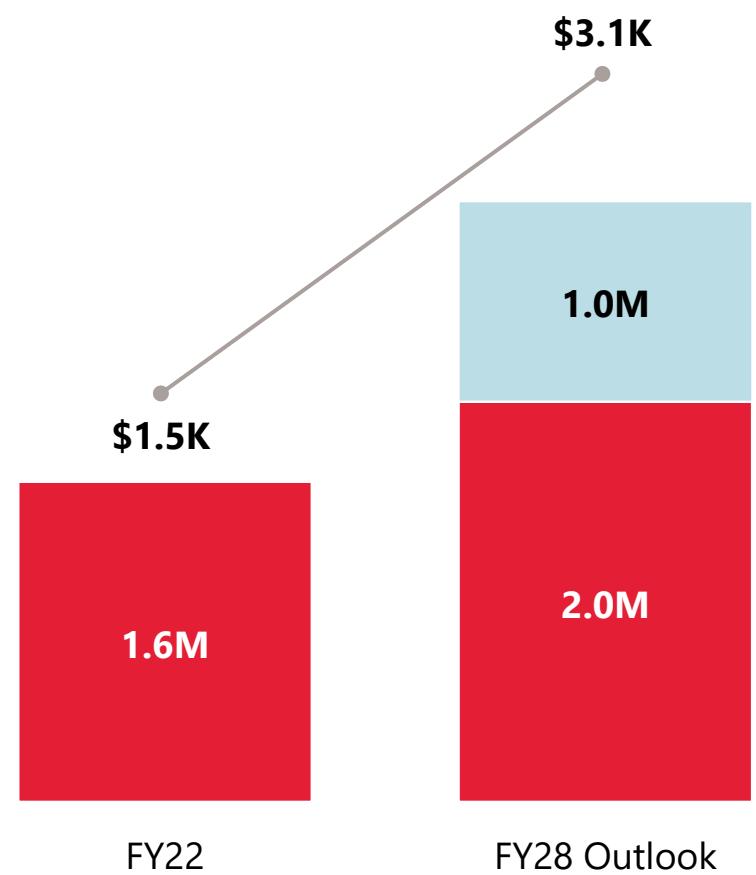
## Customer experience (FY22 vs. FY25)



## Productivity (Legacy vs. New Site)



## Capacity to support growth



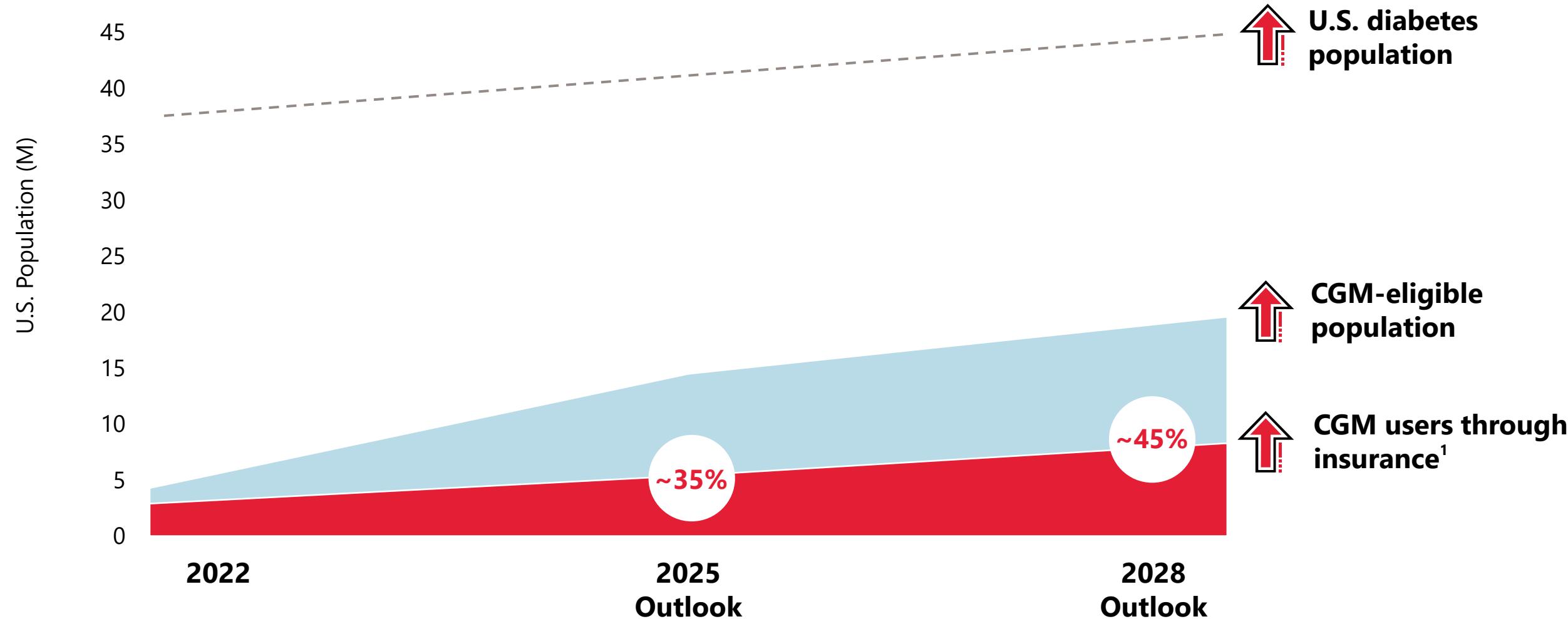
### More than doubling

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**

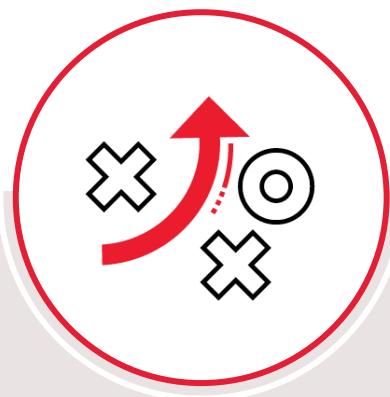


<sup>1</sup>Percentages represent CGM penetration of insurance-eligible population

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

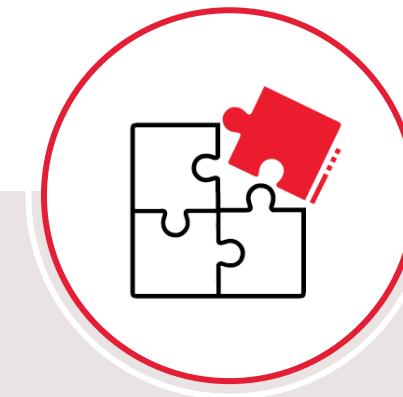


# Enabling a platform for future growth



## **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

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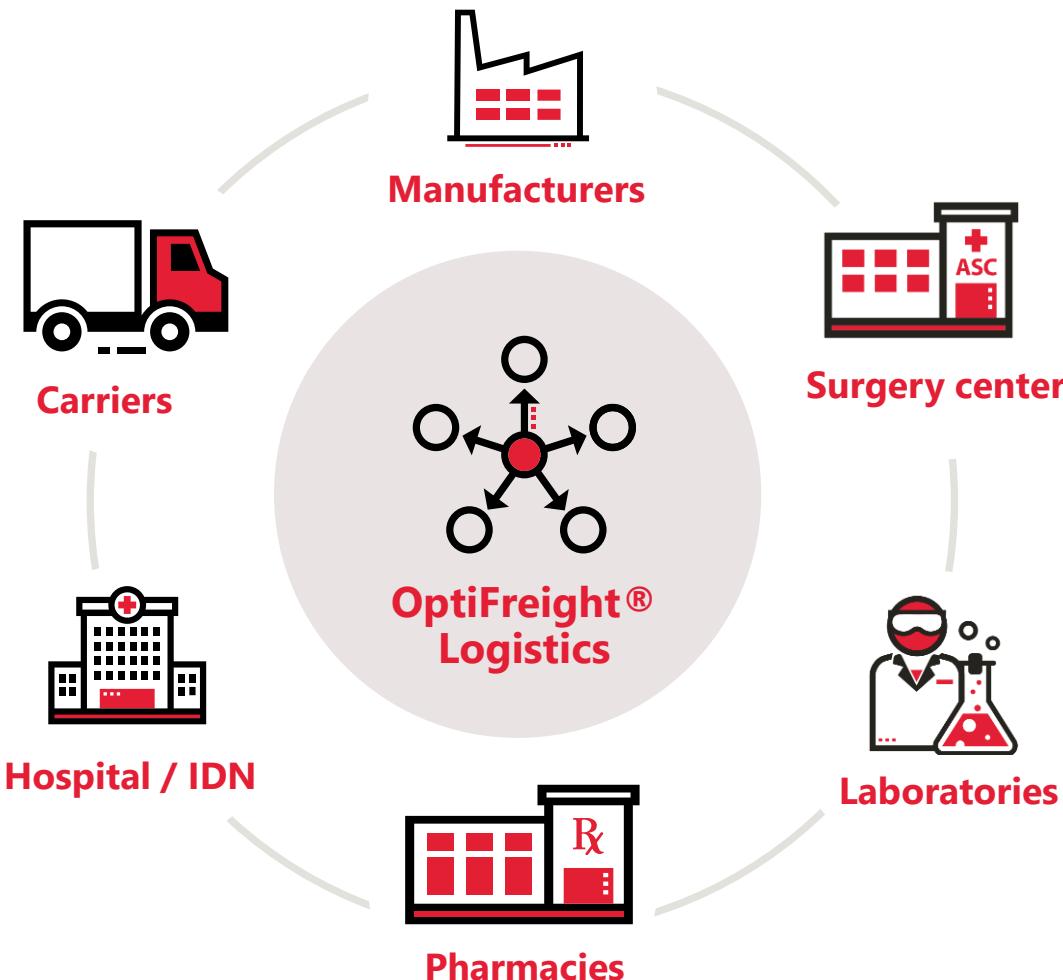
**EMILY GALLO**



# 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

**Realized  
value**



**Operational  
efficiency**



**Extension of  
customer's team**

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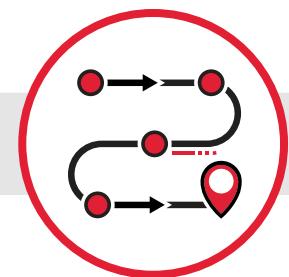
**OptiFreight®  
Logistics  
provides:**



Parcel and  
freight shipment  
management



Competitive  
shipping rates



Management  
of 7,000+  
participating  
suppliers



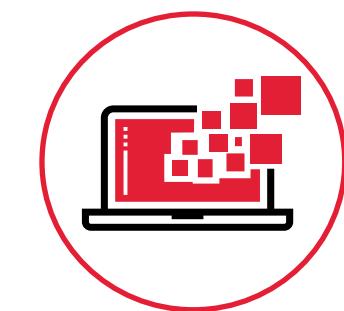
Robust audits  
and consolidated  
invoicing



