Welcome

Cardinal Health, Inc. Dublin Day
June 1, 2017

Wireless Network: Tcc guest

CardinalHealth
Essential to care™

Healthcare is changing…
We're changing healthcare.

Speakers

George Barrett
Chairman and CEO

Mike Kaufmann
Chief Financial Officer

Don Casey
CEO, Medical Segment

Jon Giacomin
CEO, Pharmaceutical Segment

Joe DePinto
President, Specialty Solutions

Lisa Capodici
VP, Investor Relations

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Forward-looking statements and GAAP reconciliation

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, trends 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 amount or rate of generic and branded pharmaceutical price appreciation or deflation and the timing of and benefit from generic pharmaceutical introductions; the ability to maintain the benefits from the generic sourcing venture with CVS Health; the ability to successfully complete the acquisition of the Patient Recovery businesses from Medtronic on a timely basis, including obtaining required regulatory approvals and the satisfaction of other conditions; the conditions of the credit markets and our ability to issue debt to fund the acquisition on acceptable terms; if the acquisition of the Patient Recovery businesses is completed, the ability to retain the acquired businesses' customers and employees, the ability to successfully integrate the acquired businesses into our operations and the ability to achieve the expected synergies as well as accretion in earnings; risks associated with the anticipated increase of indebtedness and potential limitations on our ability to use our cash for other purposes; our ability to successfully integrate and realize the benefits from the acquisition of Cordis; the risk of non-renewal or a default under one or more key customer or supplier arrangements or changes to the terms of or level of purchases under those arrangements; uncertainties due to government health care reform including proposals to modify or repeal the Affordable Care Act; uncertainties with respect to U.S. tax or trade laws, including proposals relating to a "border adjustment tax" or new import tariffs; 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; and changes in foreign currency rates and the cost of commodities such as oil-based resins, cotton, latex and diesel fuel. 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 June 1, 2017. 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 contains Non-GAAP financial measures. Cardinal Health provides definitions and reconciliations of the differences between the Non-GAAP financial measures and their most directly comparable GAAP financial measures in the Financial Appendix at the end of this presentation and at ir.cardinalhealth.com. An audio replay of the webcast will be available at ir.cardinalhealth.com.

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Agenda

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10:00 AM – 10:15 AM	Welcome & agenda overview	*Lisa Capodici*
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12:00 PM	Closing Remarks & Lunch	*All*
12:30 PM	Adjourn – Depart for Golf Course	

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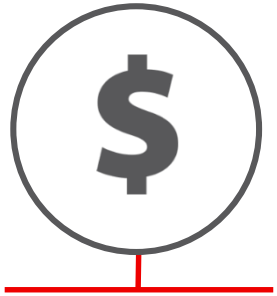
How Cardinal Health Defines Specialty:

Specialty is a rapidly growing industry that has evolved to support the development, distribution, payment and administration of **specialty pharmaceuticals**.

Specialty pharmaceuticals are defined as having the following characteristics:



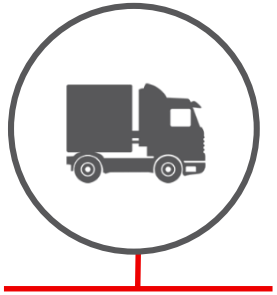
Dispensed to treat individuals with rare or chronic diseases



Usually much more expensive than traditional drugs ($600 or more per month)



Complex treatment regimens, requiring ongoing monitoring and patient education



May require specialized shipping and have limited product availability and distribution

Source: *Specialty Pharmaceutical Distribution: Facts, Figures and Trends* (2015), Center for Healthcare Supply Chain Research

