

CARDINAL HEALTH, INC.
CONSOLIDATED STATEMENTS OF EARNINGS (UNAUDITED)
(in millions, except per share amounts)

	FOURTH QUARTER		
	June 2001	June 2000	% Change
Revenue:			
Operating Revenue	\$ 10,254.3	\$ 8,085.7	27 %
Bulk Deliveries to Customer Warehouses	<u>2,146.7</u>	<u>2,449.4</u>	(12)%
Total Revenue	12,401.0	10,535.1	18 %
Cost of Products Sold:			
Operating Cost of Products Sold	9,279.1	7,254.1	28 %
Cost of Products Sold - Bulk Deliveries	<u>2,146.0</u>	<u>2,448.9</u>	(12)%
Total Cost of Products Sold	11,425.1	9,703.0	18 %
Gross Margin	975.9	832.1	17 %
S, G & A Expenses	530.6	462.0	15 %
Special Charges	<u>18.3</u>	<u>11.7</u>	N.M.
Operating Earnings	427.0	358.4	19 %
Interest Expense and Other	<u>38.0</u>	<u>38.4</u>	(1)%
Earnings Before Income Taxes	389.0	320.0	22 %
Provision for Income Taxes	<u>135.7</u>	<u>114.0</u>	19 %
Net Earnings	<u>\$ 253.3</u>	<u>\$ 206.0</u>	23 %
Earnings Per Common Share:			
Basic	\$ 0.57	\$ 0.47	21 %
Diluted	\$ 0.55	\$ 0.46	20 %
Weighted Average Number of Shares Outstanding:			
Basic	446.7	435.3	
Diluted	458.6	445.0	

The following table summarizes the impact of special charges on net earnings and diluted earnings per Common Share in the quarters in which they were recorded:

	<u>Current Year</u>		<u>Prior Year</u>	
	Net Earnings	Diluted EPS	Net Earnings	Diluted EPS
Special Charges	<u>\$ (11.5)</u>	<u>\$ (0.03)</u>	<u>\$ (7.6)</u>	<u>\$ (0.02)</u>

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CARDINAL HEALTH, INC.
CONSOLIDATED STATEMENTS OF EARNINGS (UNAUDITED)
(in millions, except per share amounts)

	YEAR-TO-DATE		
	June 2001	June 2000	% Change
Revenue:			
Operating Revenue	\$ 38,660.1	\$ 30,257.8	28 %
Bulk Deliveries to Customer Warehouses	9,287.5	8,092.1	15 %
Total Revenue	47,947.6	38,349.9	25 %
Cost of Products Sold:			
Operating Cost of Products Sold	35,050.2	27,163.8	29 %
Cost of Products Sold - Bulk Deliveries	9,285.8	8,089.9	15 %
Total Cost of Products Sold	44,336.0	35,253.7	26 %
Gross Margin	3,611.6	3,096.2	17 %
S, G & A Expenses	1,999.6	1,751.0	14 %
Special Charges	124.9	64.7	N.M.
Operating Earnings	1,487.1	1,280.5	16 %
Interest Expense & Other	154.9	138.7	12 %
Earnings Before Income Taxes	1,332.2	1,141.8	17 %
Provision for Income Taxes	474.8	424.0	12 %
Net Earnings	<u>\$ 857.4</u>	<u>\$ 717.8</u>	19 %
Earnings Per Common Share:			
Basic	\$ 1.93	\$ 1.64	18 %
Diluted	\$ 1.88	\$ 1.60	18 %
Weighted Average Number of Shares Outstanding:			
Basic	443.2	438.8	
Diluted	455.5	448.7	

The following table summarizes the impact of special charges on net earnings and diluted earnings per Common Share in the periods in which they were recorded:

	Current Year		Prior Year	
	Net Earnings	Diluted EPS	Net Earnings	Diluted EPS
Special Charges	\$ (85.3)	\$ (0.19)	\$ (49.8)	\$ (0.11)

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CARDINAL HEALTH, INC.
CONSOLIDATED BALANCE SHEETS

(in millions)

(unaudited)

