

CARDINAL HEALTH INC
Form 424B2
November 07, 2014
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The information in this preliminary prospectus supplement is not complete and may be changed. This preliminary prospectus supplement and the accompanying base prospectus are not an offer to sell these securities, and are not soliciting an offer to buy these securities in any jurisdiction where the offer and sale are not permitted.

Subject to Completion, Dated November 7, 2014

PROSPECTUS SUPPLEMENT

November , 2014

(To Prospectus dated August 21, 2013)

\$1,200,000,000

Cardinal Health, Inc.

\$	% Notes due 2019
\$	% Notes due 2024
\$	% Notes due 2044

The % notes will mature on , 2019 (the 2019 notes), the % notes will mature on , 2024 (the 2024 notes) and the % notes will mature on , 2044 (the 2044 notes and, together with the 2019 notes and the 2024 notes, the notes). Interest on the notes will accrue from 2014. Interest on the notes will be payable semi-annually on and of each year, commencing , 2015.

We may redeem the notes of a series, in whole at any time or in part from time to time, prior to their maturity, at our option. If we elect to redeem the 2019 notes, the 2024 notes before , 2024 (three months prior to their maturity) or the 2044 notes before , 2044 (six months prior to their maturity), we will pay a redemption price equal to the greater of the principal amount of such notes and the make-whole price described under Description of the Notes Optional Redemption in this prospectus supplement, plus, in each case, accrued and unpaid interest, if any, to, but excluding, the date of redemption. If we elect to redeem the 2024 notes or the 2044 notes on or after the applicable date set forth in the immediately preceding sentence, we will pay an amount equal to 100% of the principal amount of the notes redeemed, plus accrued and unpaid interest, if any, to, but excluding, the date of redemption. See Description of the Notes Optional Redemption. If a change of control repurchase event occurs, we will be required to offer to purchase the notes from holders at a purchase price of 101% of the principal amount of the notes. See Description of the Notes Repurchase at the Option of Holders Upon a Change of Control.

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We intend to use the net proceeds of this offering, together with cash on hand to the extent needed, to fund the redemption of all of the aggregate principal amount outstanding of our 4.00% Notes due 2015, 5.80% Notes due 2016, 5.85% Notes due 2017 and 6.00% Notes due 2017.

The notes will be our senior unsecured obligations and will rank equally with our other senior unsecured indebtedness outstanding from time to time.

Investing in the notes involves risk. See Risk Factors beginning on page S-5 and the section entitled Risk Factors in our Annual Report on Form 10-K for the fiscal year ended June 30, 2014, as they may be amended, updated or modified periodically in our reports filed with the Securities and Exchange Commission, for a discussion of certain risks that you should consider in connection with an investment in the notes.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.

	Per 2019 Note	2019 Notes Total	Per 2024 Notes	2024 Notes Total	Per 2044 Note	2044 Notes Total	Total
Price to Public (1)	%	\$	%	\$	%	\$	\$
Underwriting Discount	%	\$	%	\$	%	\$	\$
Proceeds to Us Before Expenses (1)	%	\$	%	\$	%	\$	\$

(1) Plus accrued interest from and including _____, 2014.

Currently, there is no public market for the notes. We do not intend to apply for listing of the notes on a securities exchange or for inclusion of the notes on an automated dealer quotation system.

We expect that delivery of the notes will be made to investors in book-entry form only through The Depository Trust Company for the accounts of its participants, including Clearstream Banking, *société anonyme*, and Euroclear Bank S.A./N.V., as operator of the Euroclear System, on or about _____, 2014.

Joint Book-Running Managers

Deutsche Bank Securities

Goldman, Sachs & Co.

J.P. Morgan

Morgan Stanley

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ABOUT THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first part is this prospectus supplement, which describes the specific terms of the notes we are offering and other matters relating to us. The second part is the accompanying prospectus, which gives more general information about securities we may offer from time to time, some of which does not apply to the notes we are offering. If information in the prospectus supplement differs from information in the accompanying prospectus, you should rely on the information in this prospectus supplement. Before investing in the notes, you should read carefully both this prospectus supplement and the accompanying prospectus, together with additional information described under the heading **Where You Can Find More Information and Incorporation of Certain Documents by Reference** below.

Unless otherwise indicated or unless the context requires otherwise, all references in this prospectus supplement to **we**, **us**, **our** or the **Company** mean Cardinal Health, Inc., an Ohio corporation, and its consolidated subsidiaries, and references to **Cardinal Health** refer to Cardinal Health, Inc., excluding its consolidated subsidiaries.

You should rely only on the information contained or incorporated by reference in this prospectus supplement, the accompanying prospectus or any free writing prospectus prepared by the Company. We do not, and the underwriters and their affiliates do not, take any responsibility for, and can provide no assurance as to the reliability of, any information that others may provide to you. You should not assume that the information contained or incorporated by reference in this prospectus supplement or in the accompanying prospectus is accurate as of any date other than the date on the front of that document, unless otherwise noted in such documents. Our business, financial condition, results of operations and prospects may have changed since those dates.

The distribution of this prospectus supplement and the accompanying prospectus and the offering of the notes in certain jurisdictions may be restricted by law. We are not making an offer of the notes in any jurisdiction where the offer is not permitted. Persons who come into possession of this prospectus supplement and the accompanying prospectus should inform themselves about and observe any such restrictions. This prospectus supplement and the accompanying prospectus do not constitute, and may not be used in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

You should not consider any information in this prospectus supplement or the accompanying prospectus to be investment, legal or tax advice. You should consult your own counsel, accountant and other advisors for legal, tax, business, financial and related advice regarding the purchase of the notes. We are not making any representation to you regarding the legality of an investment in the notes by you under applicable investment or similar laws.

Table of Contents**WHERE YOU CAN FIND MORE INFORMATION AND INCORPORATION****OF CERTAIN DOCUMENTS BY REFERENCE**

We file annual, quarterly and current reports, proxy statements and other information with the Securities and Exchange Commission (the SEC). The SEC allows us to incorporate by reference the information we file with it, which means that we can disclose important business and financial information to you that is not included in or delivered with this prospectus supplement and the accompanying prospectus by referring you to publicly filed documents that contain the omitted information. Our SEC filings are available on the Internet at the SEC's website at <http://www.sec.gov>. You may also read and copy any document we file at the SEC's public reference room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for more information on the public reference room and its copy charges. You may also inspect our SEC reports and other information at the New York Stock Exchange, 20 Broad Street, New York, New York 10005. Documents may also be available on our website at <http://www.ir.cardinalhealth.com>. All references to <http://www.cardinalhealth.com> in this prospectus supplement and the accompanying prospectus are inactive textual references only and the information contained on our website is not incorporated by reference into this prospectus supplement and the accompanying prospectus. You may also request a copy of these filings, at no cost, by writing or telephoning us as follows: Cardinal Health, Inc., 7000 Cardinal Place, Dublin, Ohio 43017, (614) 757-3996 Attention: Investor Relations. Exhibits to the filings will not be sent unless those exhibits have been specifically incorporated by reference in this prospectus supplement or the accompanying prospectus.

We have filed with the SEC an automatic shelf registration statement on Form S-3 under the Securities Act of 1933, as amended (the Securities Act), as a well-known seasoned issuer (as defined in Rule 405 under the Securities Act) covering the securities described in this prospectus supplement and the accompanying prospectus. This prospectus supplement and the accompanying prospectus do not contain all of the information included in the registration statement, some of which is contained in exhibits included with or incorporated by reference into the registration statement. The registration statement, including the exhibits contained or incorporated by reference therein, can be read at the SEC's website or at the SEC offices referred to above. Any statement made in this prospectus supplement or the accompanying prospectus concerning the contents of any contract, agreement or other document is only a summary of the actual contract, agreement or other document. If we have filed or incorporated by reference any contract, agreement or other document as an exhibit to the registration statement, you should read the exhibit for a more complete understanding of the document or matter involved. Each statement regarding a contract, agreement or other document is qualified in its entirety by reference to the actual document.

We incorporate by reference the following documents filed with the SEC by us and any future filings we make with the SEC after the date of this prospectus supplement under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended (the Exchange Act), until we complete our offering of the securities offered by this prospectus supplement and the accompanying prospectus. We are not incorporating by reference any documents or portions thereof, whether specifically listed below or filed in the future, that are not deemed filed with the SEC (including the Current Reports on Form 8-K listed below), unless otherwise specified.