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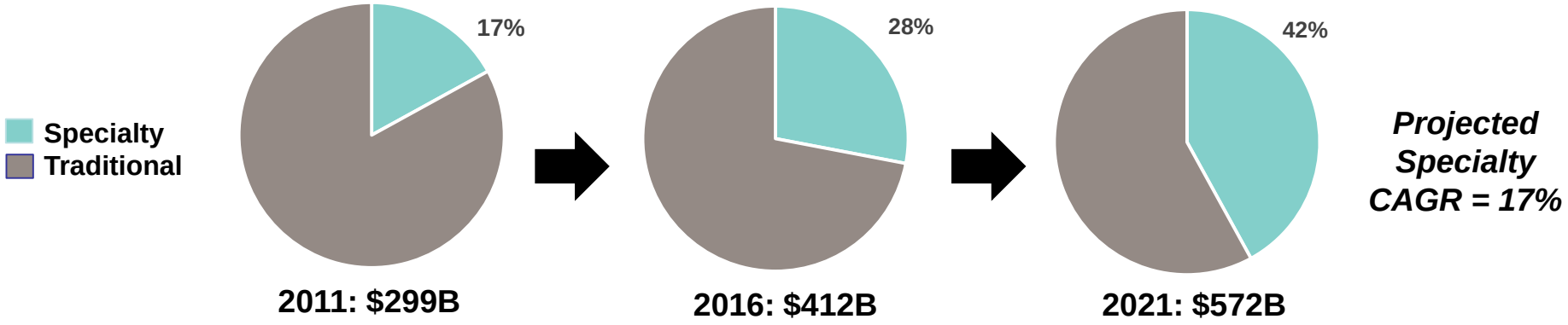
The Specialty Boom is Projected to Continue

Specialty Industry Growth Driving Pharmaceutical Spend



Therapy Class	2016 Sales ($B)	5 Year CAGR
Oncology*	$46.4	13.3%
Hematology*	$15.5	2.5%
Rheumatic Diseases*	$25.0	3.9%
Gastro-Intestinal*	$7.1	4.4%
Immunology*	$4.5	11.5%
Ophthalmology*	$4.8	6.9%

Therapeutic Area Growth Focused Driven by Sectors with Strong CHSS Presence

Source: Specialty Pharmaceuticals and Pharmacy: Today, Tomorrow and Beyond. Adam J. Fein, Doug Long, Eric Percher. Asembia 2017.

Source: January 30, 2017 edition of Barclays U.S. Health Care Distribution & Technology Specialty Market Model.

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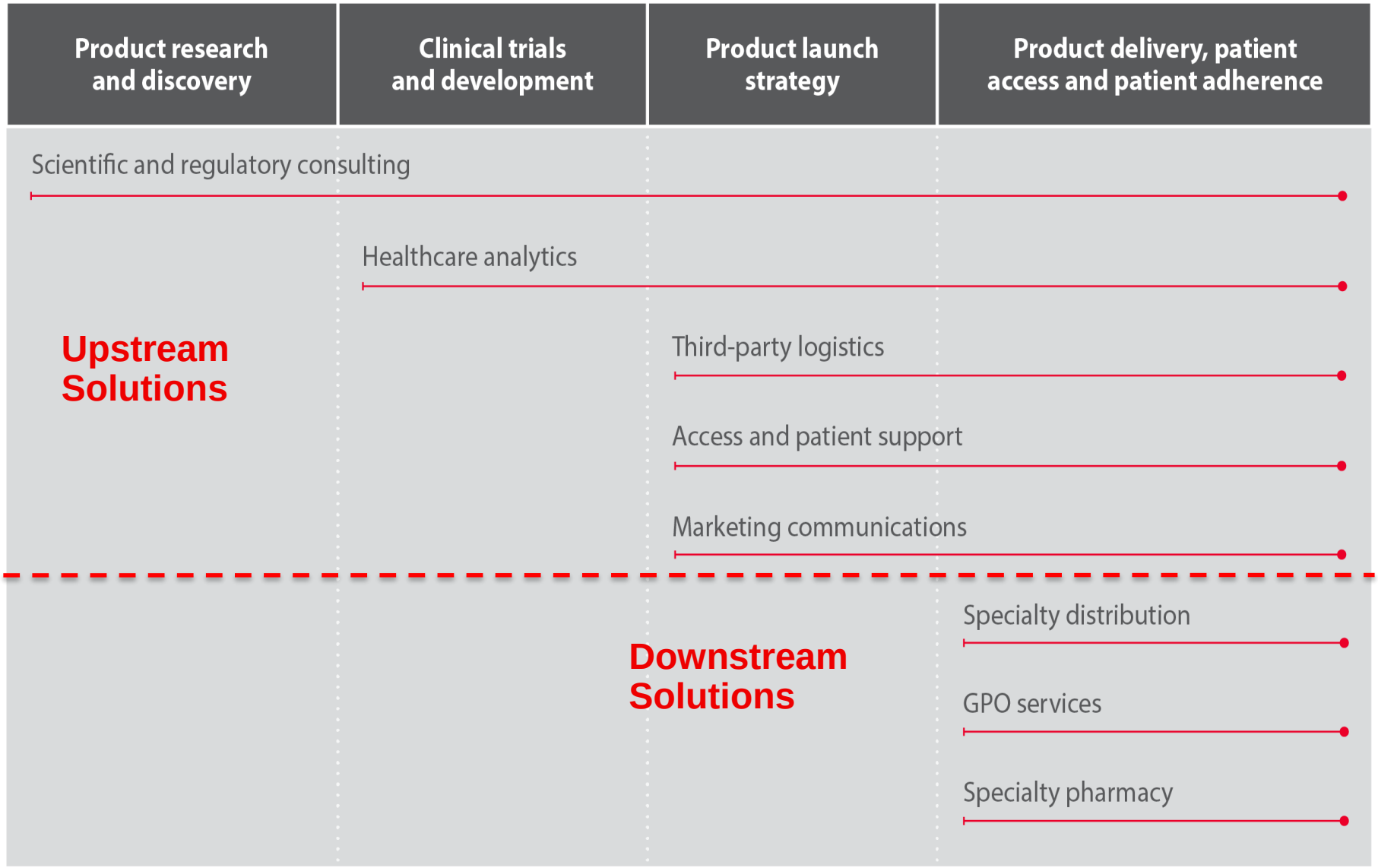
End to End Solutions for Product Life Cycle