Action-driving,  
intuitive  
technology and  
insights platforms

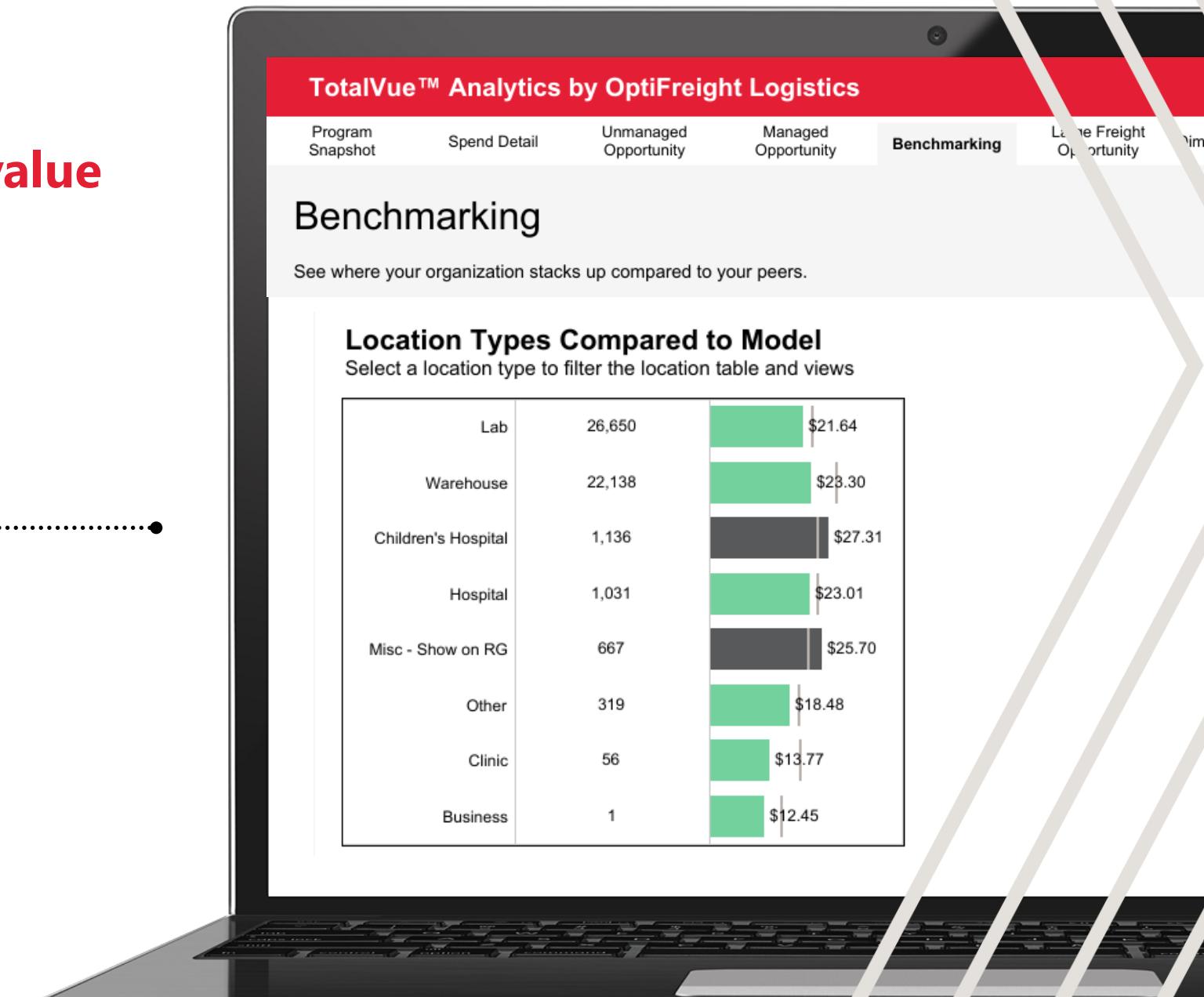
# TotalVue™ Insights Platform

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



**TotalVue™  
Insights**

- **Reporting**
- **Tracking**
- **Analytics**



# Consistent above-market growth

## Volume CAGR

**Inbound**  
(supplier-direct)

**Outbound**  
(customer-initiated)

## Market Growth

Low single-digit  
volume growth

Double-digit  
volume growth

**OptiFreight®  
Logistics**

**Exceeding market**

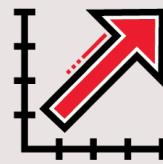
**At least rate of market**

— **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



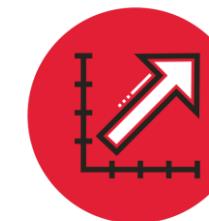
# Delivering double-digit growth

**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

### SHelf-life

Typically, longer expiration dates



## Radiopharmaceutical

Decays constantly, expires within hours or days

### REGULATIONS

Federally regulated by FDA, DEA

Complex regulatory landscape, often varying by state

### ADMINISTRATION

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®

2

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

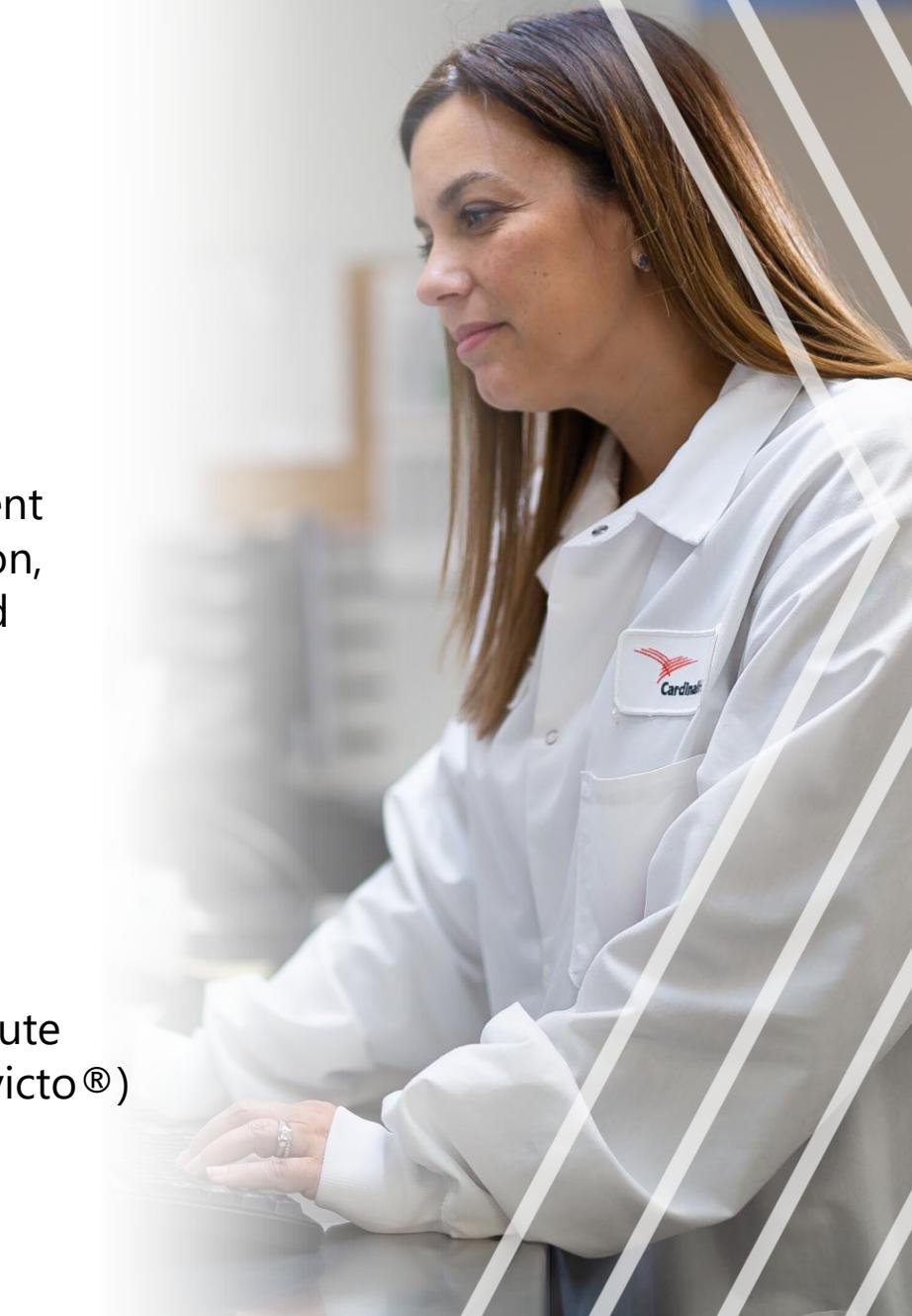
- Manufacture, prepare, dispense and distribute PET diagnostics
- Exclusive U.S. distribution rights to IRE's Gallium-68 generator

3

### Theranostics

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

<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



Serve  
**6,600+**  
customers

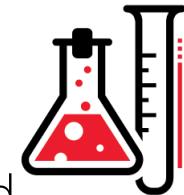


**130**  
nuclear  
pharmacies



**30**  
PET sites

Supported  
~**75%** of  
FDA approved  
radiopharmaceuticals<sup>1</sup>



Dispense  
and distribute  
**12M+** time-critical,  
patient-specific doses<sup>2</sup>