	June 30, 2001	March 31, 2001	June 30, 2000
<u>ASSETS</u>			
CURRENT ASSETS			
Cash and Equivalents	\$ 934.1	\$ 396.2	\$ 539.5
Trade Receivables	2,408.7	2,862.3	2,398.8
Current Portion of Investment in Sales-Type Leases	236.3	214.3	187.7
Inventories	6,286.1	6,127.7	4,657.0
Prepaid Expenses and Other	897.9	765.1	663.4
Total Current Assets	<u>10,763.1</u>	<u>10,365.6</u>	<u>8,446.4</u>
Property and Equipment - Net	1,838.3	1,859.0	1,728.3
Investment in Sales-Type Leases	671.7	631.8	578.6
Other Assets	1,495.8	1,374.1	1,270.8
TOTAL ASSETS	<u>\$ 14,768.9</u>	<u>\$ 14,230.5</u>	<u>\$ 12,024.1</u>
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>			
CURRENT LIABILITIES			
Notes Payable - Banks and Current Portion of			
Long-Term Obligations	\$ 14.2	\$ 23.1	\$ 423.4
Accounts Payable	5,319.9	5,141.9	3,895.1
Other Accrued Liabilities	1,194.5	1,185.5	1,228.2
Total Current Liabilities	<u>6,528.6</u>	<u>6,350.5</u>	<u>5,546.7</u>
Long-Term Obligations, Less Current Portion	1,871.0	2,169.8	1,524.5
Deferred Taxes and Other Liabilities	932.2	618.0	552.5
Total Shareholders' Equity	<u>5,437.1</u>	<u>5,092.2</u>	<u>4,400.4</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u>\$ 14,768.9</u>	<u>\$ 14,230.5</u>	<u>\$ 12,024.1</u>

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CARDINAL HEALTH, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)
(in millions)

	Three months ended		For the year ended	
	June 30,		June 30,	
	2001	2000	2001	2000
Cash Flows From Operating Activities:				
Net earnings available for Common Shares	\$253.3	\$206.0	\$857.4	\$717.8
Adjustments to reconcile net earnings to net cash from operations:				
Depreciation and amortization	71.6	57.5	280.6	257.0
Change in operating assets and liabilities, net of effects from acquisitions:				
(Increase)/decrease in trade receivables	453.8	83.9	10.0	(339.8)
(Increase)/decrease in inventories	(158.2)	333.2	(1,517.8)	(1,071.6)
Increase in net investment in sales-type leases	(62.0)	(50.9)	(141.8)	(159.5)
Increase in accounts payable	178.1	71.8	1,313.8	899.4
Other operating items - net	146.8	65.6	69.5	200.7
	883.4	767.1	871.7	504.0
Cash Flows From Investing Activities:				
Net acquisition of subsidiaries, net of cash acquired	(41.0)	(2.1)	(364.3)	(69.6)
Proceeds from sale of property and equipment	54.3	16.9	72.1	60.2
Additions to property and equipment	(106.4)	(105.6)	(341.2)	(331.1)
Other	-	-	-	48.4
	(93.1)	(90.8)	(633.4)	(292.1)
Cash Flows From Financing Activities:				
Net short-term borrowing activity	(288.8)	(520.0)	(824.9)	552.0
Net change in long-term obligations	(19.5)	(21.0)	857.5	(179.3)
Proceeds from issuance of Common Shares	65.2	42.1	252.1	97.5
Purchase of Treasury Stock	(0.6)	-	(139.4)	(341.4)
Other	(8.7)	(6.9)	(36.6)	(29.6)
	(252.4)	(505.8)	108.7	99.2
Net Increase in Cash and Equivalents	537.9	170.5	347.0	311.1
Change in Bindley's fiscal year	-	-	47.6	-
Cash and Equivalents at Beginning of Period	396.2	369.0	539.5	228.4
Cash and Equivalents at End of Period	934.1	539.5	934.1	539.5

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CARDINAL HEALTH, INC. - FOURTH QUARTER FY 2001 BUSINESS ANALYSIS

(\$ millions)

