

CARDINAL HEALTH INC  
Form 4  
August 10, 2005

**FORM 4**

UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

OMB APPROVAL

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**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
WALTER ROBERT D

(Last) (First) (Middle)

7000 CARDINAL PLACE

(Street)

DUBLIN, OH 43017

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol

CARDINAL HEALTH INC [CAH]

3. Date of Earliest Transaction (Month/Day/Year)

08/10/2005

4. If Amendment, Date Original Filed (Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director  10% Owner  
 Officer (give title below)  Other (specify below)

Chairman and CEO

6. Individual or Joint/Group Filing (Check Applicable Line)

Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
|                                 |                                      |  | Code                           | V   | Amount  | (A) or (D)   | Price   |
| Common Shares                   | 08/10/2005                           |  | S <sup>(1)</sup>               |   | 65,000 <sup>(1)</sup>   | D  | \$ 59.1525 <sup>(2)</sup>                             |
| Common Shares                   |                                      |  |                                |   | 2,826   | I  | By ESPP   |
| Common Shares                   |                                      |  |                                |   | 419,110   | I  | By GRAT IX  |
| Common Shares                   |                                      |  |                                |   | 500,000   | I  | By LLC <sup>(3)</sup>                                 |
| Common Shares                   |                                      |  |                                |   | 591,803   | I  | By GRAT X   |

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|               |         |   |                          |
|---------------|---------|---|--------------------------|
| Common Shares | 300,000 | I | By LLC II <sup>(3)</sup> |
| Common Shares | 700,000 | I | By GRAT XI               |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) |               |                            |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|---------------|----------------------------|
|  |  |                                      |  | Code                           | V (A) (D)   | Date Exercisable   | Expiration Date   | Title         | Amount or Number of Shares |
| Option (right to buy) <sup>(4)</sup>       | \$ 17.74   |                                      |  |                                |   | 03/04/1999   | 03/04/2006  | Common Shares | 89,207                     |
| Option (right to buy) <sup>(4)</sup>       | \$ 27.053  |                                      |  |                                |   | 03/03/2000   | 03/03/2007  | Common Shares | 100,409                    |
| Option (right to buy) <sup>(4)</sup>       | \$ 27.14   |                                      |  |                                |   | 07/21/2000   | 07/21/2007  | Common Shares | 45,000                     |
| Option (right to buy) <sup>(4)</sup>       | \$ 36.307  |                                      |  |                                |   | 03/02/2001   | 03/02/2008  | Common Shares | 96,402                     |
| Option (right to buy) <sup>(4)</sup>       | \$ 43.14   |                                      |  |                                |   | 08/11/2001   | 08/11/2008  | Common Shares | 135,000                    |
| Option (right to buy) <sup>(4)</sup>       | \$ 47.333  |                                      |  |                                |   | 03/01/2002   | 03/01/2009  | Common Shares | 187,500                    |
| Option (right to buy) <sup>(4)</sup>       | \$ 31.167  |                                      |  |                                |   | <sup>(5)</sup>   | 11/15/2009  | Common Shares | 562,500                    |
| Option (right to buy) <sup>(4)</sup>       | \$ 66.083  |                                      |  |                                |   | 11/20/2003   | 11/20/2010  | Common Shares | 272,384                    |
| Option (right to buy) <sup>(4)</sup>       | \$ 68.1  |                                      |  |                                |   | 01/15/2006   | 11/19/2011  | Common Shares | 440,529                    |
|  | \$ 67.9  |                                      |  |                                |   | 11/18/2005   | 11/18/2012  |               | 486,009                    |

|   |           |            |            |               |         |
|---|-----------|------------|------------|---------------|---------|
| Option (right to buy) <u>(4)</u> <u>(6)</u> |           |            |            | Common Shares |         |
| Option (right to buy) <u>(4)</u> <u>(6)</u> | \$ 61.38  | 11/17/2006 | 11/17/2013 | Common Shares | 507,086 |
| Option (right to buy) <u>(4)</u> <u>(6)</u> | \$ 44.15  | 08/23/2007 | 08/23/2014 | Common Shares | 562,500 |
| Stock Appreciation Right <u>(7)</u>         | \$ 44.15  | 08/23/2007 | 08/23/2014 | Common Shares | 142,483 |
| Stock Appreciation Right <u>(8)</u>         | \$ 31.167 | 08/03/2005 | <u>(9)</u> | Common Shares | 862,500 |

## Reporting Owners

| Reporting Owner Name / Address                             | Relationships |           |                  |       |
|--|---------------|-----------|------------------|-------|
|  | Director      | 10% Owner | Officer          | Other |
| WALTER ROBERT D<br>7000 CARDINAL PLACE<br>DUBLIN, OH 43017 | X             |           | Chairman and CEO |       |

## Signatures

|   |            |
|---|------------|
| Robert D. Walter                          | 08/10/2005 |
| <u>    </u> Signature of Reporting Person | Date       |

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) The sale reported on this Form 4 was effected pursuant to a 10b5-1 plan established by the reporting person on March 1, 2005, when the reporting person was not aware of material non-public information about the Company.  
Weighted average sale price from 14 different transactions with prices ranging from \$58.87 to \$59.25. The details of these transactions by sale price are as follows: 3,000 shares at \$58.87; 500 shares at \$59.00; 1,500 shares at \$59.10; 18,500 shares at \$59.12; 5,000 shares at \$59.15; 4,000 shares at \$59.17; 11,000 shares at \$59.18; 4,000 shares at \$59.19; 3,000 shares at \$59.20; 10,000 shares at \$59.21; 1,000 shares at \$59.22; 500 shares at \$59.23; 2,000 shares at \$59.24; and 1,000 shares at \$59.25.
- (3) The reporting person holds the controlling interest in, and is the sole manager of, the LLC.
- (4) Stock option granted pursuant to the Cardinal Health, Inc. Equity Incentive Plan (the "Equity Incentive Plan").
- (5) Stock option vested in three equal annual installments beginning on 11/15/00.
- (6) Stock option granted pursuant to the reporting person's Employment Agreement with Cardinal Health dated November 20, 2001, as amended and restated as of February 1, 2004 (the "Employment Agreement").
- (7) Deferred Payment Stock Appreciation Right granted in partial fulfillment of the Company's obligations to the reporting person pursuant to the Employment Agreement.  
Deferred Payment Stock Appreciation Right granted to compensate the reporting person for the portion of the option to purchase
- (8) 1,425,000 common shares originally granted to the reporting person on November 15, 1999 (the "November 1999 Option"), which portion has subsequently been determined to be null and void.

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- (9) Expires on the earlier of (x) November 15, 2009 (the expiration date of the November 1999 Option) or (y) six months after the reporting person's termination of employment.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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