SEC Filings	Period/Date
Annual Report on Form 10-K	Fiscal Year ended June 30, 2014, filed with the SEC on August 13, 2014.
Quarterly Reports on Form 10-Q	Quarter ended September 30, 2014, filed with the SEC on November 5, 2014.
Current Reports on Form 8-K	Dated July 31, 2014 and filed with the SEC on August 6, 2014, and dated September 9, 2014 and filed with the SEC on September 11, 2014.

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SEC Filings

Period/Date

Definitive Proxy Statement on Schedule 14A Filed with the SEC on September 16, 2014 and on October 23, 2014 for the 2014 Annual Meeting of Shareholders (other than the information set forth under the headings Human Resources and Compensation Committee Report and Shareholder Performance Graph).

Any statement contained or incorporated by reference in this prospectus supplement and the accompanying prospectus shall be deemed to be modified or superseded for purposes of this prospectus supplement and the accompanying prospectus to the extent that a statement contained herein or therein, or in any subsequently filed document which also is incorporated by reference herein or therein, modifies or supersedes such earlier statement. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this prospectus supplement and the accompanying prospectus.

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INFORMATION CONCERNING FORWARD-LOOKING STATEMENTS

This prospectus supplement, the accompanying prospectus, our filings with the SEC, including our Annual Report on Form 10-K for the fiscal year ended June 30, 2014 (the "2014 Form 10-K"), our Annual Report to Shareholders, any of our Quarterly Reports on Form 10-Q or any of our Current Reports on Form 8-K (together with any exhibits to such reports as well as any amendments to such reports), our press releases, or any other written or oral statements made by or on behalf of us, may include directly or by incorporation by reference, forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and Section 27A of the Securities Act. These statements reflect our view (as of the date such forward-looking statement is first made) with respect to future events, prospects, projections or financial performance. The matters discussed in these forward-looking statements are subject to certain risks and uncertainties and other factors that could cause actual results to differ materially from those projected, anticipated or implied in or by such statements. These risks and uncertainties include, but are not limited to:

competitive pressures in the markets in which we operate, including pricing pressures;

increasing consolidation in the healthcare industry, which could give the resulting enterprises greater bargaining power and may increase pressure on prices for our products and services;

uncertainties due to government healthcare reform;

changes to the prescription drug reimbursement formula and related reporting requirements for generic pharmaceuticals under Medicaid;

material reductions in purchases, non-renewal or early termination of contracts or delinquencies, defaults or insolvencies by key customers;

risks associated with the generic sourcing joint venture with CVS Health Corporation, including those relating to our ability to realize the expected benefits from the joint venture;

actions of regulatory bodies and other governmental authorities, including the U.S. Drug Enforcement Administration ("DEA"), the U.S. Food and Drug Administration, the U.S. Nuclear Regulatory Commission, the U.S. Department of Health and Human Services, the U.S. Federal Trade Commission, various state boards of pharmacy, state health departments, state insurance departments or comparable agencies or foreign equivalents that could delay, limit or suspend product development, manufacturing, distribution, importation or sales or result in warning letters, recalls, seizures, injunctions and monetary sanctions;

the possibility of civil fines levied against us (in excess of the reserve we have accrued) by the U.S. Department of Justice for conduct covered by the settlement agreement that we entered into in connection with the DEA's suspension of our Lakeland, Florida distribution center's registration to distribute controlled substances;

the loss of, or default by, one or more key suppliers for which alternative suppliers may not be readily available;

unfavorable changes to the terms of key customer or supplier relationships, or changes in customer mix;

changes in manufacturers pricing, selling, inventory, distribution or supply policies or practices;

changes in hospital buying groups or hospital buying practices;

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changes in the frequency or magnitude of brand or generic pharmaceutical price appreciation, restrictions in the amount of inventory available to us, or changes in the timing or frequency of generic launches or the introduction of brand pharmaceuticals;

uncertainties relating to market conditions for pharmaceuticals;

uncertainties relating to demand for our products and services;

changes in the distribution or outsourcing pattern for pharmaceutical and medical/surgical products and services, including an increase in direct and limited distribution;

the costs, difficulties and uncertainties related to the integration of acquired businesses, including liabilities relating to the operations or activities of such businesses prior to their acquisition;

uncertainties relating to our ability to achieve the anticipated results from the acquisitions of Access Closure, Inc. and Sonexus Health;

uncertainties relating to our ability to achieve the anticipated results from the acquisition of AssuraMed, Inc. and the impact on this acquired business of competitive bidding by Medicare;

risks arising from certain of our businesses being Medicare-certified suppliers and participating in state Medicaid programs, which may require meeting defined quality standards and maintaining accreditation to receive reimbursement as well as compliance with applicable billing, payment and record-keeping requirements;

uncertainties relating to the growth of the pharmaceutical market in China;

risks arising from possible violations of the U.S. Foreign Corrupt Practices Act, Chinese anti-corruption laws and other similar anti-corruption laws in other jurisdictions and U.S. and foreign export control, trade embargo and customs laws;

risks arising from possible violations of healthcare fraud and abuse laws;

our ability to introduce and market new products and our ability to keep pace with advances in technology;

our ability to maintain adequate intellectual property protections;

changes in laws or in the interpretation or application of laws or regulations, as well as possible failures to comply with applicable laws or regulations as a result of possible misinterpretations or misapplications;

the continued financial viability and success of our customers and suppliers;

costs or claims resulting from potential errors or defects in our manufacturing of medical devices and other products or in our compounding, repackaging, information systems or pharmacy management services that may injure persons or damage property or operations, including costs from remediation efforts or recalls;

the results, costs, effects or timing of any commercial disputes, government contract compliance matters, patent infringement claims, *qui tam* actions or other legal proceedings;

the costs, effects, timing or success of restructuring programs or plans;

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significant changes to earnings if goodwill or intangible assets become impaired;

increased costs for commodities used in the Medical segment, including various components, compounds, raw materials or energy such as oil-based resins, cotton, latex and other commodities;

shortages in commodities, components, compounds, raw materials or energy used by our businesses, including supply disruptions of radioisotopes;

the risks of counterfeit products in the supply chain;

risks associated with global operations, including the effect of local economic environments, inflation, recession, currency volatility and global competition, in addition to risks associated with compliance with U.S and international laws relating to global operations;

difficulties or delays in the development, production, manufacturing, sourcing and marketing of new or existing products and services, including difficulties or delays associated with obtaining requisite regulatory consents or approvals associated with those activities;

disruption or damage to or failure of our information or controls systems or a data security breach;

disruptions to the proper functioning of our critical facilities, including our national logistics center;

uncertainties relating to general political, business, industry, regulatory and market conditions;

adverse changes in U.S. or foreign tax laws, unfavorable challenges to our tax positions and payments to settle these challenges;
and

other factors described in Item 1A-Risk Factors of the 2014 Form 10-K.

The words expect, anticipate, intend, plan, believe, will, should, could, would, project, continue, likely, and similar expressions identify forward-looking statements, which speak only as of the date the statements were made, and also include statements reflecting future results or guidance, statements of outlook and expense accruals. We undertake no obligation to update or revise any forward-looking statements, except to the extent required by applicable law.

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SUMMARY

The following summary highlights selected information contained elsewhere in this prospectus supplement, the accompanying prospectus and in the documents incorporated by reference in this prospectus supplement and does not contain all the information you will need in making your investment decision. You should read carefully this entire prospectus supplement, the accompanying prospectus and the documents incorporated by reference in this prospectus supplement. See Where You Can Find More Information and Incorporation of Certain Documents by Reference in this prospectus supplement.

The Company

Cardinal Health, Inc. is an Ohio corporation formed in 1979. We are a healthcare services company providing pharmaceutical and medical products and services that help pharmacies, hospitals and other healthcare providers focus on patient care while reducing costs, enhancing efficiency and improving quality. We also provide medical products to patients in the home.

The mailing address of our executive offices is 7000 Cardinal Place, Dublin, Ohio 43017, and our telephone number is (614) 757-5000.