**1,700+**  
professional  
healthcare couriers



**>99.9%**  
accuracy rate for  
dispensing and labeling

**99.8%**  
on-time delivery  
rate

**95.0%**  
of hospitals reached  
within three hours

**75** Best-in-Class Net  
Promoter Score (NPS)

<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



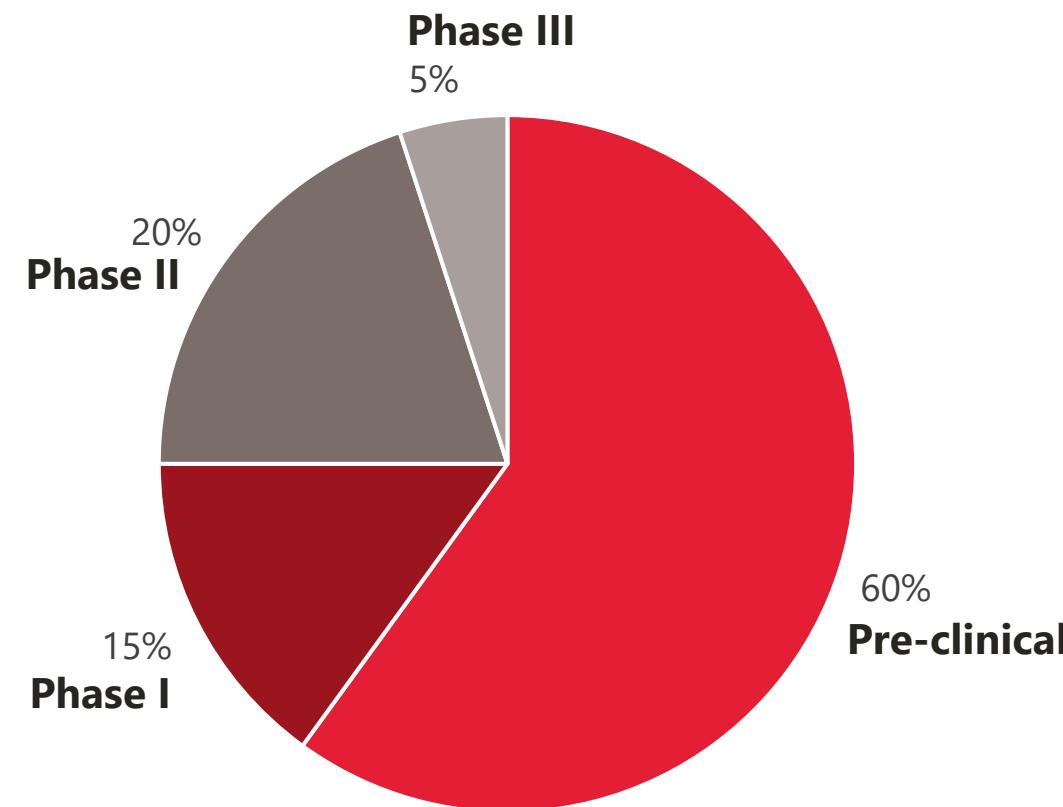
Social momentum

<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)

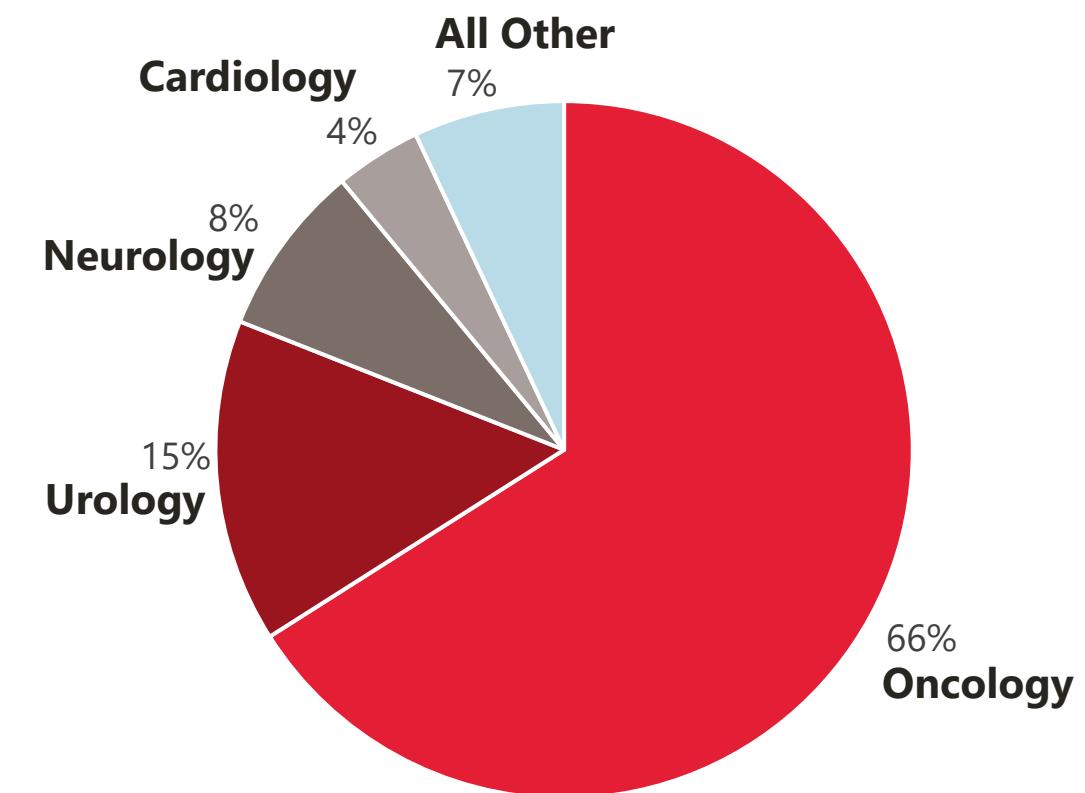


Industry growth will rapidly evolve with the commercialization of novel theranostics

**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

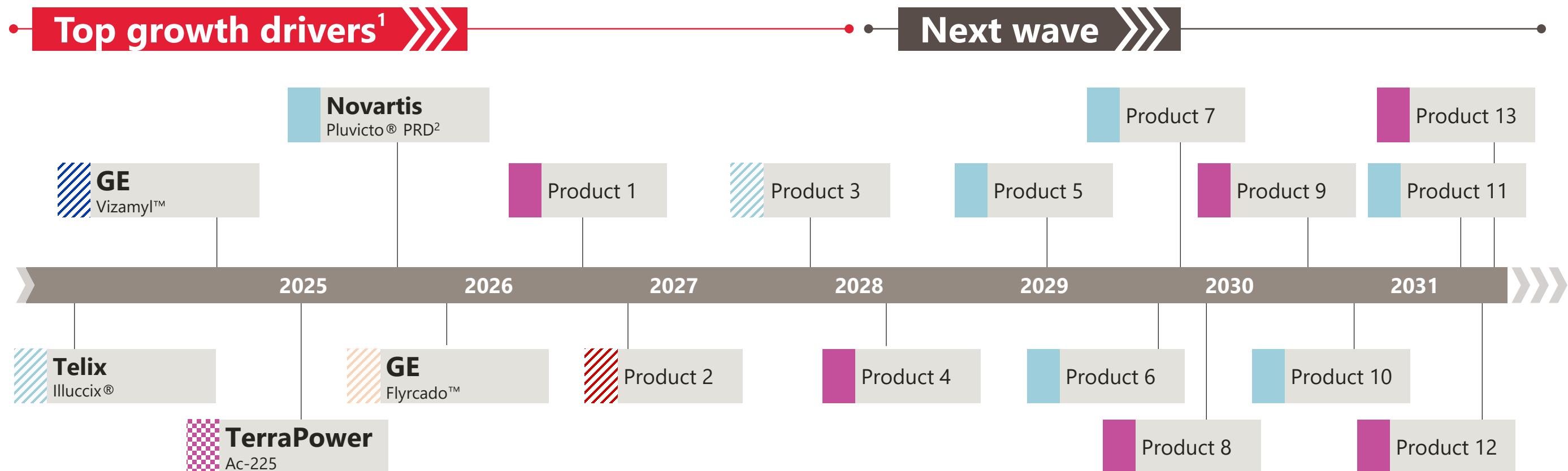
### Pharmacy operations

Nationwide preparation, dispensing and delivery services

### Commercial services

Comprehensive marketing and sales capabilities

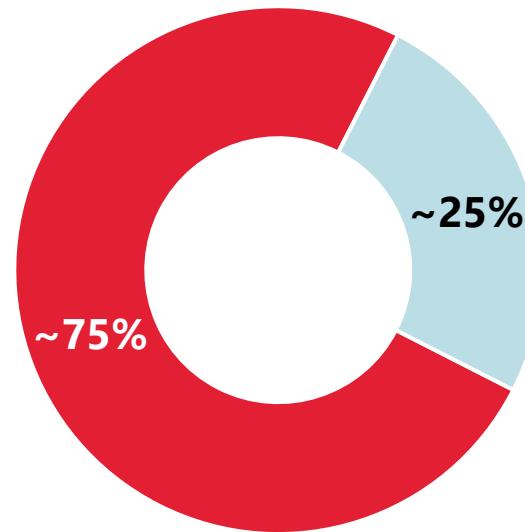
Recent product launches will serve as growth engine until next wave of entrants



<sup>1</sup>Non-exhaustive list of products in CAH portfolio. Reflective of top growth products in the period FY25-FY28; <sup>2</sup>Patient ready dose

