

Partnership with Clayton, Dubilier & Rice to Accelerate Growth of naviHealth

- Cardinal Health retains stake of approximately 45%
- Expected after tax net proceeds of approximately \$650M
- Expected to close in Q1 FY19, subject to required regulatory approvals and customary closing conditions

Strategic Rationale

- Maximizes the growth potential of naviHealth – accelerates the speed at which the business can be scaled
- Creates opportunity for Cardinal Health to stay close to the business and the evolution of this strategically attractive and growing space
- Allows Cardinal Health to focus on near-term execution of strategic priorities – Patient Recovery integration and Cordis improvement plan
- Recovers investment and allows Cardinal Health to participate in the growth of naviHealth through its stake of approximately 45%
- Gives Cardinal Health a call option to reacquire the business starting on the fifth anniversary of the transaction, subject to acceleration or deferral based on certain circumstances

Leadership

- Current naviHealth leadership team will retain their current positions; Clay Richards (CEO) will also have one of the eight board of director seats
- Ron Williams, CD&R operating advisor and former chairman and chief executive officer of Aetna, will become chairman of naviHealth board of directors
- Cardinal Health and CD&R to each have three additional board of director seats

Financial Impact

- The commentary on the FY19 financial outlook that was provided on our Q3 FY18 earnings call, which was hosted as of May 2, 2018, did not account for the impact of this strategic partnership
- Anticipate using the net proceeds for share repurchases and other general corporate purposes
- Will provide our financial outlook for FY19 on the Q4 earnings call in August
- We have reclassified the assets and liabilities of the naviHealth business to held for sale on our financial statements
- When the transaction closes, naviHealth's results will no longer be consolidated in our financial statements. Our share of the profit or loss will be reported in other income in our income statement
- Expected close: Q1 FY19, subject to customary closing conditions. At the closing, we expect to recognize a significant gain on sale which will be excluded from non-GAAP financial results

About naviHealth

- naviHealth's platform combines in-market post-acute care management, clinical decision support, and scaled technology assets
- Since our initial acquisition in 2015, the business has experienced robust growth across both its payor and provider segments
- Focus is well-aligned with key trends in healthcare, notably the shift from fee-for-service to value-based care, which we believe will play a major role in the evolution of healthcare in the United States
- Actively partners with both payors and providers to drive savings under value-based payment constructs – in capitated arrangements with Medicare Advantage plans and in partnership with providers through the CMS Bundled Payment for Care Improvement (BPCI) program
- Differentiated approach has resulted in an ideal market position as a valued partner to payors and providers as they navigate a changing reimbursement landscape
- Currently serves more than two million insured patients operating in approximately 800 acute hospitals and 11,000 post-acute care facilities across more than 20 states

Cautions Concerning Forward-Looking Statements

This fact sheet contains forward-looking statements addressing Cardinal Health's plans to partner with Clayton, Dubilier, & Rice to accelerate growth of naviHealth and other statements about future 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: the ability to complete the transaction on a timely basis, including receipt of required regulatory approvals and satisfaction of other closing conditions; and, if the transaction is completed, the ability of naviHealth to grow its business and manage its expenses and for Cardinal Health to achieve the expected financial and strategic benefits from the transaction. 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 fact sheet reflects management's views as of June 13, 2018. Except to the extent required by applicable law, Cardinal Health undertakes no obligation to update or revise any forward-looking statement.