Cardinal Health, Inc.
Annual meeting of shareholders

I. Call to order

II. Matters to be acted upon:

Proposal 1 – Election of Directors

Proposal 2 – Ratification of the Appointment of the Company's Independent Registered Public Accounting Firm

Proposal 3 – Advisory Vote on the Compensation of Named Executive Officers

Proposal 4 – Shareholder Proposal: Executives to Retain Significant Stock

III. Voting results

IV. Conclusion of meeting

V. Management's report

VI. Questions and answers

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Cardinal Health
An update to shareholders – 2012

George S. Barrett
Chairman and CEO
Cardinal Health, Inc.

November 2, 2012

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Forward-looking statements and GAAP reconciliation

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 expense accruals. 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 competitive pressures in Cardinal Health's various lines of business; the loss of one or more key customer or supplier relationships or changes to the terms of those relationships, including our relationships with CVS Caremark Corporation and Walgreen Co.; the timing of generic and branded pharmaceutical introductions and the frequency or rate of pharmaceutical price appreciation or deflation; uncertainties due to government health care reform including federal health care reform legislation; changes in the distribution patterns or reimbursement rates for health care products and services; the effects of any investigation or action by any regulatory authority; changes in the cost of commodities such as oil-based resins, cotton, latex and diesel fuel; uncertainties concerning Cardinal Health's ability to achieve the expected benefits of its Medical segment's business transformation project; and with respect to future dividends, the decision by Cardinal Health's board of directors to declare such dividends, which decision will depend on Cardinal Health's surplus, earnings, cash flows, financial condition and prospects at the time any such action is considered. Cardinal Health is subject to additional risks and uncertainties described in Cardinal Health's Form 10-K, Form 10-Q and Form 8-K reports and exhibits to those reports. This presentation reflects management's views as of November 2, 2012. Except to the extent required by applicable law, Cardinal Health undertakes no obligation to update or revise any forward looking statement. In addition, this presentation includes non-GAAP financial measures. Cardinal Health provides definitions and reconciling information at the end of this presentation and on its Investors page at www.cardinalhealth.com. An audio replay of the conference call will be available on the Investors page at www.cardinalhealth.com.

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Cardinal Health: FY 2012
A year of excellent performance

Revenue	$107.6B	+5%
Fortune 500 rank	21st	
Non-GAAP operating earnings[1]	$1.9B	+13%
Non-GAAP diluted EPS from continuing operations[1]	$3.21	+15%
Cash from operations	$1.2B	

[1]Please see the definitions and reconciling information at the end of the of this presentation

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Cardinal Health: Q1 FY 2013
Off to a great start

Revenue	$25.9B	(3)%
Non-GAAP operating earnings[1]	$469M	+6%
Non-GAAP diluted EPS from continuing operations[1]	$0.81	+11%
Cash from operations	$568M	

[1]Please see the definitions and reconciling information at the end of the of this presentation