For additional information concerning our business and affairs and descriptions of certain laws and regulations to which we may be subject, please refer to the information in the documents incorporated by reference in this prospectus supplement and the accompanying prospectus.

Concurrent Notes Redemption

Prior to the closing of this offering, we intend to deliver notice to The Bank of New York Mellon Trust Company, N.A., as the trustee for our 4.00% Notes due 2015, 5.80% Notes due 2016, 5.85% Notes due 2017 and 6.00% Notes due 2017, to redeem all of the \$1,139 million aggregate principal amount outstanding of such notes (the Notes Redemption) at a redemption price equal to 100% of the principal amount of the applicable series of notes being redeemed and any accrued but unpaid interest thereon to, but excluding, the redemption date, plus the make-whole premium applicable to each series of notes. We intend to fund the Notes Redemption from the net proceeds of this offering, together with cash on hand to the extent needed.

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The Offering

The following summary is provided solely for your convenience. The summary is not intended to be complete. You should read the full text and more specific details contained elsewhere in this prospectus supplement. For a more detailed description of the notes, see Description of the Notes.

Issuer Cardinal Health, Inc.

Notes Offered \$ aggregate principal amount of % notes due 2019.
 \$ aggregate principal amount of % notes due 2024.

\$ aggregate principal amount of % notes due 2044.

Interest % per year for the 2019 notes.
 % per year for the 2024 notes.

% per year for the 2044 notes.

Maturity , 2019 for the 2019 notes.
 , 2024 for the 2024 notes.

, 2044 for the 2044 notes.

Interest Payment Dates and of each year, commencing , 2015.

Record Dates and .

Optional Redemption We may redeem the notes of a series, in whole at any time or in part from time to time, prior to their maturity, at our option. If we elect to redeem the 2019 notes, the 2024 notes before , 2024 (three months prior to their maturity) or the 2044 notes before , 2044 (six months prior to their maturity), we will pay a redemption price equal to the greater of the principal amount of such notes and the make-whole price described under Description of the Notes Optional Redemption in this prospectus supplement, plus, in each case, accrued and unpaid interest, if any, to, but excluding, the date of redemption.

If we elect to redeem the 2024 notes or the 2044 notes on or after the applicable date set forth in the immediately preceding sentence, we will pay an amount equal to 100% of the principal amount of the notes redeemed, plus accrued and unpaid interest, if any, to, but excluding, the date of redemption.

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See Description of the Notes Optional Redemption.

Change of Control Repurchase Event

Upon the occurrence of a change of control repurchase event, we will be required to make an offer to purchase the notes at a price equal to 101% of the principal amount of the notes, plus accrued and unpaid interest, if any, to, but excluding, the date of repurchase. See Description of the Notes Repurchase at the Option of Holders Upon a Change of Control.

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Ranking	<p>The notes will be senior unsecured debt obligations of Cardinal Health. The notes will rank equally with all of Cardinal Health's existing and future senior unsecured debt and senior to all of Cardinal Health's existing and future subordinated debt. As of September 30, 2014, Cardinal Health had outstanding approximately \$4,007 million of unsecured indebtedness and guarantees of subsidiary indebtedness for borrowed money with which the notes would rank equally.</p> <p>The notes will be effectively subordinated to the liabilities of Cardinal Health's subsidiaries, including trade payables. As of September 30, 2014, Cardinal Health's subsidiaries had approximately \$520 million of indebtedness for borrowed money (\$188 million of which is guaranteed by Cardinal Health) and Cardinal Health's subsidiaries had an aggregate of approximately \$12.0 billion of trade payables, to which the notes would be effectively subordinated.</p>
Form of Notes	<p>The notes of each series will initially be represented by one or more global notes, registered in the name of Cede & Co., the nominee of The Depository Trust Company (DTC). The notes of each series will be issued in denominations of \$2,000 and integral multiples of \$1,000 in excess thereof.</p>
Use of Proceeds	<p>We estimate that the net proceeds from the sale of the notes, after deducting the underwriting discount and estimated unreimbursed offering expenses, will be approximately \$. We plan to use the net proceeds from the offering, together with cash on hand to the extent needed, to fund the Notes Redemption. See Use of Proceeds.</p>
Further Issuances	<p>We may from time to time, without the notice to or consent of the holders of the notes, create and issue additional notes ranking equally and ratably in all respects with the notes offered by this prospectus supplement, having the same terms and conditions (other than the issue date, the price to public, and if applicable, the first interest payment date) as each series of notes, so that such issuance shall be consolidated and form a single series with the outstanding 2019 notes, 2024 notes or 2044 notes, as the case may be.</p>
Risk Factors	<p>See Risk Factors beginning on page S-5 and the section entitled Risk Factors in our Annual Report on Form 10-K for the fiscal year ended June 30, 2014 for discussion of factors you should carefully consider before deciding to invest in the notes.</p>
Trustee	<p>The Bank of New York Mellon Trust Company, N.A.</p>
Governing Law	<p>The notes will be, and the indenture pursuant to which we will issue the notes is, governed by the laws of the State of New York.</p>

Table of Contents**Summary Financial Information**

In the table below, we provide you with our summary financial information, which is derived from our consolidated financial statements. The information is only a summary and should be read together with the financial information incorporated by reference into this prospectus supplement and the accompanying prospectus. See *Where You Can Find More Information and Incorporation of Certain Documents by Reference* in this prospectus supplement.

	At or for the Three Months Ended September 30, 2014		At or for the Fiscal Year Ended June 30, 2013 (1)		
	2014 (unaudited)	2013	2014	2013 (1)	2012
(in millions, except per share amounts)					
Earnings Data:					
Revenue	\$ 24,070	\$ 24,523	\$ 91,084	\$ 101,093	\$ 107,552
Earnings from continuing operations	\$ 266	\$ 340	\$ 1,163	\$ 335	\$ 1,070
Earnings/(loss) from discontinued operations		(1)	3	(1)	(1)
Net earnings	\$ 266	\$ 339	\$ 1,166	\$ 334	\$ 1,069
Basic earnings per common share					
Continuing operations	\$ 0.79	\$ 1.00	\$ 3.41	\$ 0.98	\$ 3.10
Discontinued operations			0.01		
Net basic earnings per common share	\$ 0.79	\$ 1.00	\$ 3.42	\$ 0.98	\$ 3.10
Diluted earnings per common share					
Continuing operations	\$ 0.78	\$ 0.99	\$ 3.37	\$ 0.97	\$ 3.06
Discontinued operations			0.01		
Net diluted earnings per common share	\$ 0.78	\$ 0.99	\$ 3.38	\$ 0.97	\$ 3.06
Cash dividends declared per common share	\$ 0.3425	\$ 0.3025	\$ 1.2500	\$ 1.0900	\$ 0.8825
Balance Sheet Data:					
Total assets	\$ 25,711	\$ 23,816	\$ 26,033	\$ 25,819	\$ 24,260
Long-term obligations, less current portion	\$ 3,164	\$ 3,693	\$ 3,171	\$ 3,686	\$ 2,418
Shareholders' equity	\$ 6,256	\$ 6,297	\$ 6,401	\$ 5,975	\$ 6,244

- (1) During the fourth quarter of fiscal 2013, we recognized a non-cash goodwill impairment charge of \$829 million (\$799 million, net of tax) related to our Nuclear Pharmacy Services division.

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RISK FACTORS

Investing in our notes involves various risks. There are a number of factors, including those described below and in our Annual Report on Form 10-K for the fiscal year ended June 30, 2014, as they may be amended, updated or modified periodically in our reports filed with the SEC, that could materially and adversely affect our results of operations, financial condition, liquidity and cash flows. You should carefully consider the risks and uncertainties described below and the other information in this prospectus supplement and the accompanying prospectus and in the documents incorporated by reference before deciding whether to purchase Cardinal Health's notes. These risks are not the only risks that we face. Our business operations could also be affected by additional factors that are not presently known to us or that we currently consider to be immaterial to our operations.

Risks Related to our Business

You should carefully review all the information under the heading "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended June 30, 2014.

Risks Related to the Offering

The notes will be effectively subordinated to all existing and future liabilities of Cardinal Health's subsidiaries.