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Distribution Capabilities Across Therapeutic Areas

Specialty Pharmaceutical Distribution A leading distributor of plasma and specialty medications to alternate care facilities and hospitals. Also distributes Oncology, Hematology, Urology, Rheumatology , Gastroenterology, Neurology, and Ophthalmology products to a robust network of clinics and physician's offices nationwide. We also provide medication and services for Nephrology products to clinics, dialysis centers and infusion centers.

GPO Services

VitalSource™ GPO (Urology* and Oncology)

Acuity GPO (Ophthalmology)

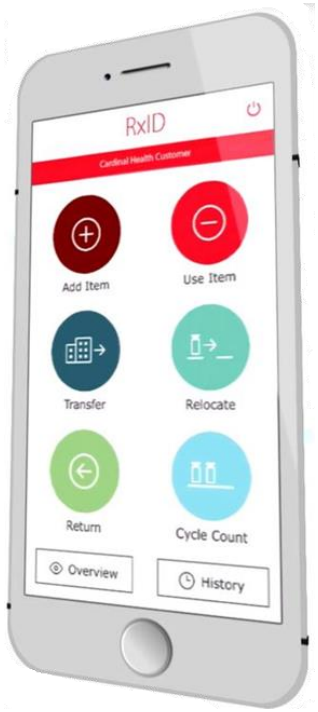
Renal Purchasing Group (RPG) GPO (Nephrology*)

Cornerstone Partners GPO (Rheumatology* and Gastroenterology*)

*Industry leader

Business Solutions

- Technology-driven consignment programs improve efficiency and minimize risk
- Access to drugs within 3 hours via Emergency Drug Response Program
- Actionable financial, clinical and operational insights via Advanced Practice Analytics