<u>PHARMACEUTICAL DISTRIBUTION AND PROVIDER SERVICES</u>				<u>MEDICAL-SURGICAL PRODUCTS AND SERVICES</u>			
	<u>2001</u>	<u>2000</u>	<u>Comment</u>		<u>2001</u>	<u>2000</u>	<u>Comment</u>
<u>REVENUE</u>				<u>REVENUE</u>			
- Amount	\$8,257	\$6,432	Q4 RECORD	- Amount	\$1,552	\$1,264	RECORD
- Growth Rate	28%	23%	Organic Growth	- Growth Rate	23%	6%	BBMC acquisition
- Mix	80%	79%		- Mix	15%	16%	
<u>OPERATING EARNINGS</u>				<u>OPERATING EARNINGS</u>			
- Amount	\$244	\$188	Q4 RECORD	- Amount	\$122	\$99	RECORD
- Growth Rate	29%	28%		- Growth Rate	23%	20%	
- Mix	50%	49%		- Mix	25%	26%	
<u>RATIO TO REVENUE</u>				<u>RATIO TO REVENUE</u>			
- Gross Margin	5.18%	5.69%	Customer mix and terms	- Gross Margin	22.32%	23.31%	BBMC impact
- Expenses	2.23%	2.76%	RECORD LOW	- Expenses	14.45%	15.45%	Expense control
- Operating Earnings	2.95%	2.93%	Q4 RECORD	- Operating Earnings	7.87%	7.86%	RECORD
<u>PRODUCTIVITY</u>				<u>PRODUCTIVITY</u>			
- Margin Per Expense Dollar*	\$2.33	\$2.06	13% improvement	- Margin Per Expense Dollar*	\$1.54	\$1.51	
<u>ASSET MANAGEMENT</u>				<u>ASSET MANAGEMENT</u>			
- Average Committed Capital	\$2,976	\$3,222	Asset management, BDY synergies	- Average Committed Capital	\$1,465	\$1,234	BBMC impact
- Return On Committed Capital	32.1%	22.5%	RECORD	- Return On Committed Capital	33.3%	32.2%	RECORD
- Operating Cash Flow	\$679	\$648	RECORD	- Operating Cash Flow	\$134	\$144	
<u>PHARMACEUTICAL TECHNOLOGIES AND SERVICES</u>				<u>AUTOMATION AND INFORMATION SERVICES</u>			
	<u>2001</u>	<u>2000</u>	<u>COMMENT</u>		<u>2001</u>	<u>2000</u>	<u>COMMENT</u>
<u>REVENUE</u>				<u>REVENUE</u>			
- Amount	\$318	\$275	RECORD	- Amount	\$150	\$126	RECORD
- Growth Rate	16%	14%		- Growth Rate	19%	(1)%	
- Mix	3%	3%		- Mix	2%	2%	
<u>OPERATING EARNINGS</u>				<u>OPERATING EARNINGS</u>			
- Amount	\$60	\$52	RECORD	- Amount	\$59	\$47	RECORD
- Growth Rate	16%	16%		- Growth Rate	26%	(1)%	
- Mix	13%	13%		- Mix	12%	12%	
<u>RATIO TO REVENUE</u>				<u>RATIO TO REVENUE</u>			
- Gross Margin	32.95%	33.14%		- Gross Margin	71.12%	68.14%	RECORD
- Expenses	14.02%	14.27%		- Expenses	32.05%	31.03%	
- Operating Earnings	18.93%	18.87%	Q4 RECORD	- Operating Earnings	39.07%	37.11%	RECORD
<u>PRODUCTIVITY</u>				<u>PRODUCTIVITY</u>			
- Margin Per Expense Dollar*	\$2.35	\$2.32		- Margin Per Expense Dollar*	\$2.22	\$2.20	
<u>ASSET MANAGEMENT</u>				<u>ASSET MANAGEMENT</u>			
- Average Committed Capital	\$879	\$710	Strategic investment	- Average Committed Capital	\$706	\$616	Lease investment
- Return On Committed Capital	27.4%	29.2%	Sequential increase from Q3	- Return On Committed Capital	33.3%	30.4%	
- Operating Cash Flow	\$31	(\$30)		- Operating Cash Flow	\$40	\$5	

- Revenue and all ratios to revenue exclude bulk deliveries to customer warehouses
 - Corporate costs are fully allocated to businesses except for special charges and eliminations