Cardinal Health conducts nearly all of its operations through subsidiaries and it expects that it will continue to do so. As a result, the right of Cardinal Health to participate as a shareholder in any distribution of assets of any subsidiary upon such subsidiary's liquidation or reorganization or otherwise and the ability of holders of the notes to benefit as creditors of Cardinal Health from any such distribution are subject to the prior claims of creditors of the subsidiary. As of September 30, 2014, Cardinal Health had outstanding approximately \$4,007 million of unsecured indebtedness and guarantees of subsidiary indebtedness for borrowed money with which the notes would rank equally. As of such date, Cardinal Health's subsidiaries had outstanding approximately \$520 million of indebtedness for borrowed money (\$188 million of which is guaranteed by Cardinal Health) and Cardinal Health's subsidiaries had an aggregate of approximately \$12.0 billion of trade payables to which the notes would be effectively subordinated.

Cardinal Health currently has no secured debt. To the extent Cardinal Health were to incur any secured debt, the notes would effectively rank junior in right of payment to such secured debt of Cardinal Health to the extent of the value of the assets securing such debt.

Active trading markets for the notes may not develop.

The notes are new issues of securities with no established trading market. We do not intend to apply for listing of the notes on any securities exchange or for inclusion of the notes on any automated dealer quotation system. If no active trading markets develop, you may not be able to resell your notes at their fair market value or at all. Future trading prices of the notes will depend on many factors, including, among other things, prevailing interest rates, our financial condition and the markets for similar securities. The condition of the financial markets and prevailing market rates have fluctuated in the past and are likely to fluctuate in the future, which could have an adverse effect on the market price of the notes. We have been informed by the underwriters that they currently intend to make a market in the notes of each series after this offering is completed. However, the underwriters may cease their market-making at any time at their discretion without notice.

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We may not be able to repurchase the notes upon a change of control.

Upon the occurrence of a change of control repurchase event, we will be required to offer to repurchase all outstanding notes at 101% of the aggregate principal amount plus accrued and unpaid interest, if any, to the date of repurchase. However, it is possible that we will not have sufficient funds at the time of the change of control (as defined herein) to make the required repurchase of notes or that restrictions in our then-existing debt instruments will not allow such repurchases. See Description of the Notes Repurchase at the Option of Holders Upon a Change of Control.

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The following table sets forth our short-term obligations and capitalization at September 30, 2014 (1) on an actual basis, and (2) as adjusted to reflect the issuance and sale of the notes offered hereby and the Notes Redemption. You should read this table together with our audited financial statements incorporated by reference in this prospectus supplement and the accompanying prospectus. See *Where You Can Find More Information and Incorporation of Certain Documents by Reference* in this prospectus supplement.

	As of September 30, 2014	
	Actual (unaudited, in millions)	As Adjusted
Short-term obligations:		
4.000% Notes due 2015 (1)	\$ 510	\$
Other short-term borrowings	333	333
Total short-term obligations	\$ 843	\$ 333
Long-term obligations:		
% Notes due 2019 offered hereby		
% Notes due 2024 offered hereby		
% Notes due 2044 offered hereby		
1.700% Notes due 2018	400	400
3.200% Notes due 2023	549	549
4.600% Notes due 2043	349	349
1.900% Notes due 2017	250	250
3.200% Notes due 2022	248	248
4.625% Notes due 2020	524	524
5.80% Notes due 2016 (1)	300	
5.85% Notes due 2017 (1)	158	
6.00% Notes due 2017 (1)	196	
7.00% Debentures due 2026	124	124
7.80% Debentures due 2016	37	37
Other long-term obligations, including capital leases	29	29
Total long-term obligations	\$ 3,164	\$
Shareholders' equity:		
Preferred Shares, without par value; Authorized 500 thousand shares; Issued none	\$	\$
Common shares, without par value; Authorized 755 million shares; Issued 364 million shares	2,948	2,948
Retained earnings	4,925	4,925
Common shares in treasury, at cost 30 million shares	(1,663)	(1,663)
Accumulated other comprehensive income	46	46
Total shareholders' equity	\$ 6,256	\$ 6,256
Total capitalization	\$ 10,263	\$

(1) The As Adjusted amount assumes that we redeem all of the outstanding 4.00% Notes due 2015, 5.80% Notes due 2016, 5.85% Notes due 2017 and 6.00% Notes due 2017 pursuant to their respective terms from the net proceeds from this offering.

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USE OF PROCEEDS

We estimate that the net proceeds from the sale of the notes, after deducting the underwriting discount and estimated unreimbursed expenses, will be approximately \$. We intend to use the net proceeds from the offering, together with cash on hand to the extent needed, to fund the redemption of all the outstanding 4.00% Notes due 2015, 5.80% Notes due 2016, 5.85% Notes due 2017 and 6.00% Notes due 2017 at a redemption price equal to 100% of the principal amount of the applicable series of notes being redeemed and any accrued but unpaid interest thereon to, but excluding, the redemption date, plus the make-whole premium applicable to each series of notes. Any such redemption would be made in accordance with the terms of the applicable indenture, including providing the required notice of redemption.

We will temporarily invest the net proceeds from the sale of the notes in short-term, liquid investments until they are used for their stated purpose.

The interest rates and maturity of the indebtedness that the Company plans to discharge pursuant to the Notes Redemption is as follows: 4.00% Notes due June 15, 2015, 5.80% Notes due October 15, 2016, 5.85% Notes due December 15, 2017 and 6.00% Notes due June 15, 2017.

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DESCRIPTION OF THE NOTES

The following information about the notes supplements, and should be read in conjunction with, the statements under Description of Debt Securities in the accompanying prospectus. Terms not defined herein are used as defined in the indenture referred to below. You should also read the entire indenture and terms of the notes before you make any investment decision because they and not this description, define your rights as a holder of the notes.

The 2019 notes, the 2024 notes and the 2044 notes will be issued as separate series of senior unsecured debt securities under an indenture dated as of June 2, 2008 (the indenture) between Cardinal Health and The Bank of New York Mellon Trust Company, N.A., as trustee (the trustee). The indenture provides that the debt securities may be issued from time to time in one or more series with different terms. The indenture does not limit the aggregate amount of debt securities that may be issued or any other debt that may be incurred by Cardinal Health. A default in our obligations with respect to any other indebtedness will not constitute a default or an event of default with respect to the debt securities. The indenture does not contain any covenants or provisions that afford holders of debt securities protection in the event of a highly leveraged transaction. Reference is made to the accompanying prospectus for a description of other terms of the debt securities. The indenture and the notes are governed by New York law.

The 2019 notes will be limited initially to \$ aggregate principal amount, the 2024 notes will be limited initially to \$ aggregate principal amount and the 2044 notes will be limited initially to \$ aggregate principal amount. The 2019 notes will mature on , 2019, the 2024 notes will mature on , 2024 and the 2044 notes will mature on , 2044. Interest on the notes will accrue from , 2014, and will be payable semi-annually on and , commencing , 2015, to the persons in whose names the notes are registered at the close of business on or prior to the payment date at the annual rate for each series set forth on the cover page of this prospectus supplement.

Cardinal Health may, at any time, without notice to or the consent of the holders of the notes, create and issue additional notes having the same ranking and the same interest rate, maturity and other terms as the notes of each series (other than the date of issuance, price to public, and, under certain circumstances, the first interest payment date following the issue date of such additional notes). Any such additional notes, together with the notes of the applicable series offered by this prospectus supplement, will each form a single series of the notes under the indenture.

Cardinal Health may from time to time issue other series of debt securities under the indenture consisting of notes or other unsecured evidences of indebtedness, but, unless otherwise indicated, such other series will be separate from and independent of the notes.

The notes will not be entitled to the benefit of any sinking fund.

The notes of each series will initially be represented by one or more global notes (each, a global note), in registered form, without coupons, in denominations of \$2,000 or an integral multiple of \$1,000 in excess thereof as described under Book-Entry System.

There is no public trading market for the notes, and we do not intend to apply for listing of the notes on a securities exchange or for inclusion of the notes on an automated quotation system.

Ranking of Notes

The notes will be senior unsecured obligations of Cardinal Health and will rank equally in right of payment with all of Cardinal Health's existing and future senior unsecured indebtedness. The notes will also effectively rank junior in right of payment to any secured debt of Cardinal Health to the extent of the value of the assets securing such indebtedness.

