

CSFB Healthcare Conference

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Safe Harbor Clause

Some of the information in this presentation may constitute forward-looking statements that are subject to various uncertainties. These uncertainties could cause actual results to differ materially from those projected or implied. The risk factors associated with those uncertainties are described in the Company's reports and exhibits filed with the Securities and Exchange Commission. Financial information is presented here in summary form. Full details are provided in the Company's most recent 10-K report. All of this information is available at www.mckesson.com. The Company assumes no obligation to update or revise any such statements, whether as a result of new information or otherwise.

McKesson At-a-Glance

- \$87 billion in revenues in FY06
- Three segments: Pharmaceutical Solutions, Medical-Surgical Solutions, Provider Technologies
- FY06 EPS \$2.44 (excluding Securities Litigation charge and Discontinued Operations)
- More than 26,000 employees
- 304 million shares outstanding
- \$15 billion market cap
- Founded 1833, headquartered in San Francisco

McKesson at the Center of Healthcare

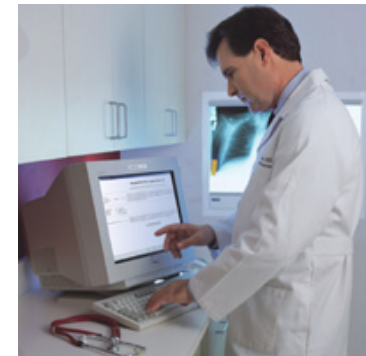
MCKESSON
Empowering Healthcare



**\$1.6 billion of drugs per week –
35% of drugs in North America**



**Scanning 300 million
doses per year to
prevent 203,000 med
errors per week**



**Information solutions
used by
3,500 hospitals,
200,000 physicians,
500,000 nurses and
600 payors**



**Disease
management for
1.5 million Medicaid
and Medicare
patients**



**Diagnostic care guidelines for 3,500
health plans, hospitals and
government agencies**



**99% daily fill rates to
25,000 pharmacies**

Leading Market Positions in All Three Segments

Pharmaceutical Solutions

#1 in U.S., Canada, and Mexico
#1 generics distributor
Large Rx repackaging
Specialty distribution & patient services for manufacturers
#1 in medical management software and services for payors
#1 in disease management for Medicaid agencies

\$83.4 billion revenues
\$1.2 billion op profit

Medical-Surgical Solutions

#1 in primary care
#1 in extended care
Private label product offerings
Rapid growth in physician office pharmaceuticals and equipment

\$2.0 billion revenues
\$83 million op profit

Provider Technologies

63% of U.S. health systems
Leader in clinical, revenue cycle, and resource management solutions
More "Best in KLAS" products than any other vendor
#1 hospital automation
Emerging business in U.K and France

\$1.5 billion revenues
\$143 million op profit

Notes: Financial information for year ending FY06.
Financial results for the Acute Care business have been reclassified as a discontinued operation for all periods presented.

Factors Driving Sustained Value Creation at McKesson

- Well-positioned in growing healthcare services markets
- Strong and growing global businesses:
 - Solid operating profit from core pharmaceutical distribution business
 - Upside opportunities from higher-growth, higher-margin businesses
- Track record of improving financial performance and financial flexibility
- Experienced and deep management team



Sustained Value Creation

Consolidated Financial Results

- Strong first half to FY07 led to the higher full year guidance previously announced on October 31

(\$ and shares in millions, except EPS)	Quarter Ended 9/30			Six Months Ended 9/30		
	FY06	FY07		FY06	FY07	
Revenues	\$ 21,253	\$ 22,386	5%	\$ 41,953	\$ 45,701	9%
Net Income						
-- As reported	\$ 167	\$ 229	37%	\$ 338	\$ 413	22%
-- Continuing ops, excluding Securities Litigation charge	\$ 152	\$ 200	32%	\$ 353	\$ 384	9%
Diluted EPS						
-- As reported	\$ 0.53	\$ 0.75	42%	\$ 1.08	\$ 1.35	25%
-- Continuing ops, excluding Securities Litigation charge	\$ 0.48	\$ 0.66	38%	\$ 1.12	\$ 1.25	12%