* Margin Per Expense Dollar = Ratio of gross margin to expenses

CARDINAL HEALTH, INC. - FOURTH QUARTER FY 2001 BUSINESS ANALYSIS

(\$ millions)

	<u>TOTAL</u>		Excluding Special Charges	
	<u>2001</u>	<u>2000</u>	<u>2001</u>	<u>2000</u>
• <u>REVENUE</u>				
- Amount	\$10,254	\$8,086		
- Growth Rate	27%	19%		
• <u>OPERATING EARNINGS</u>				
- Amount	\$427	\$358	\$445	\$370
- Growth Rate	19%	33%	20%	19%
• <u>RATIO TO REVENUE</u>				
- Gross Margin	9.52%	10.29%		
- Expenses	5.18%	5.71%		
- Special Charges	0.18%	0.15%		
- Operating Earnings	4.16%	4.43%	4.34%	4.58%
• <u>NET EARNINGS</u>				
- Amount	\$253	\$206	\$265	\$214
- Growth Rate	23%	37%	24%	20%
- Ratio to Revenue	2.47%	2.55%	2.58%	2.64%
• <u>PRODUCTIVITY</u>				
- Margin Per Expense Dollar *	\$1.84	\$1.80		
• <u>ASSET MANAGEMENT</u>				
- Average Committed Capital	\$5,480	\$4,998		
- Return On Committed Capital	30.8%	28.1%	32.2%	29.1%
- Operating Cash Flow	\$884	\$767		

- Revenue and all ratios to revenue exclude bulk deliveries to customer warehouses

* Margin Per Expense Dollar = Ratio of gross margin to expenses

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CARDINAL HEALTH, INC. - FISCAL YEAR 2001 BUSINESS ANALYSIS

(\$ millions)

<u>PHARMACEUTICAL DISTRIBUTION AND PROVIDER SERVICES</u>			<u>MEDICAL-SURGICAL PRODUCTS AND SERVICES</u>		
	<u>2001</u>	<u>2000</u>		<u>2001</u>	<u>2000</u>
<u>REVENUE</u>			<u>REVENUE</u>		
- Amount	\$31,186	\$23,850	- Amount	\$5,903	\$4,960
- Growth Rate	31%	22%	- Growth Rate	19%	5%
- Mix	81%	79%	- Mix	15%	16%
<u>OPERATING EARNINGS</u>			<u>OPERATING EARNINGS</u>		
- Amount	\$884	\$675	- Amount	\$442	\$368
- Growth Rate	31%	25%	- Growth Rate	20%	21%
- Mix	51%	49%	- Mix	26%	26%
<u>RATIO TO REVENUE</u>			<u>RATIO TO REVENUE</u>		
- Gross Margin	5.20%	5.53%	- Gross Margin	22.09%	23.18%
- Expenses	2.37%	2.70%	- Expenses	14.60%	15.76%
- Operating Earnings	2.83%	2.83%	- Operating Earnings	7.49%	7.42%
<u>PRODUCTIVITY</u>			<u>PRODUCTIVITY</u>		
- Margin Per Expense Dollar*	\$2.20	\$2.05	- Margin Per Expense Dollar*	\$1.51	\$1.47
<u>ASSET MANAGEMENT</u>			<u>ASSET MANAGEMENT</u>		
- Average Committed Capital	\$3,020	\$2,860	- Average Committed Capital	\$1,389	\$1,235
- Return On Committed Capital	29.1%	23.3%	- Return On Committed Capital	31.9%	29.8%
- Operating Cash Flow	\$492	\$152	- Operating Cash Flow	\$293	\$355
<u>PHARMACEUTICAL TECHNOLOGIES AND SERVICES</u>			<u>AUTOMATION AND INFORMATION SERVICES</u>		
	<u>2001</u>	<u>2000</u>		<u>2001</u>	<u>2000</u>
<u>REVENUE</u>			<u>REVENUE</u>		
- Amount	\$1,178	\$1,081	- Amount	\$472	\$402
- Growth Rate	9%	15%	- Growth Rate	17%	(2)%
- Mix	3%	4%	- Mix	1%	1%
<u>OPERATING EARNINGS</u>			<u>OPERATING EARNINGS</u>		
- Amount	\$219	\$201	- Amount	\$168	\$138
- Growth Rate	9%	25%	- Growth Rate	22%	(2)%
- Mix	13%	15%	- Mix	10%	10%
<u>RATIO TO REVENUE</u>			<u>RATIO TO REVENUE</u>		
- Gross Margin	33.27%	33.11%	- Gross Margin	68.56%	69.21%
- Expenses	14.68%	14.53%	- Expenses	32.91%	34.92%
- Operating Earnings	18.59%	18.58%	- Operating Earnings	35.65%	34.29%
<u>PRODUCTIVITY</u>			<u>PRODUCTIVITY</u>		
- Margin Per Expense Dollar*	\$2.27	\$2.28	- Margin Per Expense Dollar*	\$2.08	\$1.98
<u>ASSET MANAGEMENT</u>			<u>ASSET MANAGEMENT</u>		
- Average Committed Capital	\$813	\$677	- Average Committed Capital	\$667	\$563
- Return On Committed Capital	27.0%	29.6%	- Return On Committed Capital	25.2%	24.5%
- Operating Cash Flow	\$79	\$78	- Operating Cash Flow	\$8	(\$81)