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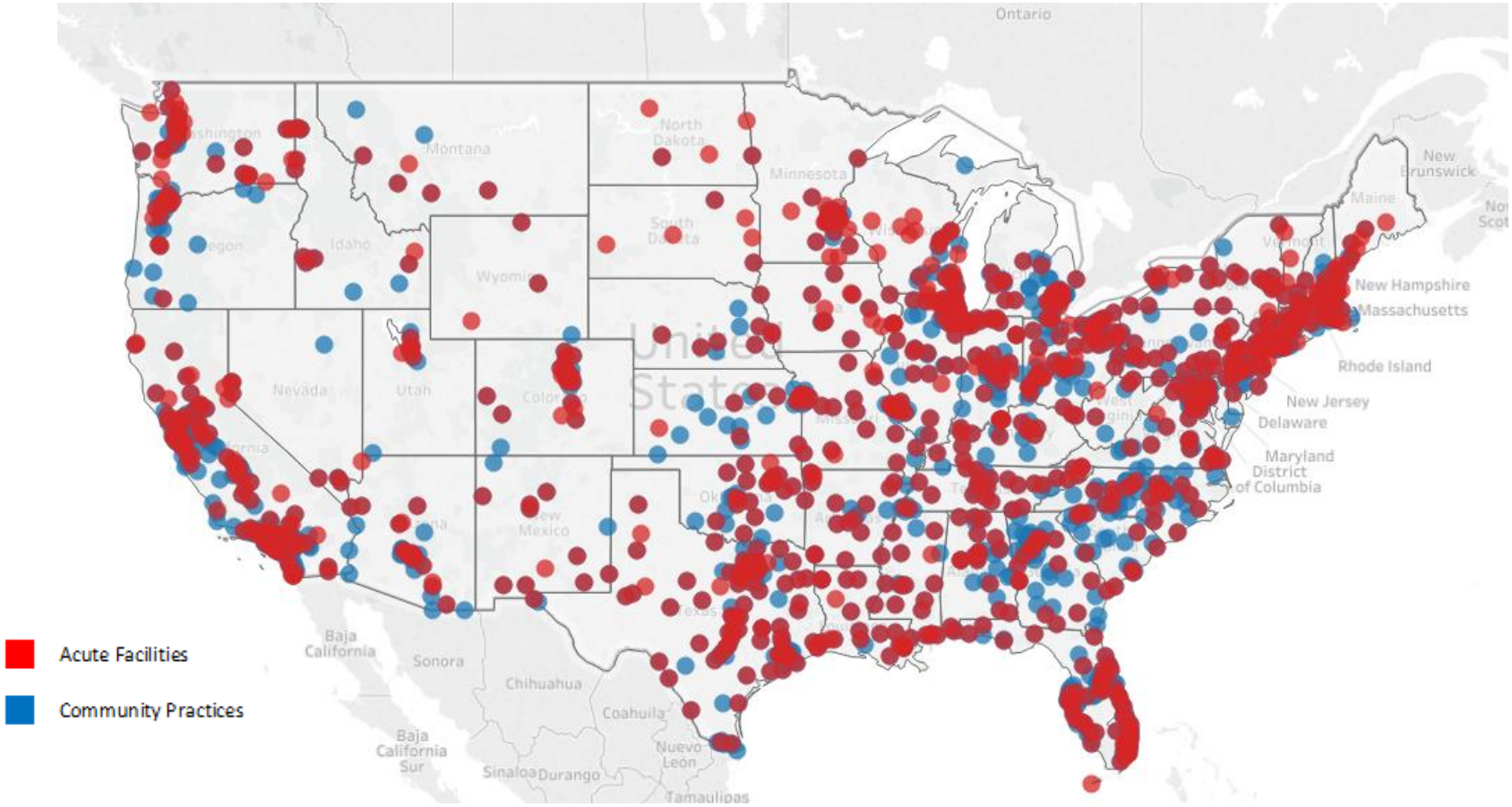
Extensive Provider Distribution Footprint

We service >6,000 acute facilities and >7,800 community practices and clinics in oncology, urology, nephrology, and rheumatology



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Cardinal Health & Biosimilars

Cardinal Health is well positioned to add value to manufacturers, health care providers, and patients

- Comprehensive distribution footprint across Specialties and market segments
- Services
  - Extensive experience in regulatory strategy and filings (Reg Sci)
  - Go to market strategy consulting (3PL, Market Research & GPO)
  - Patient Services (Hub & Spec Pharmacy)
- Biosimilars to date have launched like Specialty Drugs
- Key Drivers of Market Evolution

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Answering the Challenges of Biopharma with Configurable, Meaningful Solutions