Note: Financial results for the Acute Care business have been reclassified as a discontinued operation for all periods presented

Pharmaceutical Solutions Financials

- Outstanding results in our Pharmaceutical Solutions segment

(\$ in millions)	Quarter Ended 9/30			Six Months Ended 9/30		
	FY06	FY07	Var.	FY06	FY07	Var.
Revenues						
Operating Revenue	\$14,186	\$14,883	5%	\$27,981	\$30,111	8%
Warehouse Sales	6,199	6,483	5%	12,277	13,577	11%
Total	\$20,385	\$21,366	5%	\$40,258	\$43,688	9%
Operating Profit	\$252	\$324	29%	\$554	\$617	11%

Medical-Surgical Financials

- Sale on September 30, 2006 of acute care business enables enhanced focus on higher-growth, higher-margin non-hospital sector of market

(\$ in millions)	Quarter Ended 9/30			Six Months Ended 9/30		
	FY06	FY07	Var.	FY06	FY 07	Var.
Revenues	\$508	\$580	14%	\$985	\$1,157	17%
Operating Profit	\$20	\$23	15%	\$41	\$45	10%

Note: Financial results for the Acute Care business have been reclassified as a discontinued operation for all periods presented

Provider Technologies Financials

- Continued momentum in our Provider Technologies segment including investments to ensure that we maintain market-leading position

(\$ in millions)	Quarter Ended 9/30			Six Months Ended 9/30		
	FY06	FY07	Var.	FY06	FY07	Var.
Revenues	\$360	\$440	22%	\$710	\$856	21%
Operating Profit	\$26	\$33	27%	\$57	\$68	19%

Portfolio Approach to Capital Deployment

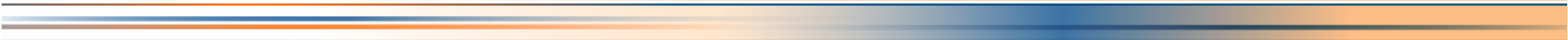
- Acquisitions
 - Synergistic opportunities
 - Accretive/Value add in line with long term strategy
- Measured share repurchase over time
- Solid dividend policy periodically reviewed
- Internal investment



Increased financial flexibility to continue to execute our strategy



Per-Se Technologies, Inc.

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- McKesson entered into a definitive agreement to acquire Per-Se Technologies on 11/06/2006
 - Deal valued at approximately \$1.8 billion and expected to close in Q1 2007
 - Per-Se's current customer base includes approximately
 - 100,000 physicians in small practices
 - 17,000 hospital-affiliated physicians
 - 3,000 hospitals
 - 50,000 retail pharmacies
 - Consistent with McKesson's value creating Portfolio Approach
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Sustained Value Creation

Diluted EPS Reconciliation

(\$ and shares in millions, except EPS)

	Quarter Ended 9/30		Six Months Ended 9/30	
	FY06	FY07	FY06	FY07
Income from continuing operations - as reported	\$ 152	\$ 287	\$ 318	\$ 471
Exclude:				
Securities Litigation charges (credits), net	-	(6)	52	(6)
Income taxes on charge (credit), net	-	2	(17)	2
Income tax reserve reversals	-	(83)	-	(83)
	-	(87)	35	(87)
Income from continuing operations, excluding Securities Litigation charge (credit), net	\$ 152	\$ 200	\$ 353	\$ 384
Diluted earnings per common share from continuing operations, excluding Securities Litigation charge (credit), net	\$ 0.48	\$ 0.66	\$ 1.12	\$ 1.25

Notes:

- These pro forma amounts are non-GAAP financial measures. The Company uses these measures internally and considers these results to be useful to investors as they provide the most relevant benchmarks of core operating performance.
- Financial results for the Acute Care business have been reclassified as a discontinued operation for all periods presented