- Revenue and all ratios to revenue exclude bulk deliveries to customer warehouses
 - Corporate costs are fully allocated to businesses except for special charges and eliminations

* Margin Per Expense Dollar = Ratio of gross margin to expenses

CARDINAL HEALTH, INC. - FISCAL YEAR 2001 BUSINESS ANALYSIS

(\$ millions)

	<u>TOTAL</u>		Excluding Special Charges	
	<u>2001</u>	<u>2000</u>	<u>2001</u>	<u>2000</u>
• <u>REVENUE</u>				
- Amount	\$38,660	\$30,258		
- Growth Rate	28%	18%		
• <u>OPERATING EARNINGS</u>				
- Amount	\$1,487	\$1,281	\$1,612	\$1,345
- Growth Rate	16%	34%	20%	20%
• <u>RATIO TO REVENUE</u>				
- Gross Margin	9.34%	10.23%		
- Expenses	5.17%	5.79%		
- Special Charges	0.32%	0.21%		
- Operating Earnings	3.85%	4.23%	4.17%	4.44%
• <u>NET EARNINGS</u>				
- Amount	\$857	\$718	\$943	\$768
- Growth Rate	19%	44%	23%	22%
- Ratio to Revenue	2.22%	2.37%	2.44%	2.54%
• <u>PRODUCTIVITY</u>				
- Margin Per Expense Dollar *	\$1.81	\$1.77		
• <u>ASSET MANAGEMENT</u>				
- Average Committed Capital	\$5,356	\$4,814		
- Return On Committed Capital	27.7%	26.5%	30.0%	27.8%
- Operating Cash Flow	\$872	\$504		

- Revenue and all ratios to revenue exclude bulk deliveries to customer warehouses

* Margin Per Expense Dollar = Ratio of gross margin to expenses

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CARDINAL HEALTH, INC. - QUARTERLY FY 2001 BUSINESS ANALYSIS

(\$ millions)

