

Cardinal Health And Henry Schein Enter Into Long-Term Strategic Agreement To Serve Physician Offices

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DUBLIN, Ohio and MELVILLE, N.Y., Nov. 21, 2014 /PRNewswire/ -- Cardinal Health, Inc. (NYSE: CAH), one of the world's largest health care services companies, and Henry Schein, Inc. (NASDAQ: HSIC), the world's largest provider of health care products and services to office-based dental, animal health and medical practitioners, today announced that the companies have entered into a long-term strategic agreement to provide one of the most comprehensive service and product offerings to office-based medical practices. This strategic agreement combines Cardinal Health's product line and extensive touch points across the health system with Henry Schein's outstanding service capabilities and history in serving office-based practices.

Under the terms of the agreement, the physician office-focused commercial organization of Cardinal Health's Medical segment will be consolidated into the commercial organization of Henry Schein's Medical Group. Henry Schein has committed to purchase Cardinal Health™ Brand products and utilize Cardinal Health as a primary source for various medical products. This agreement will deliver to customers improved efficiency, a wider breadth of products, world-class service and value for the benefit of the patient.

"We are delighted to be able to bring to our customers the know-how and efficiency of Henry Schein's service model in office-based physician practices. We believe this alliance will enable us to more cost-effectively bring our products and services to our integrated network customers, as well as individual physician practices," said George S. Barrett, chairman of the board and chief executive officer for Cardinal Health. "This collaboration reinforces our commitment to value creation for customers and patients across the continuum of care."

"Henry Schein is committed to being a reliable network of trusted advisors for all office-based practitioners, whether in our traditional customer base of individual practices or those affiliated with an integrated delivery network," said Stanley M. Bergman, Henry Schein's chairman of the board and chief executive officer. "Our agreement with Cardinal Health furthers this commitment by offering customers access to Cardinal Health's leading branded products and leveraging Cardinal Health's experience in serving health care systems across multiple sites of care. We look forward to this transaction advancing the wide range of value-driven solutions that we offer to help practitioners operate efficiently and deliver quality patient care."

The physician office sales team and physician office distribution business of Cardinal Health's Medical segment, with annual sales of more than \$300 million, will be transitioned into Henry Schein's Medical Group. Cardinal Health will transition to Henry Schein the servicing of the medical product needs of more than 25,000 physician office customer locations and approximately 200 employees. Both Cardinal Health and Henry Schein expect the transaction will be slightly accretive to their respective earnings per share in fiscal year 2015 and increasingly accretive thereafter.

About Cardinal Health, Inc.

Headquartered in Dublin, Ohio, Cardinal Health, Inc. (CAH) is a \$91 billion [health care services company](#) that improves the cost-effectiveness of health care. As the [business behind health care](#), Cardinal Health helps [pharmacies](#), [hospitals](#), [ambulatory surgery centers](#), [clinical laboratories](#) and [physician offices](#) focus on patient care while [reducing costs](#), [enhancing efficiency and improving quality](#). Cardinal Health is an essential link in the health care supply chain, providing [pharmaceuticals](#) and [medical products](#) and services to more than 100,000 locations each day and is also the industry-leading direct-to-home medical supplies distributor. The company is a leading manufacturer of medical and surgical products, including [gloves](#), [surgical apparel](#) and [fluid management](#) products. In addition, the company operates the nation's largest [network of radiopharmacies](#) that dispense products to aid in the early diagnosis and treatment of disease. Ranked #22 on the Fortune 500, Cardinal Health [employs 34,000 people](#) worldwide. More information about the company may be found at www.cardinalhealth.com and [@CardinalHealth on Twitter](#).

About Henry Schein, Inc.

Henry Schein, Inc. is the world's largest provider of health care products and services to office-based dental, animal health and medical practitioners. The Company also serves dental laboratories, government and institutional health care clinics, and other alternate care sites. A Fortune 500® Company and a member of the NASDAQ 100® Index, Henry Schein employs more than 17,000 Team Schein Members and serves more than 800,000 customers.

The Company offers a comprehensive selection of products and services, including value-added solutions for operating efficient practices and delivering high-quality care. Henry Schein operates through a centralized and automated distribution network, with a selection of more than 96,000 branded products and Henry Schein private-brand products in stock, as well as more than 110,000 additional products available as special-order items. The Company also offers its customers exclusive, innovative technology solutions, including practice management software and e-commerce solutions, as well as a broad range of financial services.

Headquartered in Melville, N.Y., Henry Schein has operations or affiliates in 28 countries. The Company's sales reached a record \$9.6 billion in 2013, and have grown at a compound annual rate of approximately 16 percent since Henry Schein became a public company in 1995. For more information, visit the Henry Schein website at www.henryschein.com.

Cautions Concerning Forward-Looking Statements

This news release 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. 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 of either company to achieve the expected benefits from the strategic relationship, including the expected accretion in earnings. Both companies are subject to additional risks and uncertainties described in their respective Form 10-K, Form 10-Q and Form 8-K reports and exhibits to those reports.

SOURCE Henry Schein, Inc.; Cardinal Health, Inc.

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