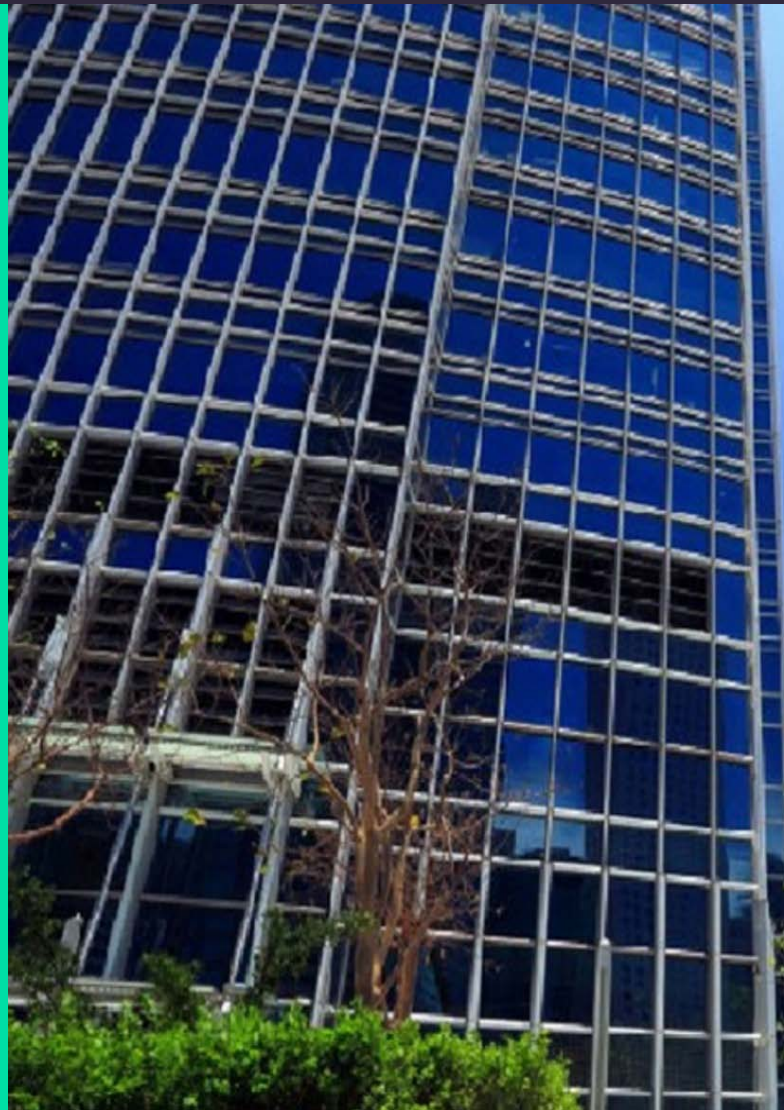


AmerisourceBergen Corp (ABC)

Medical Equipment - Deals and Alliances

Profile

Report Code: GDME27286D
Published: February 2019



Company Snapshot

Company Overview

AmerisourceBergen Corp (AmerisourceBergen) is a pharmaceutical sourcing and distribution services company that provides pharmaceutical products, business solutions and value-driving services that improve access to care. The company distributes a broad offering of brand-name, specialty brand-name, over-the-counter (OTC) healthcare products, generic pharmaceuticals, equipment, home healthcare supplies, outsourced compounded sterile preparations and related services.

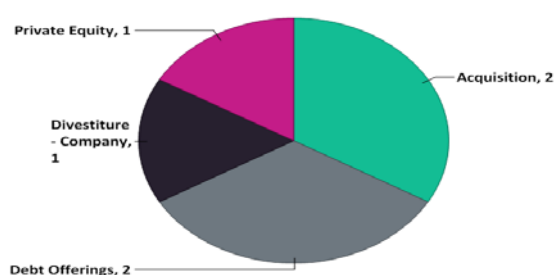
Key Facts

AmerisourceBergen Corp, Medical Equipment, Key Facts, 2018

Web Address	www.amerisourcebergen.com
Revenue (US\$ million)	167,939.64
Number of Employees	21,000
GlobalData	