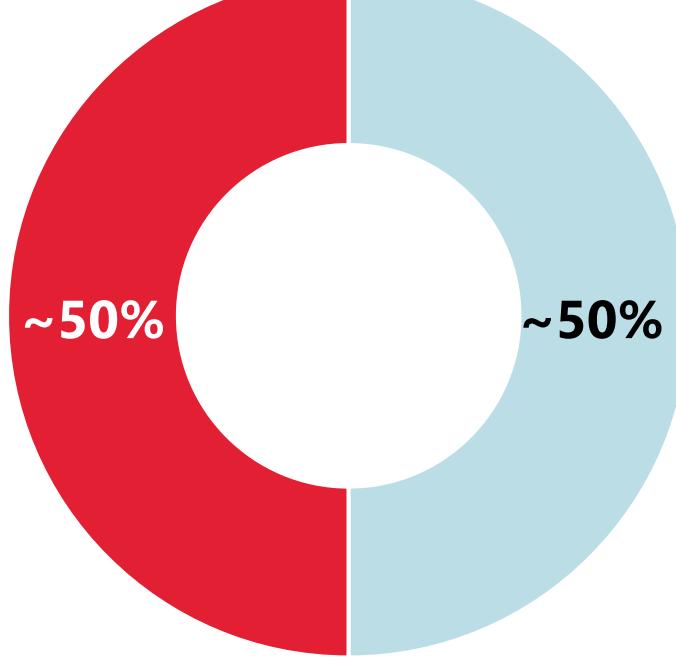


# Theranostics and PET underpinning long-term growth



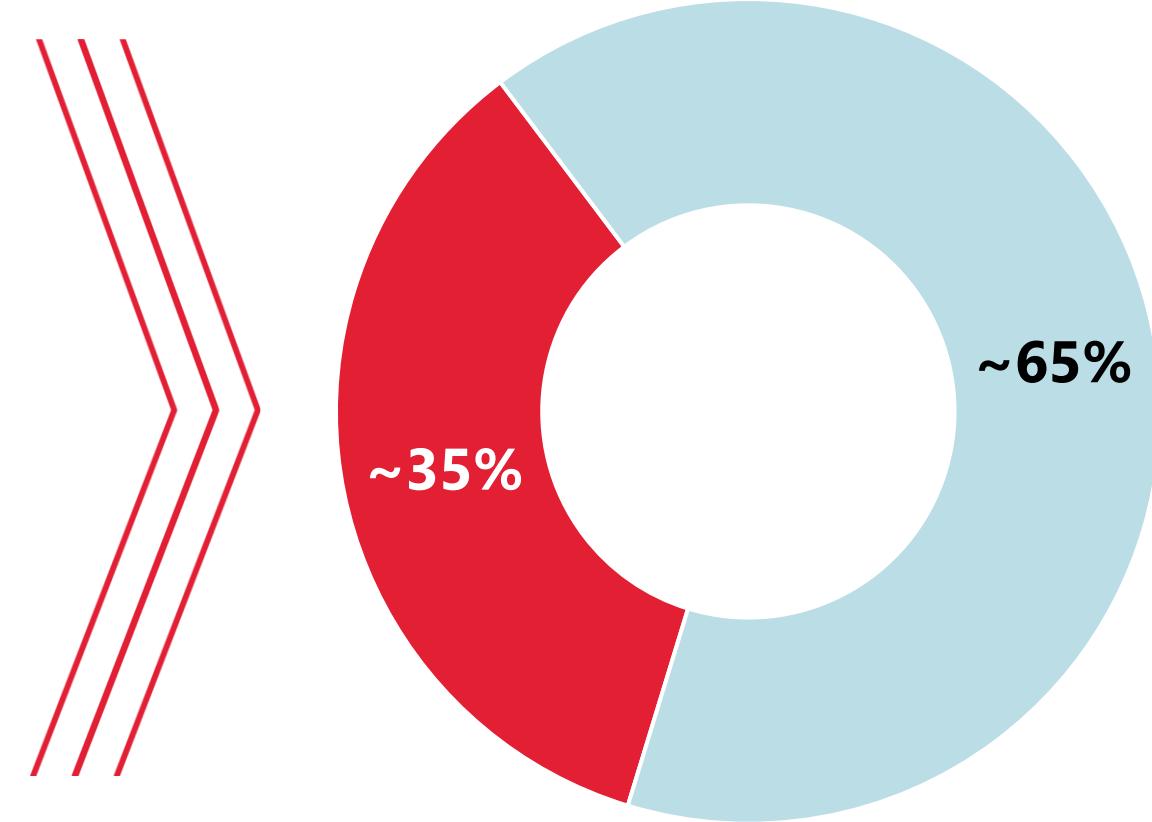
Revenue by business mix  
**FY22 actuals**

SPECT



Revenue by business mix  
**FY25 outlook**

Theranostics + PET



Revenue by business mix  
**FY28 outlook**

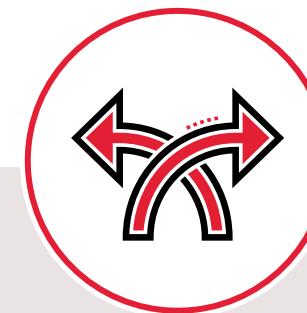
# Strong profile for **sustainable** growth



## 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

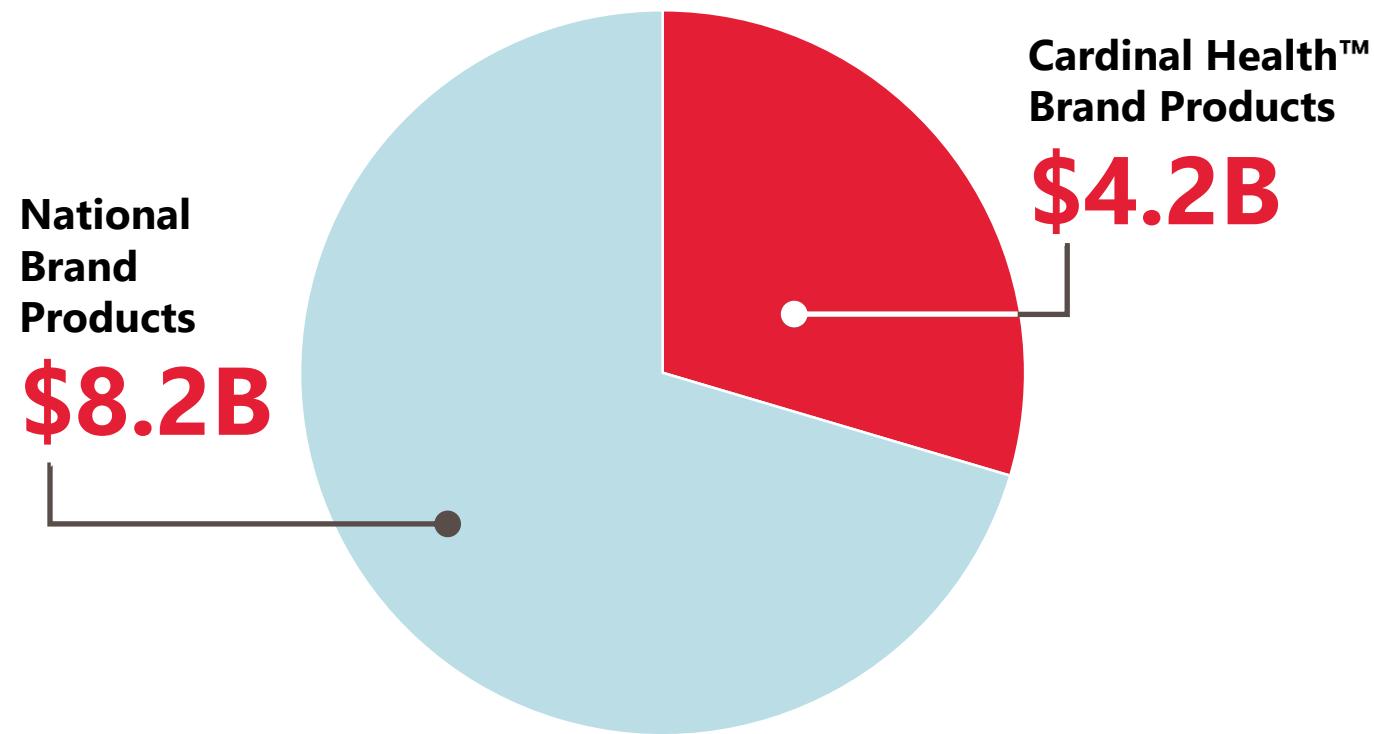
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**STEVE MASON**

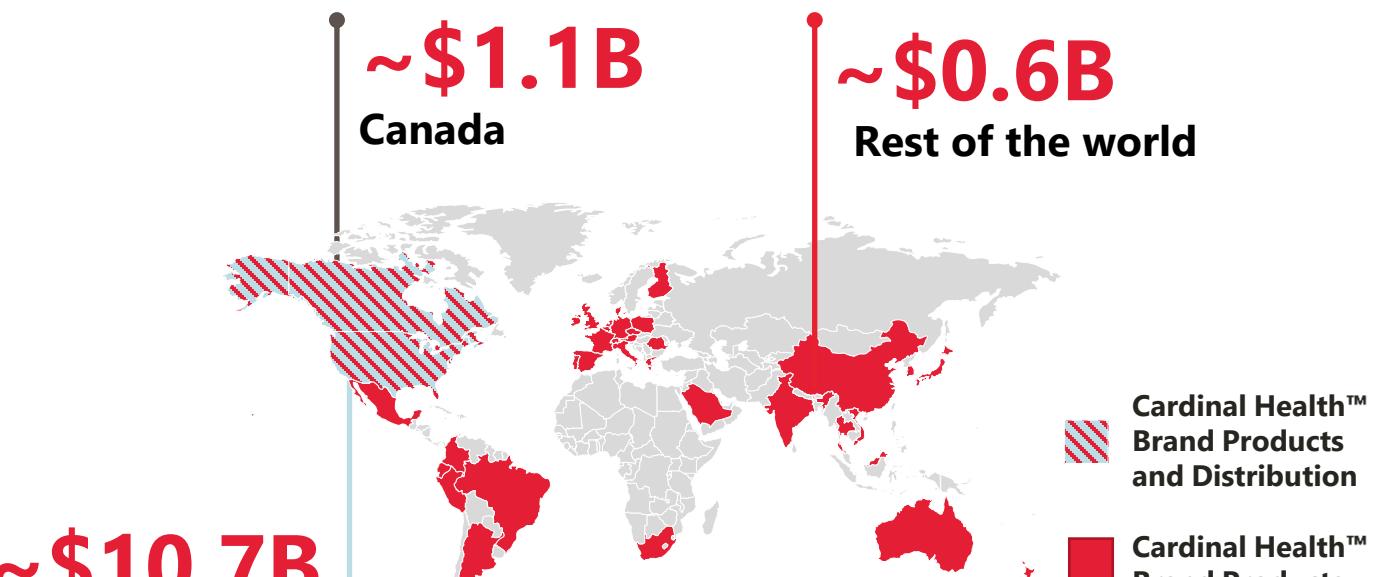


# Provide the right product at the right place and time

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



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

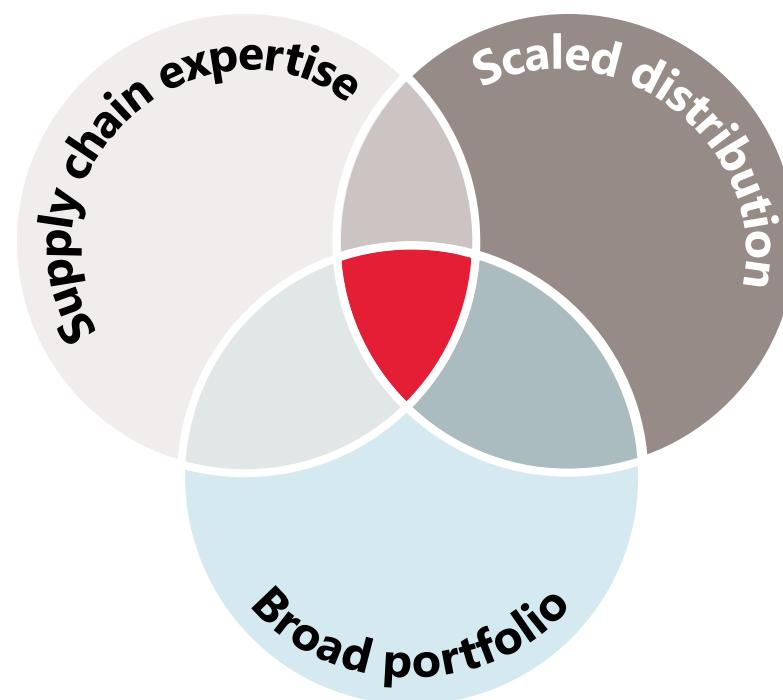


**Cardinal Health™ Brand Products are sold in 46 countries, and we offer distribution in the U.S. and Canada**

<sup>1</sup>FY24 Revenue

# Our strengthened and integrated model delivers value

..... Scaled platform .....