<u>PHARMACEUTICAL DISTRIBUTION AND PROVIDER SERVICES</u>						<u>MEDICAL-SURGICAL PRODUCTS AND SERVICES</u>					
	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>TOTAL</u>		<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>TOTAL</u>
<u>REVENUE</u>						<u>REVENUE</u>					
- Amount	\$6,780	\$7,701	\$8,448	\$8,257	\$31,186	- Amount	\$1,379	\$1,474	\$1,498	\$1,552	\$5,903
- Growth Rate	23%	32%	39%	28%	31%	- Growth Rate	14%	15%	24%	23%	19%
- Mix	80%	80%	82%	80%	81%	- Mix	16%	16%	14%	15%	15%
<u>OPERATING EARNINGS</u>						<u>OPERATING EARNINGS</u>					
- Amount	\$177	\$205	\$258	\$244	\$884	- Amount	\$102	\$106	\$112	\$122	\$442
- Growth Rate	23%	32%	38%	29%	31%	- Growth Rate	19%	19%	20%	23%	20%
- Mix	50%	49%	56%	50%	51%	- Mix	29%	26%	24%	25%	26%
<u>RATIO TO REVENUE</u>						<u>RATIO TO REVENUE</u>					
- Gross Margin	5.16%	5.05%	5.41%	5.18%	5.20%	- Gross Margin	22.50%	21.60%	21.97%	22.32%	22.09%
- Expenses	2.54%	2.39%	2.36%	2.23%	2.37%	- Expenses	15.06%	14.43%	14.49%	14.45%	14.60%
- Operating Earnings	2.62%	2.66%	3.05%	2.95%	2.83%	- Operating Earnings	7.44%	7.17%	7.48%	7.87%	7.49%
<u>PRODUCTIVITY</u>						<u>PRODUCTIVITY</u>					
- Margin Per Expense Dollar*	\$2.03	\$2.11	\$2.29	\$2.33	\$2.20	- Margin Per Expense Dollar*	\$1.49	\$1.50	\$1.52	\$1.54	\$1.51
<u>ASSET MANAGEMENT</u>						<u>ASSET MANAGEMENT</u>					
- Average Committed Capital	\$2,890	\$3,207	\$3,302	\$2,976	\$3,020	- Average Committed Capital	\$1,302	\$1,398	\$1,440	\$1,465	\$1,389
- Return On Committed Capital	24.6%	25.5%	31.2%	32.1%	29.1%	- Return On Committed Capital	31.5%	30.2%	31.1%	33.3%	31.9%
- Operating Cash Flow	(\$378)	\$4	\$187	\$679	\$492	- Operating Cash Flow	\$9	\$103	\$47	\$134	\$293
<u>PHARMACEUTICAL TECHNOLOGIES AND SERVICES</u>						<u>AUTOMATION AND INFORMATION SERVICES</u>					
	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>TOTAL</u>		<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>TOTAL</u>
<u>REVENUE</u>						<u>REVENUE</u>					
- Amount	\$272	\$287	\$301	\$318	\$1,178	- Amount	\$90	\$120	\$112	\$150	\$472
- Growth Rate	5%	9%	6%	16%	9%	- Growth Rate	29%	15%	10%	19%	17%
- Mix	3%	3%	3%	3%	3%	- Mix	1%	1%	1%	2%	1%
<u>OPERATING EARNINGS</u>						<u>OPERATING EARNINGS</u>					
- Amount	\$50	\$59	\$50	\$60	\$219	- Amount	\$23	\$45	\$41	\$59	\$168
- Growth Rate	11%	15%	(4)%	16%	9%	- Growth Rate	35%	17%	17%	26%	22%
- Mix	14%	14%	11%	13%	13%	- Mix	7%	11%	9%	12%	10%
<u>RATIO TO REVENUE</u>						<u>RATIO TO REVENUE</u>					
- Gross Margin	32.44%	35.77%	31.98%	32.95%	33.27%	- Gross Margin	64.32%	68.30%	68.81%	71.12%	68.56%
- Expenses	14.08%	15.22%	15.39%	14.02%	14.68%	- Expenses	38.68%	30.31%	32.20%	32.05%	32.91%
- Operating Earnings	18.36%	20.55%	16.59%	18.93%	18.59%	- Operating Earnings	25.64%	37.99%	36.61%	39.07%	35.65%
<u>PRODUCTIVITY</u>						<u>PRODUCTIVITY</u>					
- Margin Per Expense Dollar*	\$2.30	\$2.35	\$2.08	\$2.35	\$2.27	- Margin Per Expense Dollar*	\$1.66	\$2.25	\$2.14	\$2.22	\$2.08
<u>ASSET MANAGEMENT</u>						<u>ASSET MANAGEMENT</u>					
- Average Committed Capital	\$750	\$782	\$840	\$879	\$813	- Average Committed Capital	\$623	\$659	\$692	\$706	\$667
- Return On Committed Capital	26.6%	30.1%	23.8%	27.4%	27.0%	- Return On Committed Capital	14.8%	27.6%	23.8%	33.3%	25.2%
- Operating Cash Flow	\$9	\$20	\$19	\$31	\$79	- Operating Cash Flow	(\$22)	(\$7)	(\$3)	\$40	\$8