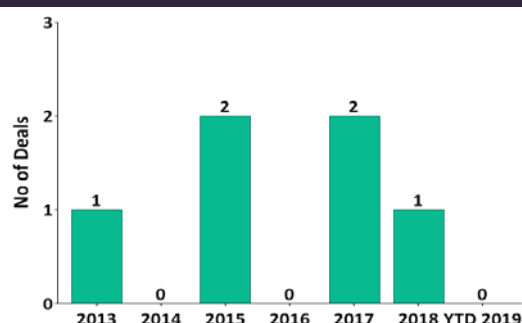
Financial Deals Landscape

AmerisourceBergen Corp, Medical Equipment, Deals by Type, 2013 to YTD 2019



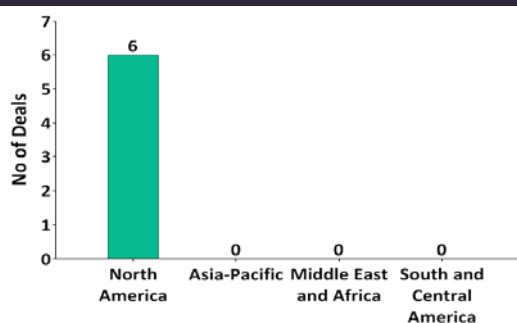
Note: Deals include all announced medical equipment deals from 2013 onwards, GlobalData

AmerisourceBergen Corp, Medical Equipment, Deals By Year, 2013 to YTD 2019



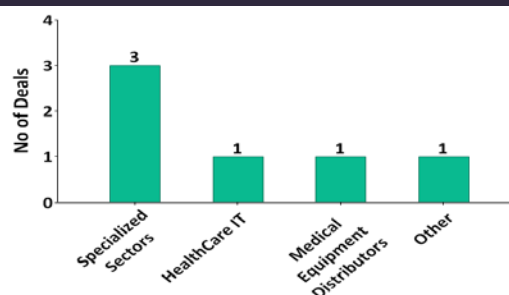
Note: Deals include all announced medical equipment deals from 2013 onwards, GlobalData

AmerisourceBergen Corp, Medical Equipment, Deals By Region, 2013 to YTD 2019



Note: Deals include all announced medical equipment deals from 2013 onwards, GlobalData

AmerisourceBergen Corp, Medical Equipment, Deals By Market, 2013 to YTD 2019



Note: Deals include all announced medical equipment deals from 2013 onwards, GlobalData

AmerisourceBergen Corp, Medical Equipment, Deals Summary, 2013 to YTD 2019

Year	No. of Deals	Deal Value (US\$ million)
2013	1	308.00
2014	NA	NA
2015	2	2,575.00
2016	NA	NA
2017	2	1,250.00
2018	1	NA
YTD 2019	NA	NA

Note: Deals include all announced medical equipment deals from 2013 onwards, deal values included wherever disclosed, GlobalData

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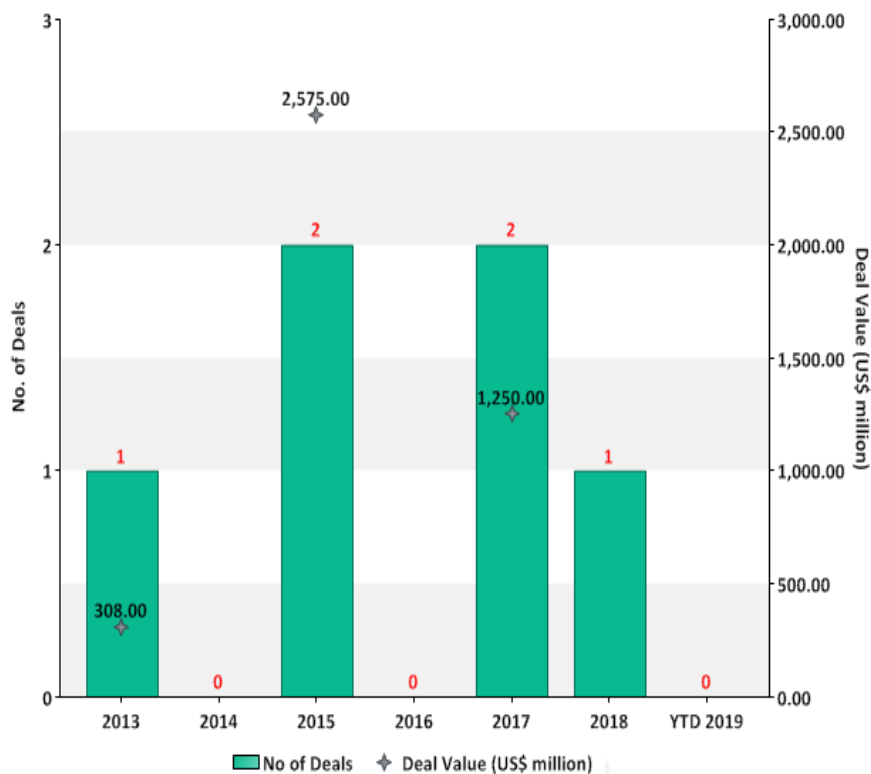
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AmerisourceBergen Corp, Medical Equipment, Deals By Year, 2013 to YTD 2019