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



..... 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

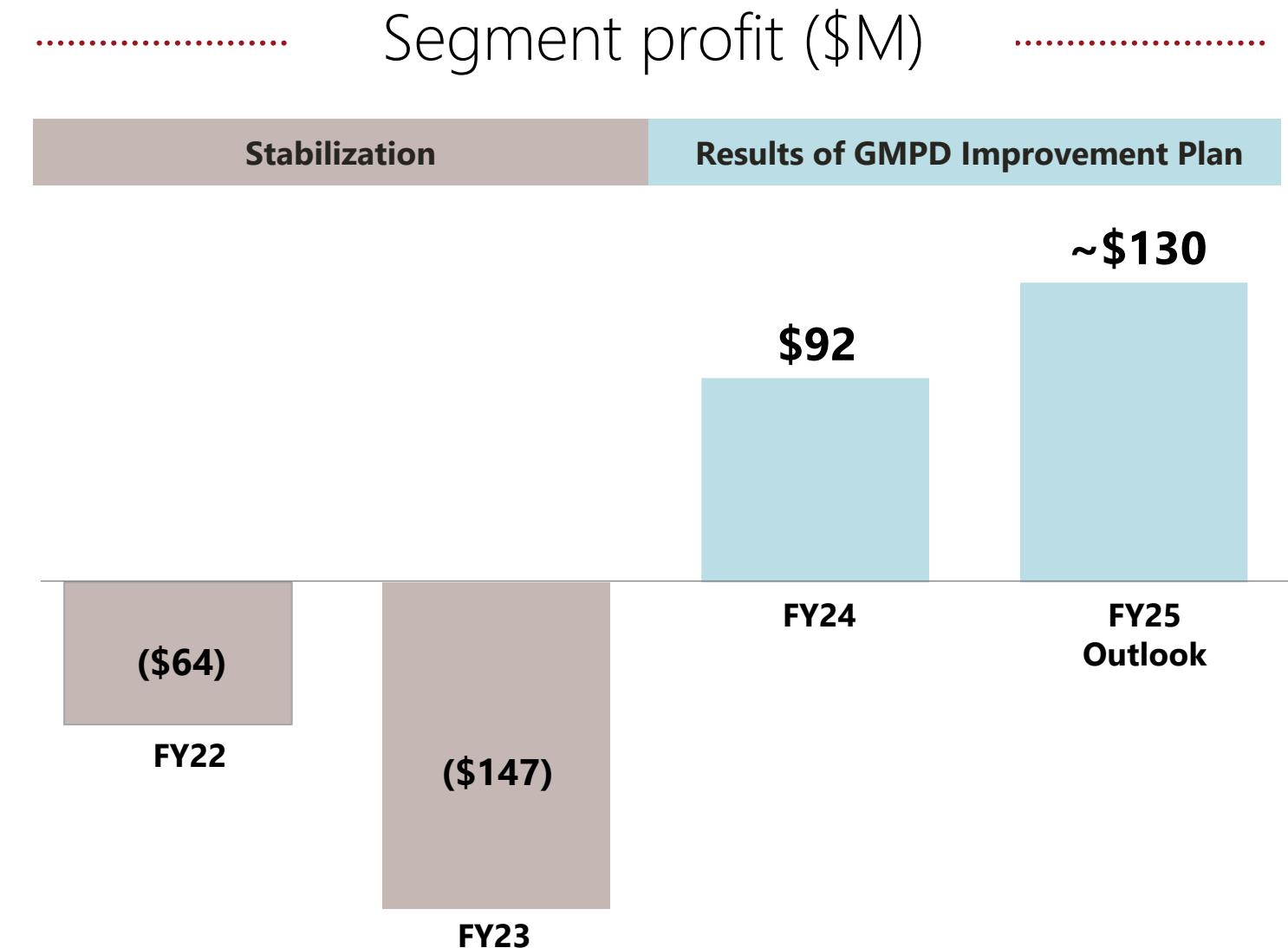


## Segment profit

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

### **1** Grow Cardinal Health™ Brand

## Key priorities (FY26 to FY28)

- **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

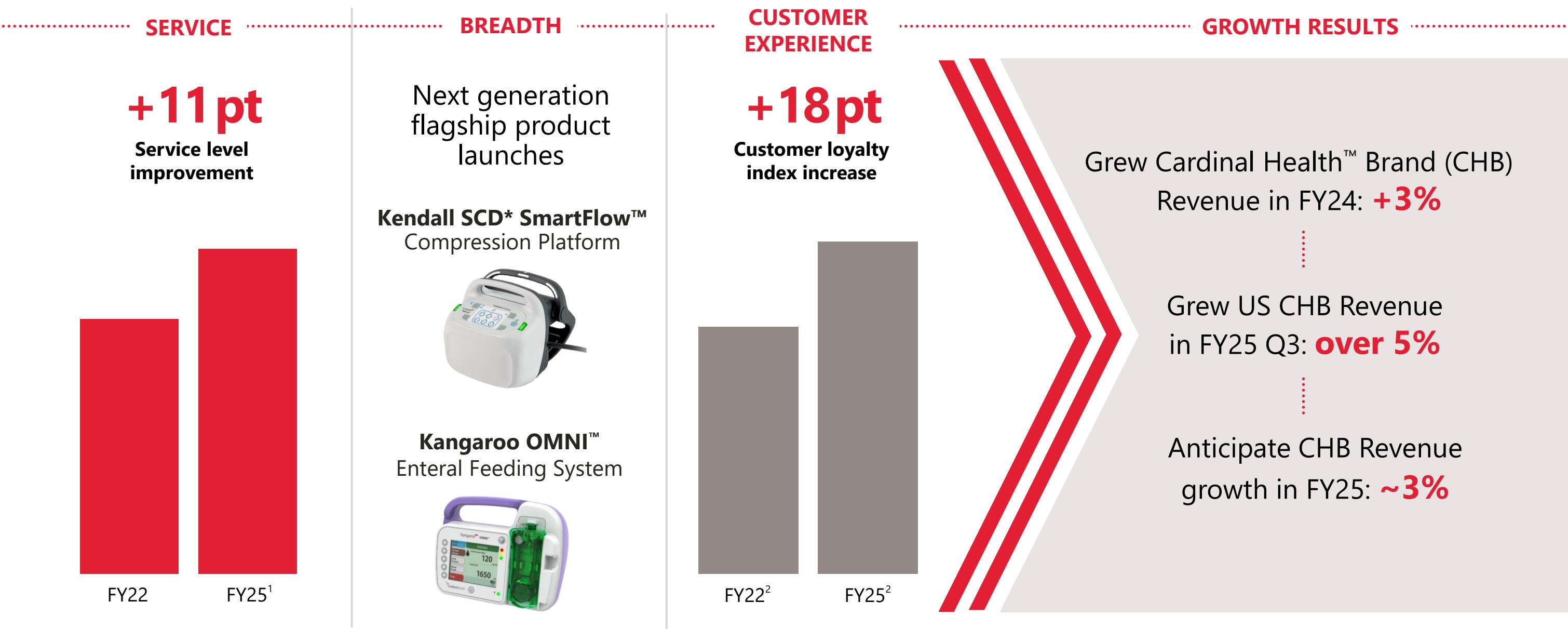


**5**

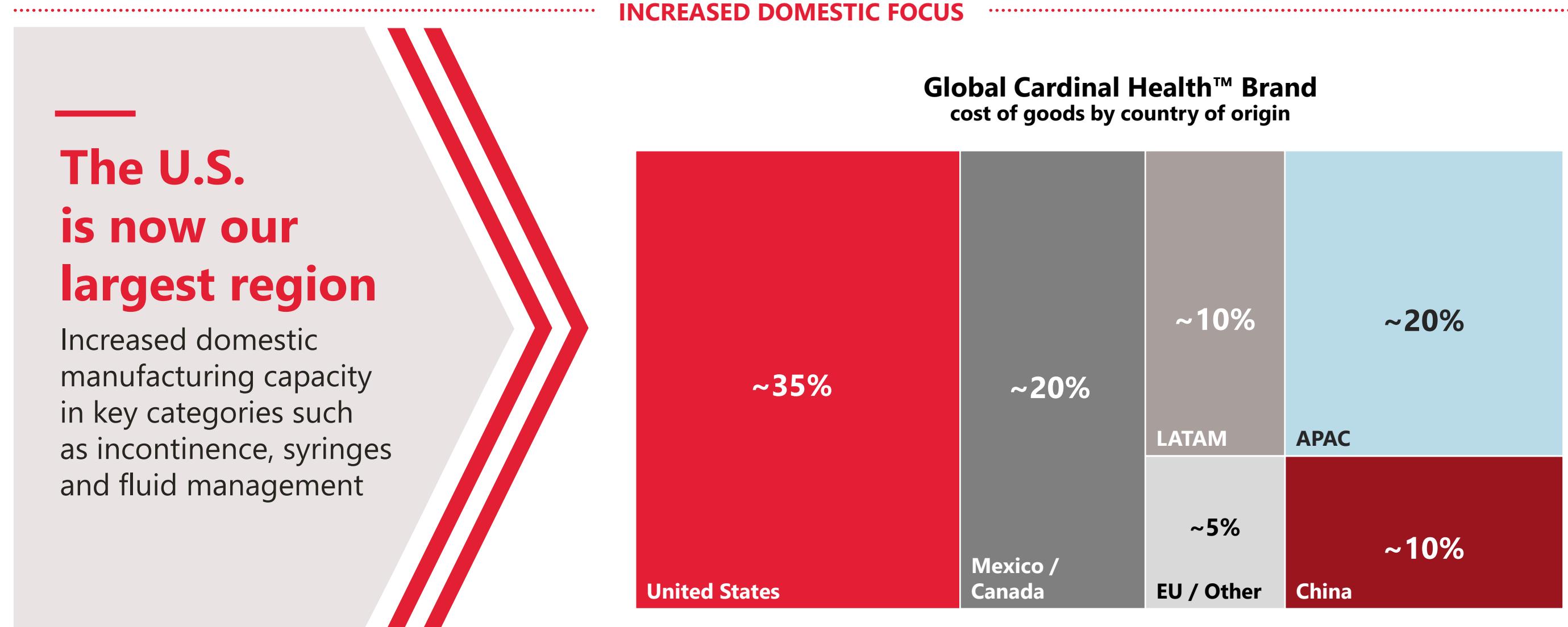
Conversion  
and pipeline  
close rate



# Continue to deliver our Five Point Plan for product growth

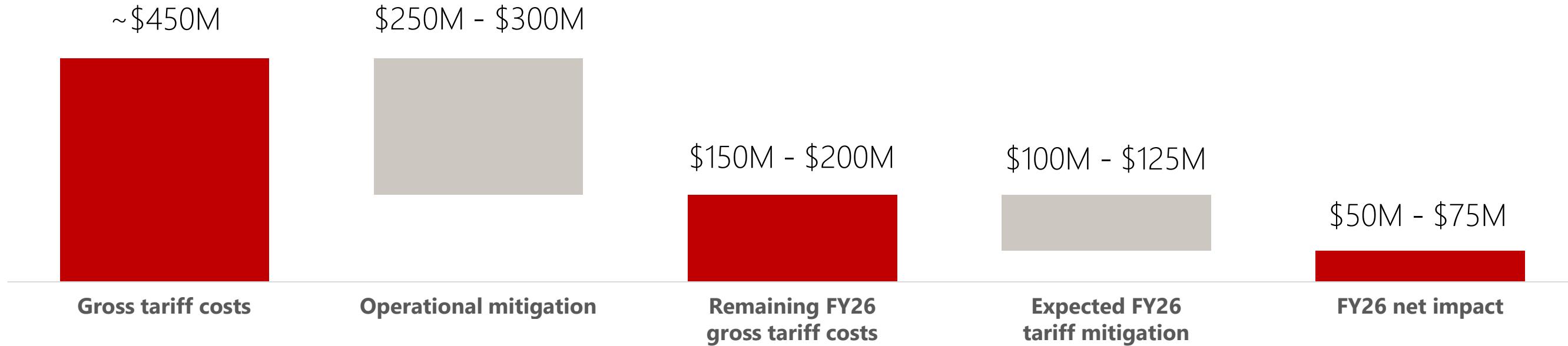


# Significant progress in mitigating tariff exposure to ensure we continue to deliver value to our customers and stakeholders