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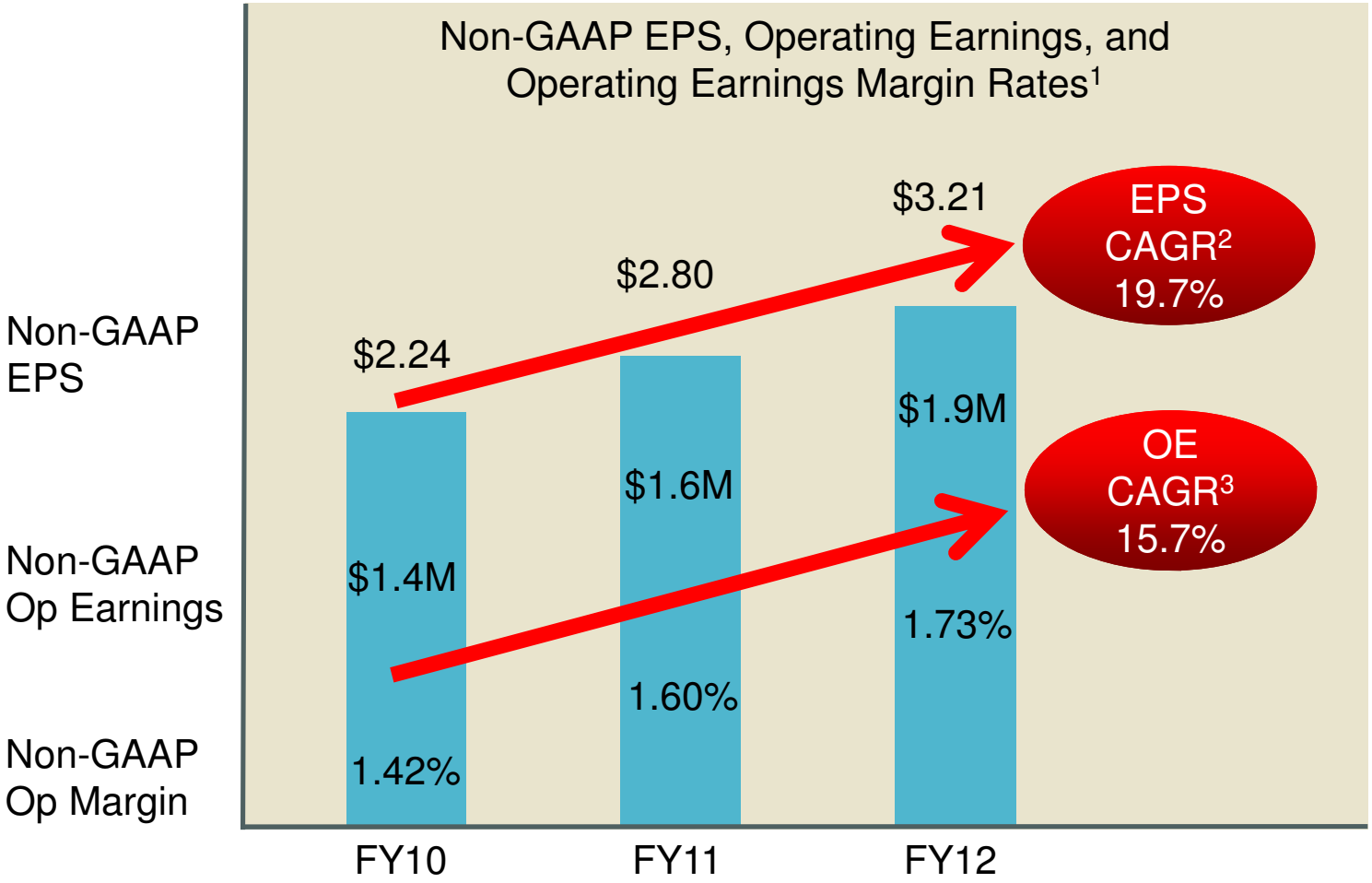
Track record of performance



[1] Non-GAAP diluted EPS from continuing operations, Non-GAAP operating earnings and Non-GAAP operating earnings margin rates. See the appendices for GAAP diluted EPS from continuing operations, GAAP operating earnings and GAAP operating earnings margin rates and reconciliations to these GAAP numbers.

[2] The CAGR for diluted EPS from continuing operations from fiscal 2010 to fiscal 2012 was 37.4%.

[3] The CAGR for GAAP operating earnings from fiscal 2010 to fiscal 2012 was 17.1%.

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Achievements realized; the path ahead

- Strengthening retail independent footprint
- Diversifying our nuclear platform
- Expanding presence in fast-growth specialty pharmaceutical area
- Building business in ambulatory settings
- Enhancing margin opportunities through Medical segment preferred products programs
- Leveraging recently built Medical technology infrastructure
- Building China business into global growth
- Making Cardinal Health a great place to work and build careers

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We are recognized

- Top 10 Best Companies for Leaders, CEO Magazine
- Top 50 Company for Executive Women, National Association for Female Executives, 2011/2012
- Diversity Award, Premier Healthcare Alliance, 2012
- Corporate Equity Index 100% score, Human Rights Campaign, 2011/2012
- 100 Best Companies, Working Mother, 2012

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Q&A

- Please step to the microphone.
- Limit yourself to one question and one follow-up.