Challenges	Complex and changing regulatory environment	Demand for cost-effective therapies and provable outcomes	Restricted access to decision makers	Smaller patient populations	Increased pressure on reimbursement
Solutions	Navigate FDA processes to obtain regulatory approval faster	Design HEOR studies to demonstrate product value	Leverage our networks to reach key providers nationwide	Targeted channel strategies to reach the right patient at the right time	Overcome barriers to access and optimize outcomes
Capabilities	**Regulatory Sciences**	**Healthcare Analytics**	**GPOs and Marketing Communications**	**3PL and Specialty Pharmacy**	**Sonexus™ Access and Patient Support**

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Healthcare, Innovation and Technology-Fuse

Adherence and persistence

- Building a scaled platform for patient and provider connectivity
- Tools which enable behavioral change through patient support
- Creating insights which enable proactive targeted interventions



Shift to value-based care

- Quality metric capture capabilities easing reimbursement hardships
- Practice performance solutions that enable contract negotiation
- Building to enable risk options for provider customers



Data analytics and insights

- Integration with 70+ EMRs and Pharmacy systems
- Cognitive and AI capabilities which drive insights for payers, providers and manufacturers
- Integrated workflow for ease of physician engagement



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Distinguished by our Clinical Expertise and Publications

Clinical Staff

2 – Chief Medical Officers

39 – Ph.Ds

14 – PharmDs

33 – RNs & BSNs

9 – BPhms

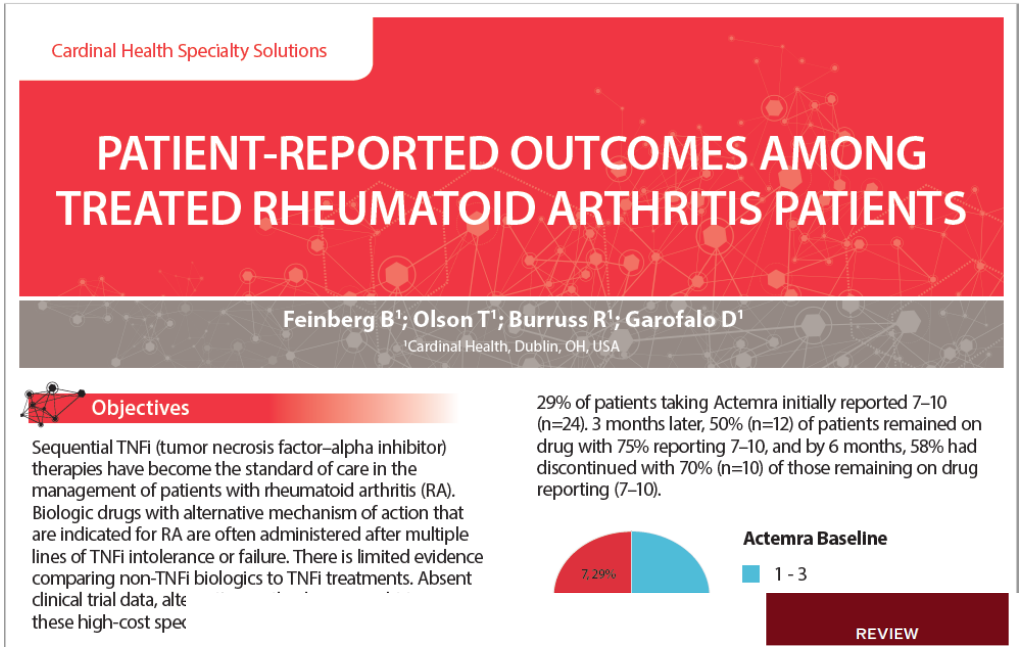
Research Abstracts & Posters

38 Since 2014 — International Society of Pharmacoeconomics and Outcomes Research (ISPOR)

22 Since 2014 — Am Society of Clinical Oncology (ASCO), Am. College of Rheumatology, Am College of Hematology

Peer-reviewed Manuscripts

50+ Since 2014 — Includes *Blood, American Journal of Managed Care, Journal of Clinical Oncology, JCO, Leukemia and Lymphoma, etc.*