# 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**

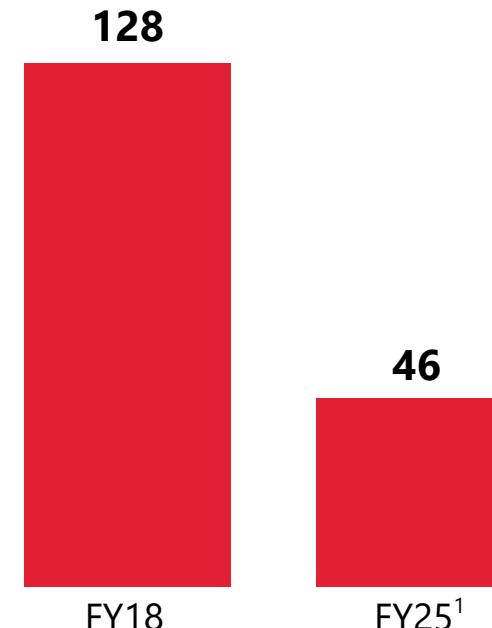
- **\$50M-\$75M net impact** anticipated in FY26
- Continued focus on minimizing impacts for our customers and business

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

## COMMERCIAL

Reduced countries with commercial operations

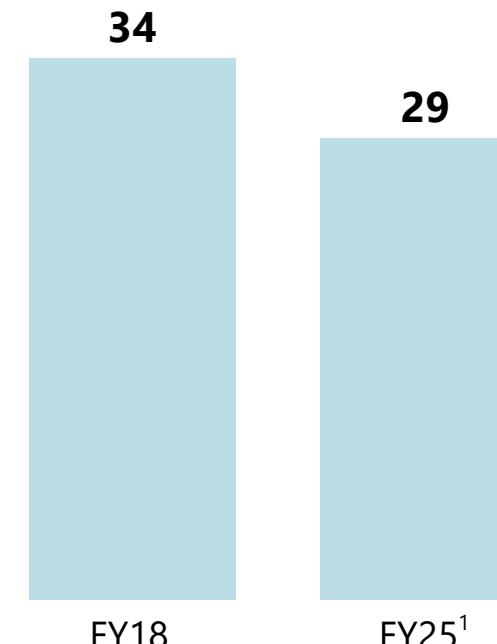
**64%** reduction



## MANUFACTURING

Simplified global manufacturing footprint

**15%** reduction



## DISTRIBUTION

Continued reduction of distribution cost-to-serve

Increase space in our distribution network



Optimize transportation spend



Improve warehouse efficiency



Optimize labor cost with automation



<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**



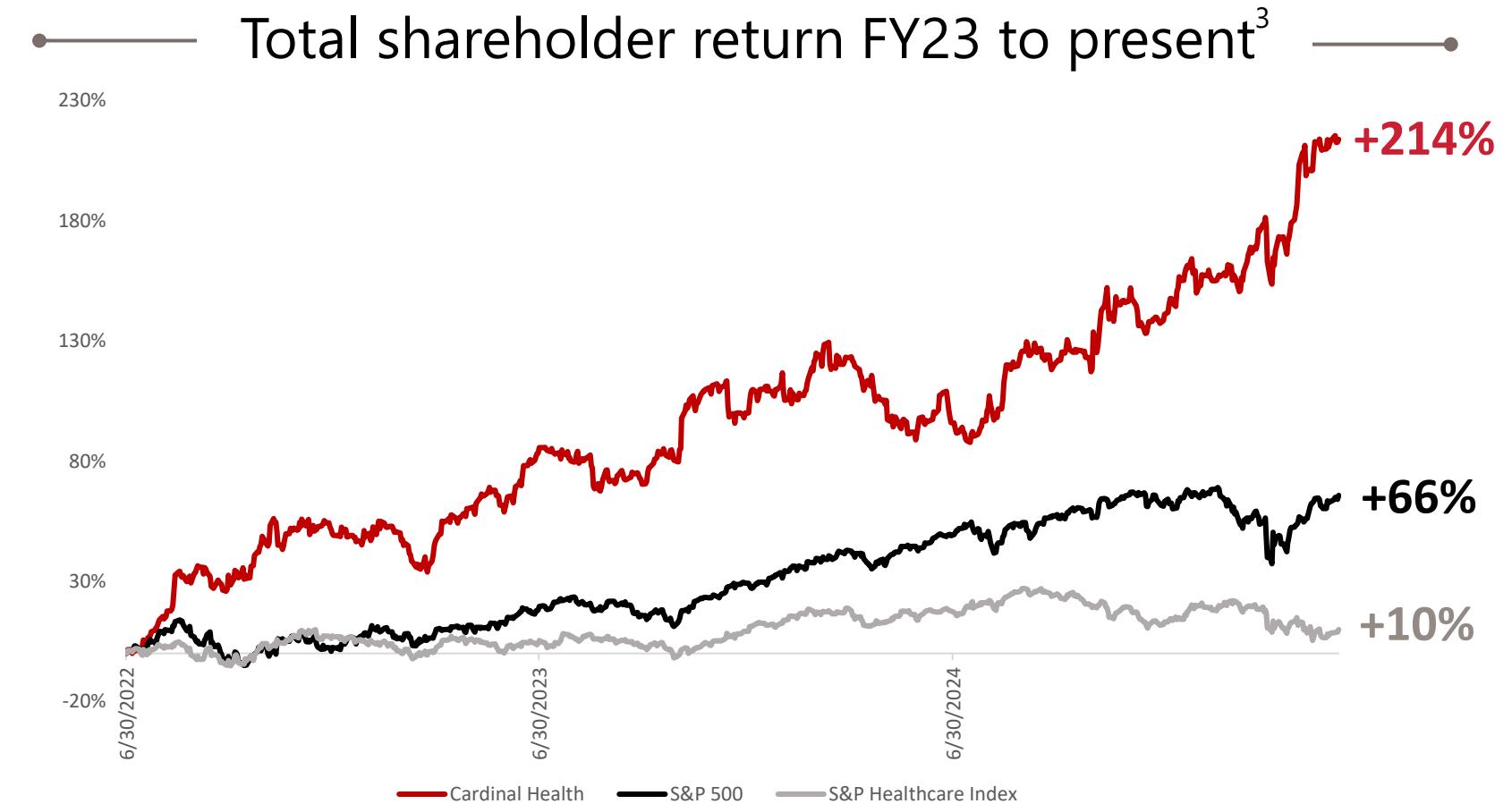
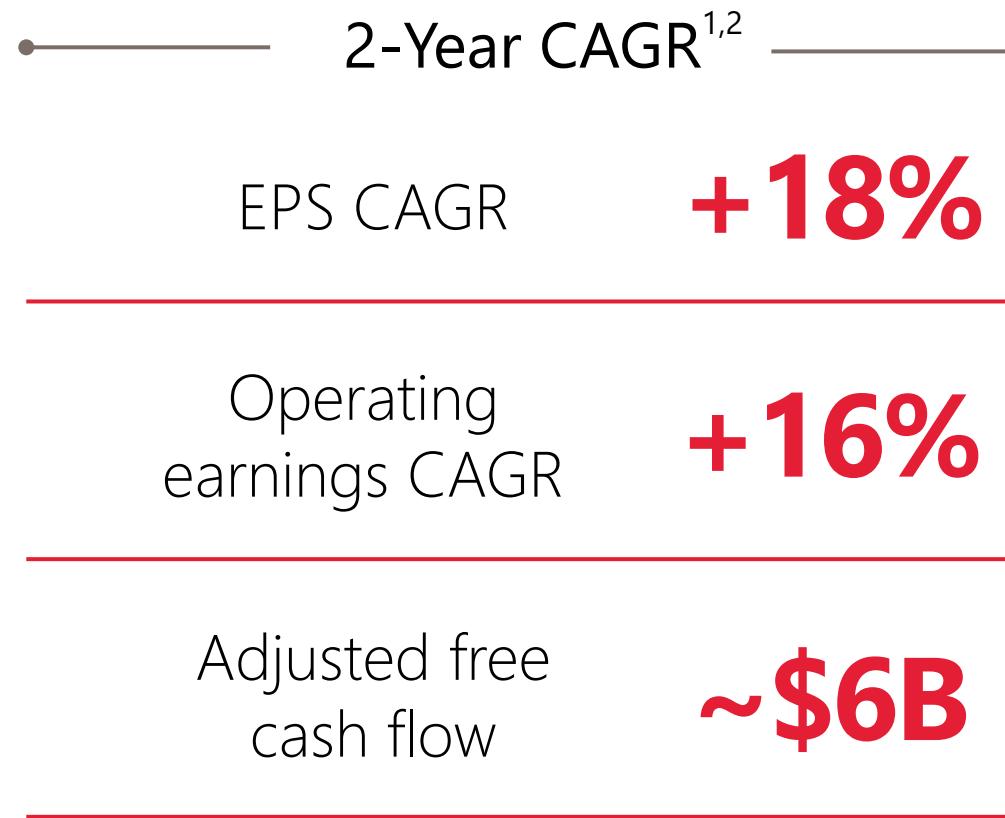
# Value creation

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**AARON ALT** | CHIEF FINANCIAL OFFICER



# Financial performance since FY23



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

**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  
**1% to 3%**

Segment profit growth of  
**12% to 13%**  
*Previously growth of 11.5% to 12.5%*