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Cardinal Health, Inc. and Subsidiaries
GAAP / Non-GAAP Reconciliation

(in millions, except per Common Share amounts)	Operating Earnings	Operating Earnings Growth Rate	Earnings Before Income Taxes and Discontinued Operations	Provision for Income Taxes	Earnings from Continuing Operations	Earnings from Continuing Operations Growth Rate	Diluted EPS from Continuing Operations	Diluted EPS from Continuing Operations Growth Rate
			Fiscal Year 2012					
GAAP	**$ 1,792**	**18 %**	**$ 1,698**	**$ 628**	**$ 1,070**	**11 %**	**$ 3.06**	**12 %**
Restructuring and employee severance	21		21	8	13		0.04	
Acquisition-related costs	33		33	9	24		0.07	
Impairments and loss on disposal of assets	21		21	8	13		0.04	
Litigation (recoveries)/charges, net	(3)		(3)	(1)	(2)		(0.01)	
Other Spin-Off costs	2		2	1	1		-	
Gain on sale of CareFusion stock	-		-	-	-		-	
Non-GAAP	**$ 1,866**	**13 %**	**$ 1,772**	**$ 653**	**$ 1,119**	**13 %**	**$ 3.21**	**15 %**
			Fiscal Year 2011					
GAAP	$ 1,514	16 %	$ 1,518	$ 552	$ 966	65 %	$ 2.74	69 %
Restructuring and employee severance	15		15	5	10		0.03	
Acquisition-related costs	90		90	22	68		0.19	
Impairments and loss on disposal of assets	9		9	3	6		0.02	
Litigation (recoveries)/charges, net	6		6	(1)	7		0.02	
Other Spin-Off costs	10		10	4	6		0.02	
Gain on sale of CareFusion stock	-		(75)	-	(75)		(0.21)	
Non-GAAP	$ 1,644	18 %	$ 1,573	$ 585	$ 988	22 %	$ 2.80	25 %
			Fiscal Year 2010					
GAAP	$ 1,307	1 %	$ 1,212	$ 625	$ 587	(23)%	$ 1.62	(23)%
Restructuring and employee severance	91		91	32	59		0.16	
Acquisition-related costs	19		19	7	12		0.03	
Impairments and loss on disposal of assets	29		29	(5)	34		0.09	
Litigation (recoveries)/charges, net	(62)		(62)	(23)	(39)		(0.11)	
Other Spin-Off costs	11		53	(149)	202		0.56	
Gain on sale of CareFusion stock	-		(45)	-	(45)		(0.12)	
Non-GAAP	$ 1,394	(3)%	$ 1,296	$ 486	$ 810	(2)%	$ 2.24	(2)%

The sum of the components may not equal the total due to rounding.

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

Cardinal Health, Inc. and Subsidiaries
GAAP / Non-GAAP Reconciliation

(in millions, except per Common Share amounts)	Operating Earnings	Operating Earnings Growth Rate	Earnings Before Income Taxes and Discontinued Operations	Provision for Income Taxes	Earnings from Continuing Operations	Earnings from Continuing Operations Growth Rate	Diluted EPS from Continuing Operations	Diluted EPS from Continuing Operations Growth Rate
	First Quarter 2013							
GAAP	**$ 457**	**11 %**	**$ 439**	**$ 167**	**$ 272**	**15 %**	**$ 0.79**	**16 %**
Restructuring and employee severance	**5**		**5**	**2**	**3**		**0.01**	
Acquisition-related costs	**28**		**28**	**10**	**18**		**0.05**	
Impairments and loss on disposal of assets	**1**		**1**	**-**	**1**		**-**	
Litigation (recoveries)/charges, net	**(22)**		**(22)**	**(9)**	**(13)**		**(0.04)**	
Other Spin-Off Costs	**-**		**-**	**-**	**-**		**-**	
Non-GAAP	**$ 469**	**6 %**	**$ 451**	**$ 170**	**$ 281**	**9 %**	**$ 0.81**	**11 %**
	First Quarter 2012							
GAAP	$ 412	13 %	$ 385	$ 148	$ 237	(19)%	$ 0.68	(19)%
Restructuring and employee severance	3		3	1	2		0.01	
Acquisition-related costs	27		27	9	18		0.05	
Impairments and loss on disposal of assets	1		1	-	1		-	
Litigation (recoveries)/charges, net	(3)		(3)	(1)	(2)		(0.01)	
Other Spin-Off Costs	1		1	1	-		-	
Non-GAAP	$ 442	16 %	$ 414	$ 158	$ 256	11 %	$ 0.73	11 %

The sum of the components may not equal the total due to rounding.