Cardinal Health Specialty Solutions

PATIENT-REPORTED OUTCOMES AMONG TREATED RHEUMATOID ARTHRITIS PATIENTS

Feinberg B[1]; Olson T[1]; Burruss R[1]; Garofalo D[1]

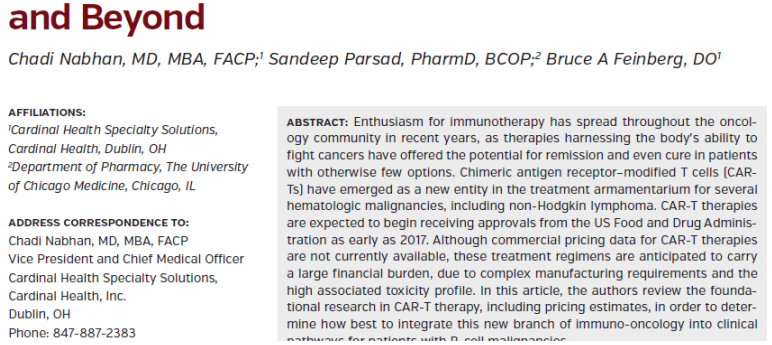
[1]Cardinal Health, Dublin, OH, USA

Objectives

Sequential TNFi (tumor necrosis factor–alpha inhibitor) therapies have become the standard of care in the management of patients with rheumatoid arthritis (RA). Biologic drugs with alternative mechanism of action that are indicated for RA are often administered after multiple lines of TNFi intolerance or failure. There is limited evidence comparing non-TNFi biologics to TNFi treatments. Absent clinical trial data, alte… these high-cost spec…

29% of patients taking Actemra initially reported 7–10 (n=24). 3 months later, 50% (n=12) of patients remained on drug with 75% reporting 7–10, and by 6 months, 58% had discontinued with 70% (n=10) of those remaining on drug reporting (7–10).

REVIEW



Positioning CAR-T Therapy Into Clinical Pathways for Non-Hodgkin B-Cell Lymphoma and Beyond

Chadi Nabhan, MD, MBA, FACP;[1] Sandeep Parsad, PharmD, BCOP;[2] Bruce A Feinberg, DO[1]

AFFILIATIONS:
[1]Cardinal Health Specialty Solutions, Cardinal Health, Dublin, OH
[2]Department of Pharmacy, The University of Chicago Medicine, Chicago, IL

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ABSTRACT: Enthusiasm for immunotherapy has spread throughout the oncology community in recent years, as therapies harnessing the body's ability to fight cancers have offered the potential for remission and even cure in patients with otherwise few options. Chimeric antigen receptor–modified T cells (CAR-Ts) have emerged as a new entity in the treatment armamentarium for several hematologic malignancies, including non-Hodgkin lymphoma. CAR-T therapies are expected to begin receiving approvals from the US Food and Drug Administration as early as 2017. Although commercial pricing data for CAR-T therapies are not currently available, these treatment regimens are anticipated to carry a large financial burden, due to complex manufacturing requirements and the high associated toxicity profile. In this article, the authors review the foundational research in CAR-T therapy, including pricing estimates, in order to determine how best to integrate this new branch of immuno-oncology into clinical

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Supporting Biopharma at All Levels

Top 5 Pharma

Regulatory Sciences

- Maintain 500+ post-approval regulatory dossiers in 180+ countries across all therapeutic categories

Hub Services
leading rheumatology product

- Benefit Investigation turnaround times reduced
- Benefit Verification backlog cleared
- Expanded scope to include rare disease drugs

Healthcare Analytics and Marketing Communications

- HEOR study for oncology drug
- Oncology summits

Mid-sized Pharma

3PL

- 3PL distribution customer for 7 years
- Expanded with novel direct-to-physician sampling program

Hub Services

- Free drug programs
- Adherence/compliance programs

Emerging Biotech

Hub Services

- Reimbursement support and appeals

Regulatory Sciences

- State licensing support for novel new drug

3PL

- Order-to-cash management
- Channel management consulting

Healthcare Analytics and Marketing Communications

- HEOR Study
- Commercial launch planning

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Thank You

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