Global Medical Products  
and Distribution

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

Segment profit of  
**~\$130M**  
*Previously \$130M - \$140M*



Other: NPHS, at-Home  
Solutions & OptiFreight

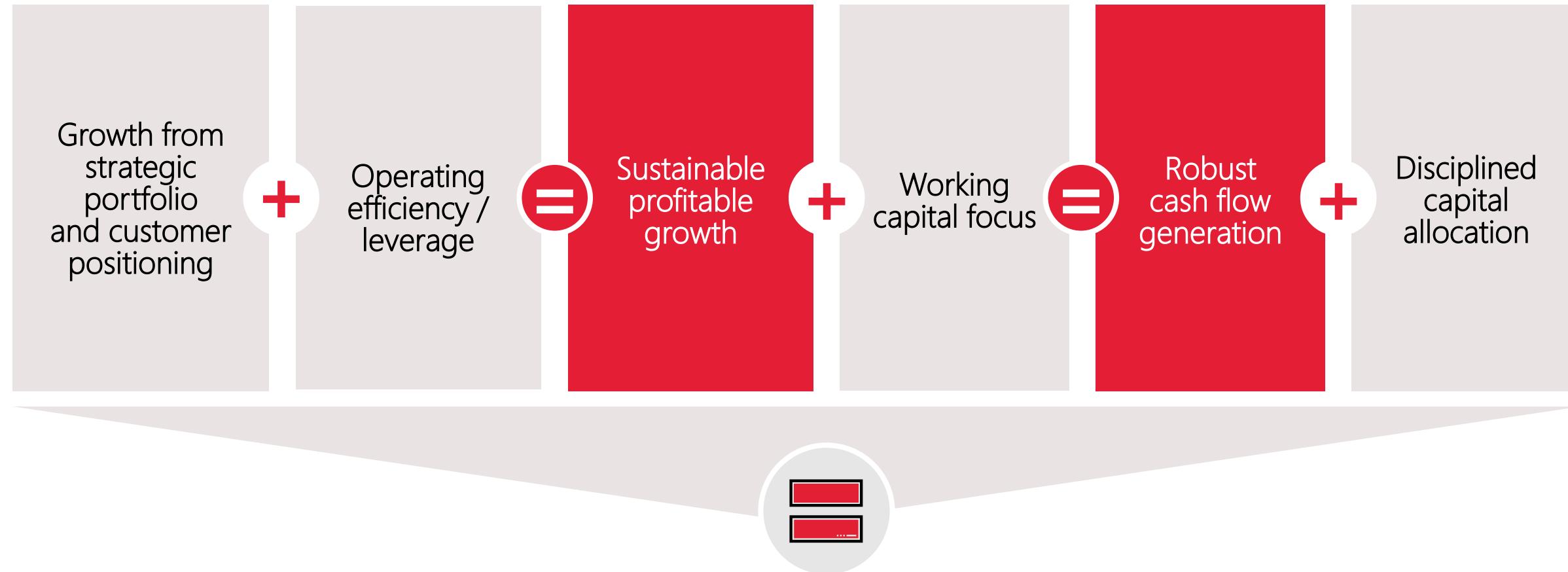
Revenue growth of  
**18% to 20%**  
*Previously growth of 17% to 19%*

Segment profit growth of  
**19% to 21%**  
*Previously growth of 16% to 18%*

**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>



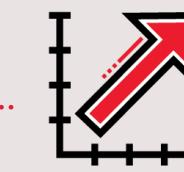
Other  
**Segment profit**

**\$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**

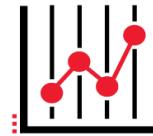
non-GAAP ETR:  
**22% to 24%**

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

**11% to 13%**

**8% to 10%**



Profit growth  
**Reported basis**

**10% to 12%**

**7% to 9%**

**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

	<b>Preliminary FY26 guidance</b>	<b>Long-term target (FY26 to FY28 CAGR<sup>1</sup>)</b>
 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**

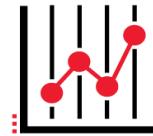
<sup>1</sup>FY26 to FY28 CAGR, as of FY25 Outlook baseline

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



# Global Medical Products and Distribution

## Preliminary FY26 guidance



Revenue growth

**3% to 5%**



Profit

**\$140M+**

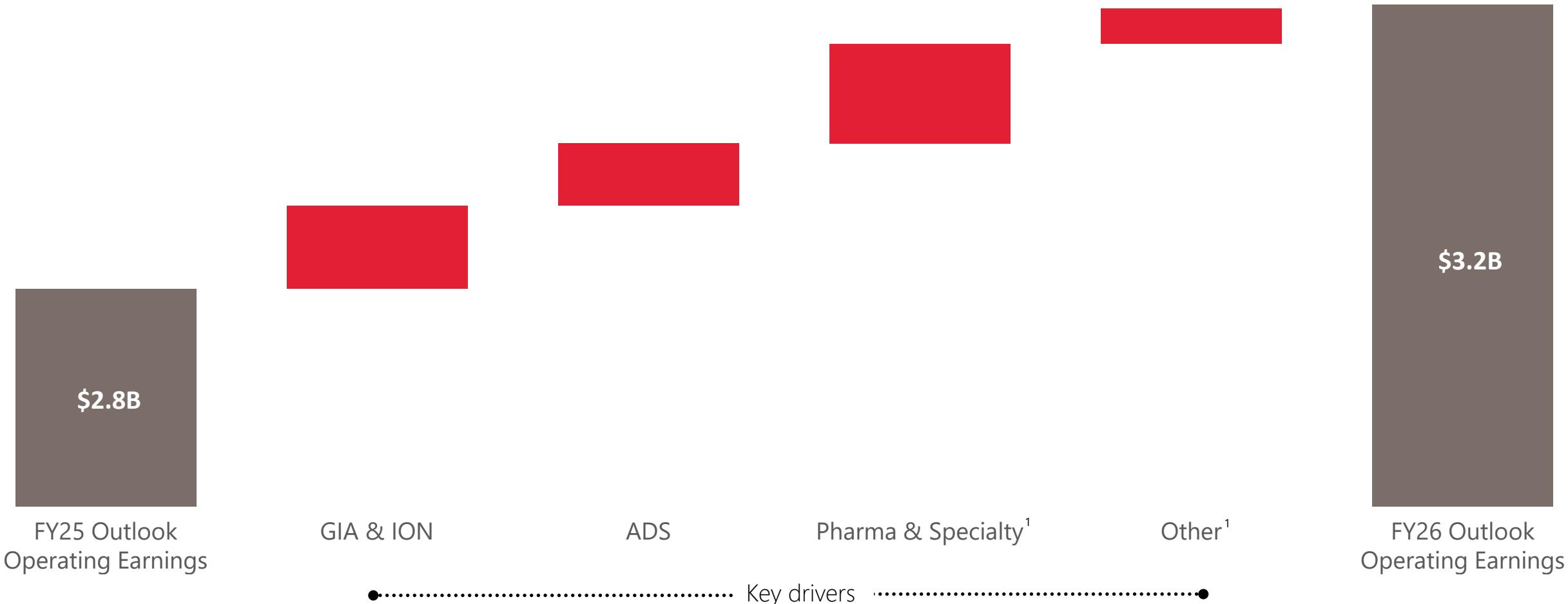
## Long-term target (FY26 to FY28)

**2% to 4%** CAGR

**\$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:

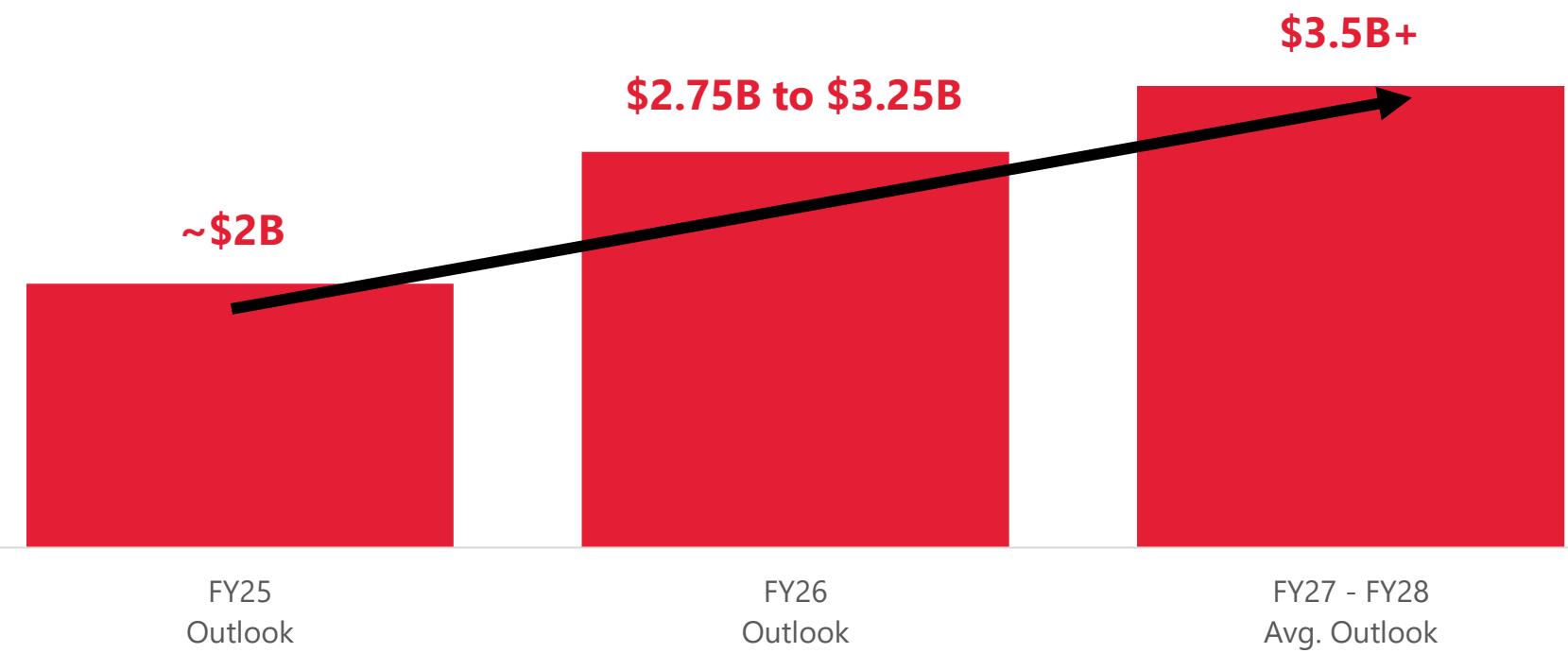
**\$10B+**

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

**>125%**

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

**Adjusted free cash flow**



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

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

## Table stakes

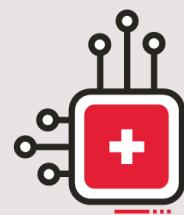
- 1** Investing back into the business to drive organic growth
- 2** Maintain investment grade balance sheet
- 3** Baseline return of capital to shareholders
  - Continue to grow the dividend
  - Baseline share repurchases