AmerisourceBergen Corp, Medical Equipment, Deals By Year, 2013 to YTD 2019



Note: Deals include all announced medical equipment deals from 2013 onwards, deal values included wherever disclosed.
GlobalData

AmerisourceBergen Corp's, deal volume decreased from two medical equipment deals in 2017 to one medical equipment deal in 2018. No deals were reported by the company in YTD 2019.

AmerisourceBergen Corp, Medical Equipment, Deals By Year, 2013 to YTD 2019

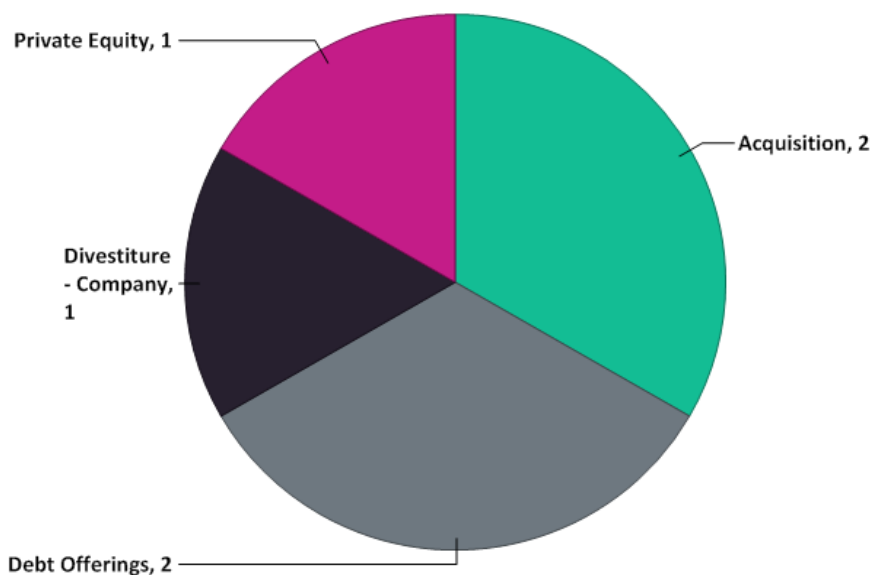
Year	No. of Deals	Deal Value (US\$ million)
2013	1	308.00
2014	NA	NA
2015	2	2,575.00
2016	NA	NA
2017	2	1,250.00
2018	1	NA
YTD 2019	NA	NA

Note: Deals include all announced medical equipment deals from 2013 onwards, deal values included wherever disclosed.
Above data is extracted from GlobalData's Deals and Alliances Profile.

GlobalData

AmerisourceBergen Corp, Medical Equipment Deals By Type, 2013 to YTD 2019

AmerisourceBergen Corp, Medical Equipment, Deals by Type, 2013 to YTD 2019



Note: Deals include all announced medical equipment deals from 2013 onwards
GlobalData

AmerisourceBergen Corp's deals activity has been reportedly focusing on acquisition and debt offerings with two medical equipment deals each during the period 2013 to YTD 2019.