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Cardinal Health conducts nearly all of its operations through subsidiaries and it expects that it will continue to do so. As a result, the right of Cardinal Health to participate as a shareholder in any distribution of assets of any subsidiary upon its liquidation or reorganization or otherwise and the ability of holders of the notes to benefit as creditors of Cardinal Health from any distribution are subject to the prior claims of creditors of the subsidiary. As of September 30, 2014, Cardinal Health had outstanding approximately \$4,007 million of unsecured indebtedness and guarantees of subsidiary indebtedness for borrowed money with which the notes would rank equally. As of such date, Cardinal Health's subsidiaries had outstanding approximately \$520 million of indebtedness for borrowed money (\$188 million of which is guaranteed by Cardinal Health) and Cardinal Health's subsidiaries had an aggregate of approximately \$12.0 billion of trade payables to which the notes would be effectively subordinated.

Cardinal Health currently has no secured debt. To the extent Cardinal Health were to incur any secured debt, the notes would effectively rank junior in right of payment to such secured debt of Cardinal Health to the extent of the value of the assets securing such debt.

Optional Redemption

We may redeem the notes of a series, in whole at any time or in part from time to time, prior to their maturity, at our option. If we elect to redeem the 2019 notes, the 2024 notes before _____, 2024 (three months prior to their maturity) or the 2044 notes before _____, 2044 (six months prior to their maturity), we will pay a redemption price equal to the greater of:

- (1) 100% of the principal amount of the notes to be redeemed, or
- (2) as determined by a quotation agent, the sum of the present values of the remaining scheduled payments of principal and interest thereon in the case of the 2019 notes, or in the case of the 2024 notes or the 2044 notes, the sum of the present values of the remaining scheduled payments of principal and interest thereon that would be due if the notes of such series matured on the applicable Par Call Date, (exclusive of interest accrued to the date of redemption) discounted to the date of redemption on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the adjusted treasury rate plus _____ basis points for the 2019 notes, _____ basis points for the 2024 notes and _____ basis points for the 2044 notes, plus, in each case, accrued and unpaid interest, if any, on the amount being redeemed to, but excluding, the date of redemption.

If we elect to redeem the 2024 notes or the 2044 notes on or after the applicable date set forth in the immediately preceding sentence, we will pay an amount equal to 100% of the principal amount of the notes redeemed, plus accrued and unpaid interest, if any, to, but excluding, the date of redemption.

Notwithstanding the foregoing, installments of interest on a series of notes being redeemed that are due and payable on interest payment dates falling on or prior to a redemption date will be payable on the interest payment date to the registered holders as of the close of business on the relevant record date according to such series of notes and the Indenture.

Adjusted treasury rate means, with respect to any redemption date, the rate per year equal to the semi-annual equivalent yield to maturity of the comparable treasury issue, assuming a price for the comparable treasury issue (expressed as a percentage of its principal amount) equal to the comparable treasury price for such redemption date.

Comparable treasury issue means the United States Treasury security selected by a quotation agent as having a maturity comparable to the remaining term of the notes (assuming for this purpose that the 2024 notes and the 2044 notes matured on the applicable Par Call Date) to be redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining terms of such notes.

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Comparable treasury price means, with respect to any redemption date,

(1) the average of three reference treasury dealer quotations for such redemption date, after excluding the highest and lowest such reference treasury dealer quotations, or

(2) if we obtain fewer than three such reference treasury dealer quotations, the average of all such quotations.

Par Call Date means (i) with respect to the 2024 notes, , 2024 (three months prior to their maturity) and (ii) with respect to the 2044 notes, , 2044 (six months prior to their maturity).

Quotation agent means the reference treasury dealer appointed by Cardinal Health.

Reference treasury dealer means,

(1) Deutsche Bank Securities Inc., Goldman, Sachs & Co., J.P. Morgan Securities LLC and Morgan Stanley & Co. LLC (or their respective affiliates that are primary treasury dealers) and their respective successors; provided, however, that if any of the foregoing shall cease to be a primary U.S. Government securities dealer in the United States (a primary treasury dealer), Cardinal Health shall substitute therefor another primary treasury dealer, and

(2) any other primary treasury dealer selected by Cardinal Health.

Reference treasury dealer quotation means, with respect to each reference treasury dealer and any redemption date, the average, as determined by Cardinal Health, of the bid and asked prices for the comparable treasury issue (expressed in each case as a percentage of its principal amount) quoted in writing by such reference treasury dealer at 5:00 p.m., New York City time on the third business day preceding such redemption date.

Notice to holders of notes to be redeemed will be delivered electronically or by first-class mail at least 30 and not more than 60 days prior to the date fixed for redemption. Unless Cardinal Health defaults in payment of the redemption price, on and after the redemption date interest will cease to accrue on the notes or portions thereof called for redemption.

Repurchase at the Option of Holders Upon a Change of Control

If a change of control repurchase event occurs, unless we have exercised our right to redeem the notes in full as described above, we will make an offer to each holder of notes to repurchase all or any part (equal to \$2,000 or in integral multiples of \$1,000 in excess thereof) of that holder's notes at a repurchase price in cash equal to 101% of the aggregate principal amount of notes repurchased plus accrued and unpaid interest, if any, on the notes repurchased to, but excluding, the date of purchase. Within 30 days following any change of control repurchase event or, at our option, prior to any change of control, but after the public announcement of the change of control, we will deliver a notice to each holder, with a copy to the trustee, describing the transaction or transactions that constitute or may constitute the change of control repurchase event and offering to repurchase notes on the payment date specified in the notice, which date will be no earlier than 30 days and no later than 60 days from the date such notice is delivered. The notice shall, if delivered prior to the date of consummation of the change of control, state that the offer to purchase is conditioned on the change of control repurchase event occurring on or prior to the payment date specified in the notice. We will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations under the Exchange Act to the extent those laws and regulations are applicable in connection with the repurchase of the notes as a result of a change of control repurchase event. To the extent that the provisions of any securities laws or regulations conflict with the change of control repurchase event provisions of the notes, we will comply with the applicable securities laws and regulations and will not be deemed to have breached our obligations under the change of control repurchase event provisions of the notes by virtue of such conflict.

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On the change of control repurchase event payment date, we will, to the extent lawful:

accept for payment all notes or portions of notes properly tendered pursuant to our offer;

deposit with the paying agent an amount equal to the aggregate purchase price in respect of all notes or portions of notes properly tendered; and

deliver or cause to be delivered to the trustee the notes properly accepted, together with an officers certificate stating the aggregate principal amount of notes being purchased by us.

The paying agent will promptly deliver to each holder of notes properly tendered the purchase price for the notes, and the trustee will promptly authenticate and mail (or cause to be transferred by book-entry) to each holder a new note equal in principal amount to any unpurchased portion of any notes surrendered; provided that each new note will be in a principal amount of \$2,000 or an integral multiple of \$1,000 in excess thereof.

We will not be required to make an offer to repurchase the notes upon a change of control repurchase event if a third party makes such an offer in the manner, at the times and otherwise in compliance with the requirements for an offer made by us and such third party purchases all notes properly tendered and not withdrawn under its offer.

The term below investment grade rating event means the notes are rated below investment grade (defined below) by each of the rating agencies (defined below) on any date from the date of the public notice of an arrangement that could result in a change of control until the end of the 60-day period following public notice of the occurrence of a change of control (which period shall be extended so long as the rating of the notes is under publicly announced consideration for possible downgrade by any of the rating agencies).

The term change of control means the occurrence of any one of the following: (1) the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of our assets taken as a whole to any person (as that term is used in Section 13(d)(3) of the Exchange Act) other than to Cardinal Health or one of its subsidiaries; (2) the consummation of any transaction (including, without limitation, any merger or consolidation) the result of which is that any person (as that term is used in Section 13(d)(3) of the Exchange Act) becomes the beneficial owner, directly or indirectly, of more than 50% of Cardinal Health's voting stock (defined below), measured by voting power rather than number of shares; or (3) the first day on which a majority of the members of Cardinal Health's board of directors cease to be continuing directors. Notwithstanding the foregoing, a transaction will not be deemed to involve a change of control if (i) Cardinal Health becomes a wholly owned subsidiary of a holding company and (ii) the holders of the voting stock of such holding company immediately following that transaction are substantially the same as the holders of Cardinal Health's voting stock immediately prior to that transaction.