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

Cardinal Health, Inc. and Subsidiaries
GAAP / Non-GAAP Reconciliation

(in millions)	Fiscal Year 2012	2011	2010 [1]
Revenue	**$ 107,552**	$ 102,644	$ 98,503
GAAP operating earnings	**$ 1,792**	$ 1,514	$ 1,307
Restructuring and employee severance	**21**	15	91
Acquisition-related costs	**33**	90	19
Impairments and loss on disposal of assets	**21**	9	29
Litigation (recoveries)/charges, net	**(3)**	6	(62)
Other spin-off costs	**2**	10	11
Non-GAAP operating earnings	**$ 1,866**	$ 1,644	$ 1,394
GAAP operating earnings margin rate	**1.67 %**	1.48 %	1.33 %
Non-GAAP operating earnings margin rate	**1.73 %**	1.60 %	1.42 %
	13bp	**18bp**	

[1] The sum of the components may not equal the total due to rounding.

Forward-Looking Non-GAAP Financial Measures

We present non-GAAP earnings from continuing operations and non-GAAP effective tax rate from continuing operations (and presentations derived from these financial measures, including per share calculations) on a forward-looking basis. The most directly comparable forward-looking GAAP measures are earnings from continuing operations and effective tax rate from continuing operations. We are unable to provide a quantitative reconciliation of these forward-looking non-GAAP measures to the most directly comparable forward-looking GAAP measures because we cannot reliably forecast restructuring and employee severance, acquisition-related costs, impairments and loss on disposal of assets, litigation (recoveries)/charges, net, and other spin-off costs, which are difficult to predict and estimate and are primarily dependent on future events. Please note that the unavailable reconciling items could significantly impact our future financial results.

Cardinal Health, Inc. and Subsidiaries

Definitions

Non-GAAP Diluted EPS from Continuing Operations and growth rate calculation [1]: non-GAAP earnings from continuing operations divided by diluted weighted average shares outstanding.

Non-GAAP Earnings from Continuing Operations and growth rate calculation: earnings from continuing operations excluding (1) restructuring and employee severance [2], (2) acquisition-related costs [3], (3) impairments and loss on disposal of assets [4], (4) litigation (recoveries)/charges, net [5], (5) Other Spin-Off Costs and (6) gain on sale of CareFusion stock, each net of tax.

Non-GAAP Effective Tax Rate from Continuing Operations: (provision for income taxes adjusted for (1) restructuring and employee severance, (2) acquisition-related costs, (3) impairments and loss on disposal of assets, (4) litigation (recoveries)/charges, net, (5) Other Spin-Off Costs and (6) gain on sale of CareFusion stock) divided by (earnings before income taxes and discontinued operations adjusted for the same six items).

Non-GAAP Operating Earnings and growth rate calculation: operating earnings excluding (1) restructuring and employee severance, (2) acquisition-related costs, (3) impairments and loss on disposal of assets, (4) litigation (recoveries)/charges, net and (5) Other Spin-Off Costs.

Non-GAAP Operating Expenses and growth rate calculation: operating expenses excluding (1) restructuring and employee severance, (2) acquisition-related costs, (3) impairments and loss on disposal of assets, (4) litigation (recoveries)/charges, net and (5) Other Spin-Off Costs.

Non-GAAP Operating Earnings Margin Rate: current period non-GAAP operating earnings divided by revenue.

Other Spin-Off Costs: costs incurred in connection with our Spin-Off of CareFusion which are included in distribution, selling, general and administrative expenses.

[1] Except for compound annual growth rates (CAGR), growth rates in this presentation are determined by dividing the difference between current period results and prior period results by prior period results. CAGR is determined by subtracting one from ((the ending value divided by the beginning value) raised to the power of (one divided by the number of years)).

[2] Programs whereby Cardinal Health fundamentally changes its operations such as closing and consolidating certain manufacturing and distribution facilities, moving manufacturing of a product to another location, production sourcing, employee severance (including rationalizing headcount or other significant changes in personnel) and realigning operations (including substantial realignment of the management structure of a business unit in response to changing market conditions).

[3] Costs that consist primarily of transaction costs, integration costs, changes in the fair value of contingent consideration obligations and amortization of acquisition-related intangible assets.

[4] Asset impairments and losses from the disposal of assets not eligible to be classified as discontinued operations are classified within impairments and loss on disposal of assets within the consolidated statements of earnings.

[5] Loss contingencies related to litigation and regulatory matters and income from favorable resolution of legal matters.