- Revenue and all ratios to revenue exclude bulk deliveries to customer warehouses
 - Corporate costs are fully allocated to businesses except for special charges and eliminations

* Margin Per Expense Dollar = Ratio of gross margin to expenses

CARDINAL HEALTH, INC. - QUARTERLY FY 2001 BUSINESS ANALYSIS

(\$ millions)

TOTAL (EXCLUDING SPECIAL CHARGES)

	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>TOTAL</u>
• <u>REVENUE</u>					
- Amount	\$8,511	\$9,561	\$10,334	\$10,254	\$38,660
- Growth Rate	21%	28%	35%	27%	28%
• <u>OPERATING EARNINGS</u>					
- Amount	\$337	\$394	\$436	\$445	\$1,612
- Growth Rate	19%	21%	19%	20%	20%
• <u>RATIO TO REVENUE</u>					
- Gross Margin	9.45%	9.26%	9.15%	9.52%	9.34%
- Expenses	5.49%	5.14%	4.93%	5.18%	5.17%
- Operating Earnings	3.96%	4.12%	4.22%	4.34%	4.17%
• <u>NET EARNINGS</u>					
- Amount	\$196	\$227	\$255	\$265	\$943
- Growth Rate	22%	22%	23%	24%	23%
- Ratio to Revenue	2.30%	2.38%	2.46%	2.58%	2.44%
• <u>PRODUCTIVITY</u>					
- Margin Per Expense Dollar *	\$1.72	\$1.80	\$1.86	\$1.84	\$1.81
• <u>ASSET MANAGEMENT</u>					
- Average Committed Capital	\$5,082	\$5,528	\$5,702	\$5,480	\$5,356
- Return On Committed Capital	26.5%	28.5%	30.6%	32.2%	30.0%
- Operating Cash Flow	(\$382)	\$120	\$250	\$884	\$872

- Revenue and all ratios to revenue exclude bulk deliveries to customer warehouses

* Margin Per Expense Dollar = Ratio of gross margin to expenses

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CARDINAL HEALTH, INC. - FISCAL 2001 AND 2000 ASSET MANAGEMENT ANALYSIS

(\$ millions)

	<u>2001</u>					
	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>YTD</u>	<u>COMMENT</u>
. RECEIVABLE DAYS	22	22	21	18		RECORD
. INVENTORY TURNS	6.1	6.3	6.6	6.3		Investment opportunity
. CASH	\$573	\$541	\$396	\$934		
. DEBT	\$2,433	\$2,502	\$2,193	\$1,885		
. EQUITY	\$4,668	\$4,798	\$5,092	\$5,437		
. NET DEBT/TOTAL CAPITAL	28%	29%	26%	15%		RECORD
. TANGIBLE NET WORTH	\$3,540	\$3,694	\$3,950	\$4,262		
. RETURN ON EQUITY	16.8%	18.7%	15.6%	19.2%	17.6%	
EXCLUDING SPECIAL ITEMS	17.3%	19.2%	20.5%	20.0%	19.3%	RECORD
. TAX RATE	34.7%	36.1%	37.0%	34.9%	35.6%	
EXCLUDING SPECIAL ITEMS	35.3%	35.8%	35.1%	35.0%	35.3%	International initiatives

	<u>2000</u>				
	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>YTD</u>
. RECEIVABLE DAYS	23	23	22	21	
. INVENTORY TURNS	6.7	6.1	5.9	6.6	
. CASH	\$195	\$302	\$369	\$540	
. DEBT	\$1,934	\$2,156	\$2,482	\$1,948	
. EQUITY	\$4,010	\$4,201	\$4,166	\$4,400	
. NET DEBT/TOTAL CAPITAL	30%	31%	34%	24%	
. TANGIBLE NET WORTH	\$3,023	\$3,214	\$3,117	\$3,357	
. RETURN ON EQUITY	13.3%	17.8%	19.0%	19.2%	17.4%
EXCLUDING SPECIAL ITEMS	16.2%	18.0%	19.8%	19.9%	18.5%
. TAX RATE	39.5%	36.9%	37.2%	35.6%	37.1%
EXCLUDING SPECIAL ITEMS	36.6%	36.9%	36.5%	35.6%	36.4%