The definition of change of control includes a phrase relating to the direct or indirect sale, lease, transfer, conveyance or other disposition of all or substantially all of the properties or assets of Cardinal Health and its subsidiaries taken as a whole. Although there is a limited body of case law interpreting the phrase substantially all, there is no precise established definition of the phrase under applicable law. Accordingly, the applicability of the requirement that we offer to repurchase the notes as a result of a sale, lease, transfer, conveyance or other disposition of less than all of the assets of Cardinal Health and its subsidiaries taken as a whole to another person or group may be uncertain.

The term change of control repurchase event means the occurrence of both a change of control and a below investment grade rating event.

The term continuing director means, as of any date of determination, members of our board of directors who (1) were members of such board of directors on the date of the issuance of the notes; or (2) were nominated for election, elected or appointed to such board of directors with the approval of a majority of the continuing directors who were members of such board of directors at the time of such nomination, election or appointment.

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Under clause (3) of the definition of change of control, a change of control will occur when a majority of the members of Cardinal Health's board of directors cease to be continuing directors. In 2009, the Delaware Court of Chancery held that the occurrence of a change of control under a similar indenture provision may nevertheless be avoided if the existing directors were to approve the slate of new director nominees, provided the incumbent directors gave their approval in the good faith exercise of their fiduciary duties owed to the corporation and its stockholders. It has not been determined under Ohio law whether Cardinal Health's board of directors could similarly approve a slate of dissident director nominees while recommending and endorsing its own slate. If so, in certain circumstances involving a significant change in the composition of Cardinal Health's board of directors, including in connection with a proxy contest where Cardinal Health's board of directors does not endorse a dissident slate of directors but approves the dissident slate as continuing directors, holders of the notes may not be entitled to require Cardinal Health to repurchase the notes.

The term "Fitch," "Moody's" and "S&P" mean Fitch Ratings, Moody's Investors Service, Inc. and Standard & Poor's Ratings Services, a division of McGraw Hill Financial, Inc., respectively.

The term "investment grade" means a rating of BBB or better by Fitch (or its equivalent under any successor rating categories of Fitch); a rating of Baa3 or better by Moody's (or its equivalent under any successor rating categories of Moody's); a rating of BBB or better by S&P (or its equivalent under any successor rating categories of S&P); or the equivalent investment grade credit rating from any additional rating agency (defined below) or rating agencies selected by us.

The term "rating agency" means (1) each of Fitch, Moody's and S&P; and (2) if any of Fitch, Moody's or S&P ceases to rate the notes or fails to make a rating of the notes publicly available for reasons outside of our control, a nationally recognized statistical rating organization within the meaning of Rule 15c3-1(c)(2)(vi)(F) under the Exchange Act, selected by Cardinal Health as a replacement agency for Fitch, Moody's or S&P, or all of them, as the case may be.

The term "voting stock" of any specified person (as that term is used in Section 13(d)(3) of the Exchange Act) as of any date means the capital stock of such person that is at the time entitled to vote generally in the election of the board of directors of such person.

Unless we default in the change of control payment, on and after the change of control payment date, interest will cease to accrue on the notes or portions of the notes tendered for repurchase pursuant to the change of control offer.

Certain Covenants

The indenture contains certain covenants for the benefit of the holders of notes which limit our ability to incur liens, to incur certain subsidiary debt and to enter into certain sale and lease-back, merger, and sale of assets transactions. See "Description of Debt Securities—Certain Covenants" in the accompanying prospectus.

Events of Default

The indenture contains certain events of default. See "Description of Debt Securities—Events of Default" in the accompanying prospectus.

Regarding the Trustee

The Bank of New York Mellon Trust Company, N.A., as trustee under the indenture, has been appointed by us as paying agent, registrar and DTC custodian with regard to the notes. The trustee or its affiliates may from time to time in the future provide banking and other services to us in the ordinary course of their business.

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Book-Entry System

The notes of each series will be issued initially in the form of one or more global notes, in the aggregate principal amount of the issue, that will be deposited with, or on behalf of, DTC, which will act as securities depository for the notes. The notes will be issued as fully registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. DTC and any other depository which may replace DTC as depository for the notes are sometimes referred to herein as the depository. Except under the limited circumstances described below, notes represented by global notes will not be exchangeable for certificated notes.

So long as the depository, or its nominee, is the registered owner of a global note, such depository or such nominee, as the case may be, will be considered the sole registered holder of the individual notes represented by such global note for all purposes under the indenture. Payments of principal of and premium, if any, and any interest on individual notes represented by a global note will be made to the depository or its nominee, as the case may be, as the registered holder of such global note. Except as set forth below, owners of beneficial interests in a global note will not be entitled to have any of the individual notes represented by such global note registered in their names, will not receive or be entitled to receive physical delivery of any such note and will not be considered the registered holder thereof under the indenture, including, without limitation, for purposes of consenting to any amendment thereof or supplement thereto as described in the accompanying prospectus.

Beneficial interests in the global notes will be represented through book-entry accounts of financial institutions acting on behalf of beneficial owners as direct and indirect participants in DTC. Investors may hold interests in the global notes through either DTC (in the United States), Clearstream Banking, société anonyme, Luxembourg (Clearstream), or Euroclear Bank S.A./N.V., as operator of the Euroclear System (Euroclear), in Europe, either directly if they are participants in such systems or indirectly through organizations that are participants in such systems. Clearstream and Euroclear will hold interests on behalf of their participants through customers' securities accounts in Clearstream's and Euroclear's names on the books of their United States depositories, which in turn will hold such interests in customers' securities accounts in the United States depositories' names on the books of DTC.

The following is based on information furnished by DTC:

DTC is a limited-purpose trust company organized under the New York Banking Law, a banking organization within the meaning of the New York Banking Law, a member of the Federal Reserve System, a clearing corporation within the meaning of the New York Uniform Commercial Code, and a clearing agency registered pursuant to the provisions of Section 17A of the Exchange Act. DTC was created to hold securities of its participants and to facilitate the clearance and settlement of securities transactions among its participants in such securities through electronic book-entry changes in accounts of the participants, thereby eliminating the need for physical movement of securities certificates. Direct participants include securities brokers and dealers (including the underwriters), banks, trust companies, clearing corporations, and certain other organizations (Direct Participants). DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation (DTCC). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to DTC's book-entry system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (Indirect Participants). The rules applicable to DTC and its Direct and Indirect Participants are on file with the SEC.

Purchases of notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the notes on DTC's records. The ownership interest of each actual purchaser of each note (Beneficial Owner) is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are, however, expected

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to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the notes are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in notes, except in the event that use of the book-entry system for the notes is discontinued.

To facilitate subsequent transfers, all global notes deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of global notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such notes are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

The laws of some jurisdictions may require that purchasers of securities take physical delivery of those securities in definitive form. Accordingly, the ability to transfer interests in the notes represented by a global note to those persons may be limited. In addition, because DTC can act only on behalf of its participants, who in turn act on behalf of persons who hold interests through participants, the ability of a person having an interest in notes represented by a global note to pledge or transfer those interests to persons or entities that do not participate in DTC's system, or otherwise to take actions in respect of such interest, may be affected by the lack of a physical definitive security in respect of such interest.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the notes unless authorized by a Direct Participant in accordance with DTC's procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Cardinal Health as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal, interest payments and redemption proceeds on the notes will be made to Cede & Co., or such other nominee, as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from us or the trustee, on the payment date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in street name and will be the responsibility of such Participant and not of DTC or its nominee, any Agents, the trustee or Cardinal Health, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, interest and redemption proceeds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Cardinal Health or the trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

None of Cardinal Health, the underwriters or the trustee will have any responsibility or liability for any aspect of the records relating to or payments made on account of notes by DTC, Clearstream or Euroclear, or for maintaining, supervising or reviewing any records of those organizations relating to the notes.

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DTC may discontinue providing its services as depository with respect to the notes at any time by giving reasonable notice to Cardinal Health or the trustee. Under such circumstances, in the event that a successor depository is not obtained, certificated notes are required to be printed and delivered in exchange for the notes represented by the global notes held by DTC.