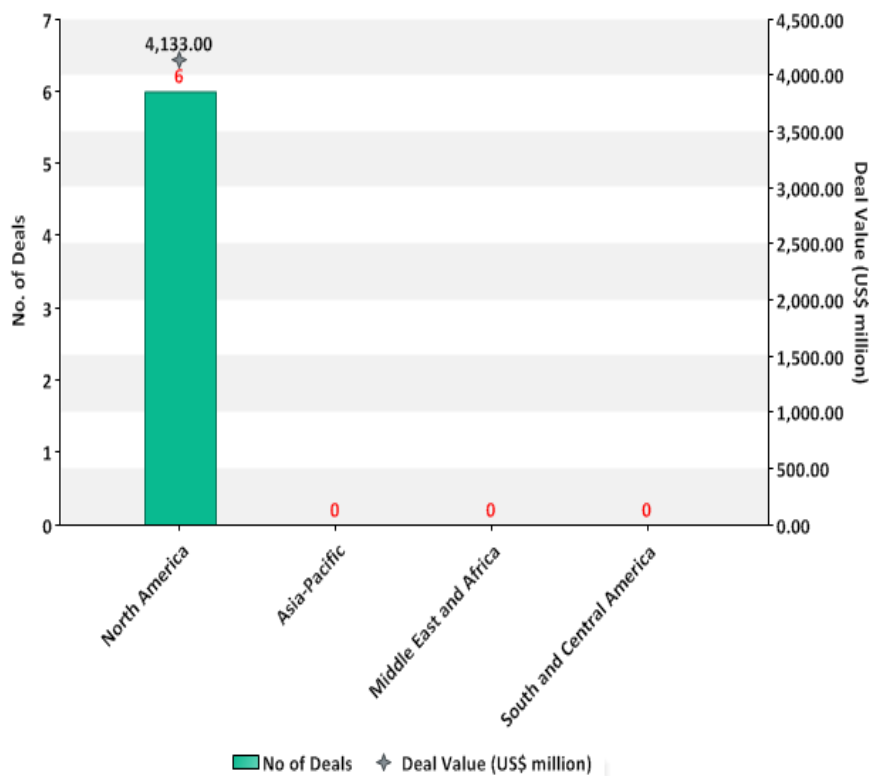
AmerisourceBergen Corp, Medical Equipment Deals By Type, 2013 to YTD 2019

Deal Type	No. of Deals	Deal Value (US\$ million)
Acquisition	2	2,575.00
Debt Offerings	2	1,250.00
Divestiture - Company	1	NA
Private Equity	1	308.00

Note: Deals include all announced medical equipment deals from 2013 onwards, deal values included wherever disclosed.
GlobalData

AmerisourceBergen Corp, Medical Equipment, Deals By Region, 2013 to YTD 2019

AmerisourceBergen Corp, Medical Equipment, Deals By Region, 2013 to YTD 2019



Note: Deals include all announced medical equipment deals from 2013 onwards, deal values included wherever disclosed.
GlobalData

AmerisourceBergen Corp's, medical equipment, deals activity has been reportedly focusing on North America with six deals worth \$4,133 million during the period 2013 to YTD 2019.

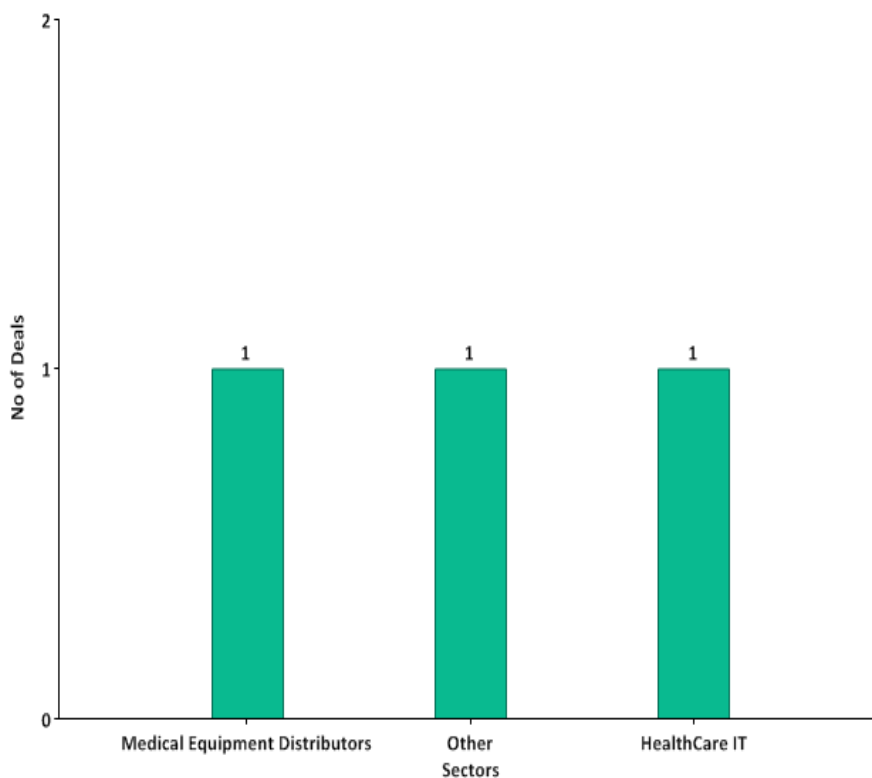
AmerisourceBergen Corp, Medical Equipment, Deals By Region, 2013 to YTD 2019