## 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

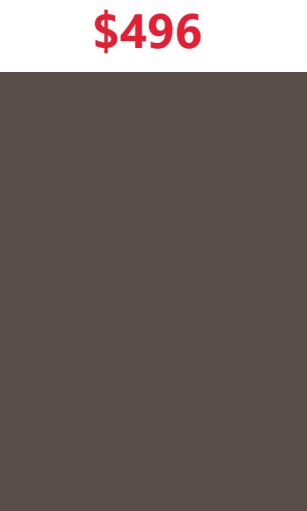


Supply chain technology



3 new DCs  
Pharma & Specialty and  
at-Home Solutions

## Capital expenditures | (\$ in millions)



FY23 - FY24  
Avg



FY25  
Outlook

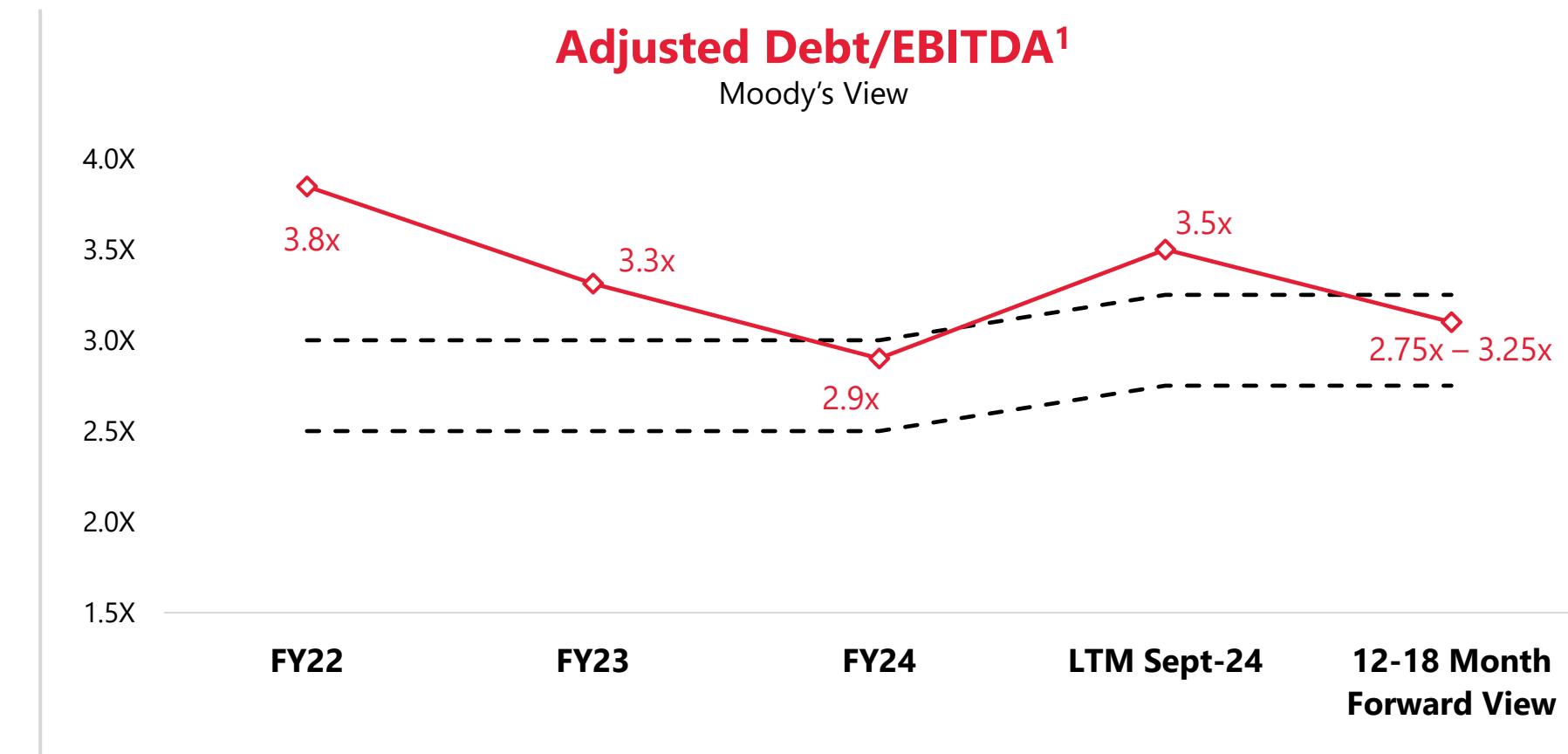


FY26 - FY28  
Avg. Outlook

# Near term maturities and deleveraging plans support current rating

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



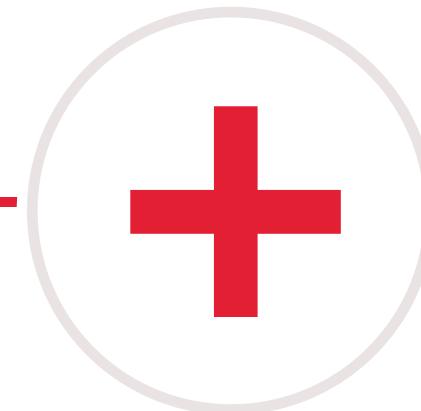
<sup>1</sup> Source: Moody's credit opinion report for Cardinal Health, Inc. published November 2024. Dotted lines represent Moody's published leverage range for Cardinal Health, Inc., updated as of November 2024 to 2.75-3.25x for its current Baa2 credit rating. Pro forma for the GI Alliance and ADS 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

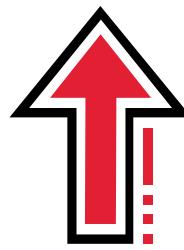
We are a **Dividend Aristocrat**



## Baseline share repurchases:

At least **\$750M** each of the next 3 years

previously \$500M per year



Returning at least

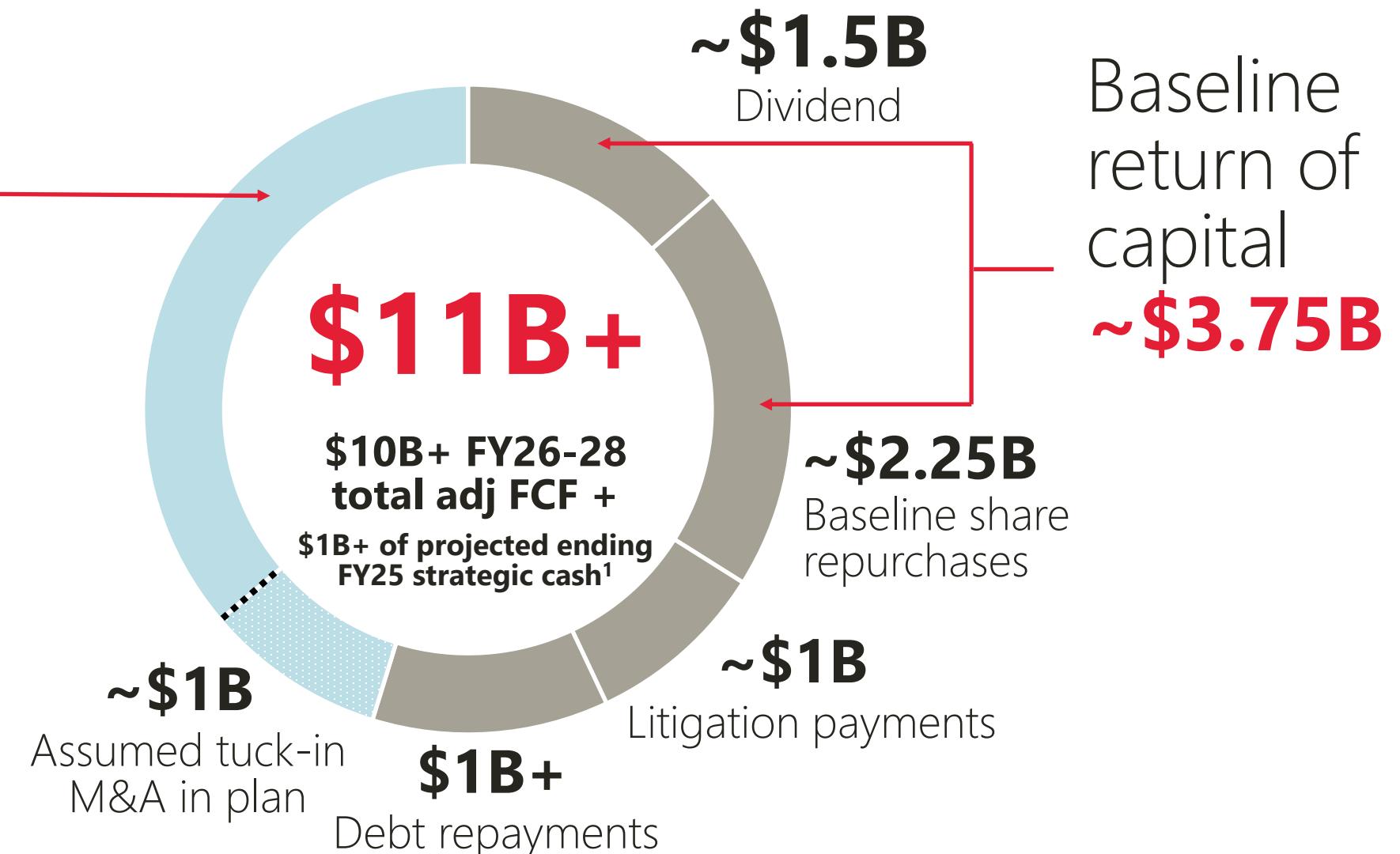
**\$1.25B**

to shareholders each year

# Robust cash flow generation + disciplined capital deployment

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

Opportunistic levers
Strategic M&A
Additional share repurchases

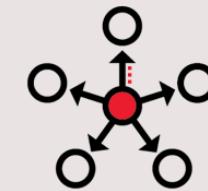


<sup>1</sup>Projected cash at FY25 year-end in excess of general ~\$2B cash on hand target

# Compelling Investment Thesis



**Consistent  
track record**



**Unique breadth  
of capabilities**



**Resilient  
model**



**Strong core  
Pharma**



**Specialty key  
opportunity**



**Higher-margin  
growth  
businesses**



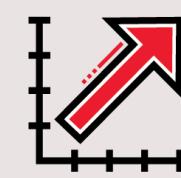
**Progress  
with GMPD  
turnaround**



**Increasing  
cash flow  
generation**



**Disciplined  
capital  
allocation**



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