In addition, Cardinal Health may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, certificated notes will be printed and delivered in exchange for the notes represented by the global notes held by DTC.

Distributions on the notes held beneficially through Clearstream will be credited to cash accounts of its customers in accordance with its rules and procedures, to the extent received by the United States depository for Clearstream.

Securities clearance accounts and cash accounts with Euroclear Bank S.A./N.V., as operator of the Euroclear System, are governed by the Terms and Conditions Governing Use of Euroclear and the related Operating Procedures of the Euroclear System, and applicable Belgian law (collectively, the Terms and Conditions). The Terms and Conditions govern transfers of securities and cash within Euroclear, withdrawals of securities and cash from Euroclear, and receipts of payments with respect to securities in Euroclear. All securities in Euroclear are held on a fungible basis without attribution of specific certificates to specific securities clearance accounts. The Euroclear Operator acts under the Terms and Conditions only on behalf of Euroclear participants and has no record of or relationship with persons holding through Euroclear participants.

Distributions on the notes held beneficially through Euroclear will be credited to the cash accounts of its participants in accordance with the Terms and Conditions, to the extent received by the United States depository for Euroclear.

Same-Day Settlement and Payment

Settlement for the notes will be made by the underwriters in immediately available funds. All payments of principal and interest will be made by us in immediately available funds.

Secondary trading in long-term notes of corporate issuers is generally settled in clearing-house or next-day funds. In contrast, the notes will trade in the Same-Day Funds Settlement System maintained by DTC until maturity, and secondary market trading activity in the notes will therefore be required by DTC to settle in immediately available funds. No assurance can be given as to the effect, if any, of settlement in immediately available funds on trading activity in the notes.

Cross-market transfers between persons holding directly or indirectly through DTC, on the one hand, and directly or indirectly through Clearstream customers or Euroclear participants, on the other, will be effected through DTC in accordance with DTC rules on behalf of the relevant European international clearing system by the United States depository. Such cross-market transactions, however, will require delivery of instructions to the relevant European international clearing system by the counterparty in such system in accordance with its rules and procedures and within its established deadlines (European time). The relevant European international clearing system will, if the transaction meets its settlement requirements, deliver instructions to the United States depository to take action to effect final settlement on its behalf by delivering or receiving the notes in DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Clearstream customers and Euroclear participants may not deliver instructions directly to their United States depositories.

Because of time-zone differences, credits of notes received in Clearstream or Euroclear, as a result of a transaction with a DTC participant will be made during subsequent securities settlement processing and dated the Business Day following the DTC settlement date. Such credits or any transactions in such notes settled during

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such processing will be reported to the relevant Clearstream or Euroclear participants on such Business Day. Cash received in Clearstream or Euroclear as a result of sales of notes by or through a Clearstream participant or a Euroclear participant to a DTC participant will be received with value on the DTC settlement date but will be available in the relevant Clearstream or Euroclear cash account only as of the Business Day following settlement in DTC.

Although DTC, Clearstream and Euroclear have agreed to the foregoing procedures in order to facilitate transfers of notes among participants of DTC, Clearstream and Euroclear, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Cardinal Health believes to be reliable, but Cardinal Health takes no responsibility for the accuracy thereof.

Cardinal Health has provided the descriptions of the operations and procedures of DTC, Clearstream and Euroclear in this prospectus supplement solely as a matter of convenience, and Cardinal Health makes no representation or warranty of any kind with respect to these operations and procedures. These operations and procedures are solely within the control of those organizations and are subject to change by them from time to time. None of Cardinal Health, the underwriters, the trustee, any paying agent or the registrar for the notes will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in a global note or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

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MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES

The following discussion summarizes certain U.S. federal income tax consequences of the acquisition, ownership and disposition of the notes by holders that acquired the notes at issuance at the initial issue price (*i.e.* the initial offering price to the public, excluding bond houses and brokers, at which price a substantial amount of such notes were sold) and hold the notes as capital assets within the meaning of Section 1221 of the Internal Revenue Code of 1986, as amended (the Code), (generally, property held for investment purposes). This discussion is based upon the provisions of the Code, applicable Treasury regulations promulgated thereunder, judicial authority and administrative interpretations, in each case as of the date hereof, all of which are subject to change or differing interpretations, possibly with retroactive effect.

This discussion does not address all U.S. federal income tax considerations that may be relevant to a holder in light of the holder's particular circumstances, or to certain categories of investors that may be subject to special rules, such as banks or other financial institutions, insurance companies, regulated investment companies, tax-exempt organizations, dealers in securities or currencies, U.S. Holders (as defined below) whose functional currency is not the U.S. dollar, partnerships or other pass-through entities for U.S. federal income tax purposes, former U.S. citizens or residents of the United States, or persons who hold the notes as part of a hedge, conversion transaction, straddle or other risk-reduction transaction. This summary does not consider any tax consequences arising under U.S. federal gift, estate or alternative minimum tax law or under the laws of any foreign, state, local or other jurisdiction.

If a partnership (or an entity or arrangement treated as a partnership for U.S. federal income tax purposes) acquires the notes, the U.S. federal income tax consequences of an investment in the notes will depend on the status of the partners and the activities of the partnership. Partnerships that invest in the notes (and partners of such partnerships) are urged to consult their independent tax advisors regarding the U.S. federal income tax consequences of investing in the notes through a partnership.

This summary is intended for general information purposes only. Potential investors are urged to consult their independent tax advisors regarding the U.S. federal, state, local and non-U.S. tax consequences of the acquisition, ownership and disposition of the notes.

Treatment of the notes

In certain circumstances (see Description of the Notes Optional Redemption and Description of the Notes Repurchase at the Option of Holders Upon a Change of Control), we may be obligated to pay amounts in excess of stated interest or principal on the notes. These contingencies could subject the notes to the provisions of the Treasury regulations relating to contingent payment debt instruments. Under these regulations, however, one or more contingencies will not cause a debt instrument to be treated as a contingent payment debt instrument if, as of the issue date, each such contingency is remote or is considered to be incidental. We believe and intend to take the position that the foregoing contingencies should be treated as remote and/or incidental. Our position is binding on a holder, unless the holder discloses in the proper manner to the Internal Revenue Service (IRS) that it is taking a different position. However, this determination is inherently factual and we can give no assurance that our position would be sustained if challenged by the IRS. A successful challenge of this position by the IRS could affect the timing and amount of a holder's income and could cause the gain from the sale or other disposition of a note to be treated as ordinary income, rather than capital gain. The remainder of this discussion assumes that the notes will not be considered contingent payment debt instruments for U.S. federal income tax purposes. Holders are urged to consult their own tax advisors regarding the potential application to the notes of the contingent payment debt instrument rules and the consequences thereof.

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Consequences to U.S. Holders

A U.S. Holder for purposes of this discussion is a beneficial owner of a note that, for U.S. federal income tax purposes, is:

an individual citizen or resident of the United States;

a corporation, (or other entity treated as a corporation for U.S. federal income tax purposes), created in or organized under the laws of the United States, any state thereof or the District of Columbia;

an estate whose income is subject to U.S. federal income taxation regardless of its source; or

a trust (i) if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust or (ii) that has a valid election in effect under applicable Treasury regulations to be treated as a U.S. person.

Interest on the notes

Payments of stated interest on the notes will be included in a U.S. Holder's gross income as ordinary interest income at the time such payments are received or accrued, in accordance with the U.S. Holder's regular method of accounting for U.S. federal income tax purposes.

Disposition of the notes

A U.S. Holder generally will recognize capital gain or loss on the sale, exchange, redemption, retirement or other taxable disposition of a note. This gain or loss will equal the difference between the amount realized by the U.S. Holder in such sale, exchange, redemption, retirement or other taxable disposition and the U.S. Holder's adjusted tax basis in the note. The amount realized by a U.S. Holder for such purposes will equal the proceeds (including cash and the fair market value of any property) received for the note, less any portion of such proceeds attributable to accrued interest on the note, which will be taxable as ordinary interest income to the extent not previously included in gross income. A U.S. Holder's adjusted tax basis in a note generally will equal the cost of the note. Any gain or loss will be long-term capital gain or loss if at the time of disposition, the U.S. Holder's holding period in the note exceeds one year. Long-term capital gains of non-corporate U.S. Holders (including individuals) currently are eligible for taxation at preferential rates. The deductibility of capital losses is subject to limitation.