Region	No. of Deals	Deal Value (US\$ million)
North America	6	4,133.00
Asia-Pacific	NA	NA
Middle East and Africa	NA	NA
South and Central America	NA	NA

Note: Deals include all announced medical equipment deals from 2013 onwards, deal values included wherever disclosed.
GlobalData

AmerisourceBergen Corp, Medical Equipment, Deals By Market, 2013 to YTD 2019

AmerisourceBergen Corp, Medical Equipment, Deals by Market, 2013 to YTD 2019



Note: Deals include all announced medical equipment deals from 2013 onwards, GlobalData

AmerisourceBergen Corp's medical equipment deals activity has been reportedly focusing on specialized sectors market with three deals during the period 2013 to YTD 2019.

AmerisourceBergen Corp, Deals By Market, 2013 to YTD 2019

Market	No. of Deals	Deal Value (US\$ million)
Medical Equipment Distributors	1	2,575.00
Other	1	308.00
HealthCare IT	1	NA

Note: Deals include all announced medical equipment deals from 2013 onwards, deal values included wherever disclosed.
GlobalData

AmerisourceBergen Corp, Medical Equipment, Deals Summary, 2013 to YTD 2019

AmerisourceBergen Corp, Medical Equipment, Deals Summary, 2013 to YTD 2019						
Deal Date	Deal Status	Deal Type	Acquirer (s) / Investor (s) / Surviving Entity	Target / Issuer / Partner (s)	Vendor	Deal Value (US\$ m)
12-Feb-2018	Rumor	Acquisition	Walgreens Boots Alliance, Inc.	AmerisourceBergen Corp		
04-Dec-2017	Completed	Debt Offering		AmerisourceBergen Corp		750.00
04-Dec-2017	Completed	Debt Offering		AmerisourceBergen Corp		500.00
06-Nov-2015	Completed	Acquisition	AmerisourceBergen Corp	PharMEDium Healthcare Corp	Clayton, Dubilier & Rice, LLC	2,575.00
09-Mar-2015	Completed	Divestiture Company	- ARxIUM	AmerisourceBergen Technology Group (Inactive)	AmerisourceBergen Corp	
13-May-2013	Completed	Private Equity	Frazier Healthcare Partners, Greenspring Associates, Inc., QIC Global Private Equity, Thomas, McNerney & Partners LLC	AndersonBrecon Inc (Inactive)	AmerisourceBergen Corp	308.00
Note: Deals include all medical equipment deals from 2013 onwards, deal values included wherever disclosed. GlobalData						

AmerisourceBergen Corp, Medical Equipment, Deal Details

Private Equity

Frazier Healthcare Led Consortium Completes Acquisition Of AndersonBrecon From AmerisourceBergen For US\$308 Million