Additional Tax on Net Investment Income

Certain U.S. Holders that are individuals, estates or trusts are subject to an additional 3.8% U.S. federal income tax on, among other things, interest and capital gains from the sale or other disposition of the notes if their modified adjusted gross income exceeds certain threshold amounts. U.S. Holders should consult their own tax advisors regarding the effect, if any, of this new tax on their ownership and disposition of the notes.

Information reporting and backup withholding

Information reporting will apply to payments of interest on or the proceeds of the sale, exchange, redemption, retirement or other taxable disposition of notes held by a U.S. Holder, unless the U.S. Holder is an exempt recipient and appropriately establishes that exemption. Backup withholding (currently at a rate of 28%) will apply to such payments unless a U.S. Holder provides its correct taxpayer identification number, certified under penalties of perjury, as well as certain other information, or otherwise establishes an exemption from backup withholding. Backup withholding is not an additional tax. Any amount withheld under the backup withholding rules may be allowed as a credit against a U.S. Holder's U.S. federal income tax liability and may entitle such holder to a refund, provided that the required information or appropriate claim form is furnished to the IRS on a timely basis.

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Consequences to non-U.S. Holders

A non-U.S. Holder is a beneficial owner of notes that is neither a U.S. Holder nor a partnership or other pass-through entity for U.S. federal income tax purposes.

Interest on the notes

Subject to the discussion below under **Income or gain effectively connected with a U.S. trade or business**, payments of interest on the notes to a non-U.S. Holder generally will be exempt from U.S. federal income tax (and generally no tax will be withheld) under the **portfolio interest exemption** if such non-U.S. Holder properly certifies as to its foreign status as described below or certain other certification requirements are satisfied, and:

such non-U.S. Holder does not own, actually or constructively, 10% or more of the combined voting power of all classes of our stock entitled to vote; and

such non-U.S. Holder is not a **controlled foreign corporation** that is related to us, within the meaning of Section 864(d)(4) of the Code.

The portfolio interest exemption and several of the special rules for non-U.S. Holders described below generally apply only if a non-U.S. Holder appropriately certifies as to its foreign status. Generally a non-U.S. Holder can meet this certification requirement by providing a properly executed IRS Form W-8BEN or W-8BEN-E, or appropriate substitute form to us or our paying agent certifying under penalty of perjury that such non-U.S. Holder is not a U.S. person as defined in the Code. If a non-U.S. Holder holds the notes through a financial institution or other agent acting on its behalf, such holder may be required to provide appropriate certifications to the agent. Such agent will then generally be required to provide appropriate certifications to us or our paying agent, either directly or through other intermediaries.

If a non-U.S. Holder does not qualify for the portfolio interest exemption and the interest is not effectively connected with the non-U.S. Holder's conduct of a trade or business within the United States (see **Income or gain effectively connected with a U.S. trade or business**), payments of interest made to such non-U.S. Holder will be subject to U.S. federal withholding tax at a rate of 30% (or lower applicable treaty rate).

Disposition of the notes

A non-U.S. Holder generally will not be subject to U.S. federal income tax (and generally no tax will be withheld) on any gain realized on the sale, redemption, exchange, retirement or other taxable disposition of a note unless:

the gain is effectively connected with the conduct by such non-U.S. Holder of a U.S. trade or business (and, if required by an applicable income tax treaty, is attributable to a U.S. permanent establishment or fixed base of the non-U.S. Holder); or

such non-U.S. Holder is an individual who has been present in the United States for 183 days or more in the taxable year of disposition and certain other requirements are met. Such individual non-U.S. Holder will be subject to a flat 30% U.S. federal income tax (or reduced rate under an applicable income tax treaty) on the gain derived from the sale, which may be offset by certain U.S.-source capital losses, provided that the non-U.S. Holder timely files a U.S. federal income tax return reporting those losses.

Table of Contents***Income or gain effectively connected with a U.S. trade or business***

If any interest on the notes or gain from the sale, exchange, redemption, retirement or other taxable disposition of the notes is effectively connected with a U.S. trade or business conducted by a non-U.S. Holder (and, if required by an applicable income tax treaty, is attributable to a U.S. permanent establishment or fixed base of such non-U.S. Holder), then such interest or gain will be subject to U.S. federal income tax on a net income basis at the graduated income tax rates applicable to U.S. persons generally, but will not be subject to withholding tax if certain certification requirements are satisfied. A non-U.S. Holder generally can meet the certification requirements by providing a properly executed IRS Form W-8ECI or appropriate substitute form to us, or our paying agent. If a non-U.S. Holder is a corporation, the portion of its earnings and profits that is effectively connected with its U.S. trade or business (and, if required by an applicable income tax treaty, is attributable to a U.S. permanent establishment or fixed base of the non-U.S. Holder) also may be subject to an additional branch profits tax at a 30% rate (or reduced rate under an applicable income tax treaty).

Information reporting and backup withholding

Payments to a non-U.S. Holder of interest on a note and amounts withheld from such payments, if any, generally will be required to be reported to the IRS and to such non-U.S. Holder. Backup withholding generally will not apply to payments of interest and principal on a note to a non-U.S. Holder if certification, such as an IRS Form W-8BEN or W-8BEN-E described above in *Consequences to non-U.S. Holders* Interest on the notes, is duly provided by the holder or the holder otherwise establishes an exemption, provided that we do not have actual knowledge or reason to know that the holder is a U.S. person as defined in the Code. Payment of the proceeds from a sale of a note effected by the U.S. office of a U.S. or foreign broker will be subject to information reporting requirements and backup withholding unless a non-U.S. Holder properly certifies under penalties of perjury as to its foreign status and certain other conditions are met or a non-U.S. Holder otherwise establishes an exemption. Information reporting requirements and backup withholding generally will not apply to any payment of the proceeds from the sale of a note effected outside the United States by a foreign office of a foreign broker. The payment of the proceeds from a sale of a note to or through a foreign office of either a U.S. broker or a foreign broker that is a United States-related person will be subject to information reporting, but not backup withholding, unless such broker has documentary evidence in its files that the non-U.S. Holder is not a U.S. person and the broker has no knowledge to the contrary, or the non-U.S. Holder otherwise establishes an exemption.

Backup withholding is not an additional tax. Any amount withheld under the backup withholding rules may be allowed as a credit against a non-U.S. Holder's U.S. federal income tax liability and may entitle such holder to a refund, provided the proper information is furnished to the IRS on a timely basis.

Additional withholding requirements under FATCA

Under Sections 1471 through 1474 of the Code (such sections commonly referred to as *FATCA*), a 30% U.S. federal withholding tax may apply to payments to certain non-U.S. entities of interest on the notes and, beginning on January 1, 2017, gross proceeds from the sale or other disposition of notes. FATCA imposes a 30% withholding tax on such payments to a foreign financial institution, as specially defined under such rules, unless the foreign financial institution enters into an agreement with the U.S. Treasury or, in the case of a foreign financial institution in a jurisdiction that has entered into an intergovernmental agreement with the United States, complies with the requirements of such agreement. In addition, FATCA imposes a 30% withholding tax on the same types of payments to a foreign non-financial entity unless the entity certifies that it does not have any substantial U.S. owners or furnishes identifying information regarding each substantial U.S. owner. Prospective investors should consult their tax advisors regarding FATCA.

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UNDERWRITING

Subject to the terms and conditions contained in an underwriting agreement among us and Deutsche Bank Securities Inc., Goldman, Sachs & Co., J.P. Morgan Securities LLC and Morgan Stanley & Co. LLC, as representatives of the several underwriters, we have agreed to sell to the underwriters, and the underwriters have severally and not jointly agreed to purchase from us, the principal amount of the notes listed opposite their respective names below. The underwriters have agreed to purchase all of the notes sold pursuant to the underwriting agreement if any of these notes are purchased.

Underwriter	Principal Amount of 2019 Notes	Principal Amount of 2024 Notes	Principal Amount of 2044 Notes
Deutsche Bank Securities Inc.	\$	\$	\$
Goldman, Sachs & Co.			