Frazier Healthcare Led Consortium Completes Acquisition Of AndersonBrecon From AmerisourceBergen For US\$308 Million			
Deal Type	Private Equity	Deal Sub Type	Direct Investment
Deal in Brief			
Frazier Healthcare Ventures, Greenspring Associates, Inc, QIC Global Private Equity and Thomas, McNerney & Partners, LLC, a consortium of private equity firms, completed the acquisition of AndersonBrecon, a provider of packaging services, from AmerisourceBergen Corporation (ABC), for a purchase consideration of US\$308m. Following the transaction, AndersonBrecon will be merged and operate as Packaging Coordinators, Inc. (PCI), a portfolio company of Frazier Healthcare. Deal History: Completed: On May 13, 2013, Frazier Healthcare Ventures, Greenspring Associates, QIC Global Private Equity and Thomas, McNerney & Partners completed the acquisition of AndersonBrecon from ABC, for a purchase consideration of US\$308m. Announced: On April 2, 2013, Frazier Healthcare Ventures, Greenspring Associates, QIC Global Private Equity and Thomas, McNerney & Partners agreed to acquire AndersonBrecon from ABC, for a purchase consideration of US\$308m.			
Deal Information			
Deal Status	Completed		
Announced Date	02-Apr-2013		
Completed Date	13-May-2013		
Deal Financials			
Deal Value (US\$ m)	308		
Companies Information			
Vendor Company Information			
Company Name	AmerisourceBergen Corp		
Business Description			
AmerisourceBergen Corp (AmerisourceBergen) is a pharmaceutical sourcing and distribution services company that provides pharmaceutical products, business solutions and value-driving services that improve access to care. The company distributes a broad offering of brand-name, specialty brand-name, over-the-counter (OTC) healthcare products, generic pharmaceuticals, equipment, home healthcare supplies, outsourced compounded sterile preparations and related services. It serves numerous healthcare providers in the US and selected global markets, comprising independent and chain retail pharmacies, acute care hospitals and health systems, medical clinics, mail order pharmacies, medical and dialysis clinics, physician practices, long-term care and alternate site pharmacies, veterinarians and other customers. AmerisourceBergen is headquartered in Chesterbrook, Pennsylvania, the US.			
Target Company Information			
Company Name	AndersonBrecon Inc (Inactive)		
Investor Firm Information			
Firm Name	QIC Global Private Equity		
Business Description			
QIC Global Private Equity is a private equity arm of Queensland Investment Corporation.			
Firm Name	Thomas, McNerney & Partners LLC		
Business Description			
Thomas, McNerney & Partners LLC (Thomas, McNerney & Partners) is a healthcare venture capital firm that invests in life science and medical technology companies. The firm provides growth capital to emerging companies to advance clinical development for product commercialization. It offers investment in companies at all stages of their development. Thomas, McNerney & Partners undertakes restructuring transactions such as spin-outs, roll-ups and recapitalizations. The firm provides investments in the pharmaceutical, medical device, biotechnology and diagnostic sectors. It has operations in Connecticut, Minnesota and California. Thomas, McNerney & Partners is headquartered in Stamford, Connecticut, the US.			
Firm Name	Frazier Healthcare Partners		
Business Description			
Frazier Healthcare Partners (Frazier Healthcare) is private equity and venture capital investment firm. Frazier Healthcare invests across various sectors such as life sciences, pharmaceuticals, healthcare services and other medical product sectors. The company's portfolio companies include Acerta Pharma, Allena pharmaceuticals, Alnara pharmaceuticals, Achaogen, Calixa Therapeutics, Cirius Therapeutics, Krystal, Marcadia Biotech, ScoutBio, Tularik, pci pharma services, Matrix Medical Network, Calibra Medical, powervision, Barrx Medical and Abode Healthcare. Frazier Healthcare is headquartered in Seattle, Washington, the US.			

Firm Name	Greenspring Associates, Inc.		
Advisor Information			
Company Being Advised	Legal Advisor		
Frazier Healthcare Partners	Goodwin Procter LLP		
Company Being Advised	Financial Advisor		
Frazier Healthcare Partners	RBC Capital Markets LLC		
GlobalData			

Debt Offering

AmerisourceBergen Raises USD500 Million in Public Offering of 4.3% Senior Notes Due 2047

AmerisourceBergen Raises USD500 Million in Public Offering of 4.3% Senior Notes Due 2047			
Deal Type	Debt Offering	Deal Sub Type	Public Offering
Deal in Brief			
<p>AmerisourceBergen Corp., a pharmaceutical services company, has completed the underwritten registered public offering of senior notes due 2047, for gross proceeds of USD500 million. The notes will bear an interest rate of 4.3% per annum and will mature on December 15, 2047. The company issued the notes priced at 99.514% of principal amount, with spread of treasury rate plus 150 basis points and yield to maturity of 4.329%. Interest on the notes is payable semi-annually on June 15 and December 15 of each year, beginning on June 15, 2018. The company may redeem the notes, in whole or in part, at any time from time to time prior to the date that is six months prior to the maturity date of the notes at a make-whole redemption price which redemption price may not be less than the principal amount of the notes to be redeemed and at any time on or after the date that is six months prior to the maturity date of the notes at 100% of the principal amount, in each case, plus accrued and unpaid interest, if any, to the date of redemption. Additionally, the company will be required to redeem the notes, in whole but not in part, at a redemption price equal to 101% of the aggregate principal amount thereof plus accrued and unpaid interest to the redemption date, if the acquisition of H. D. Smith is not completed on or before May 20, 2018, or if prior to such time, the acquisition agreement relating to the acquisition of H. D. Smith is terminated, other than in connection with the consummation of the acquisition of H. D. Smith and is not otherwise amended or replaced. Concurrently, the company has completed the underwritten registered public offering of senior notes due 2027, for gross proceeds of USD750 million. The notes will bear an interest rate of 3.45% per annum and will mature on December 15, 2027. The company intends to use the proceeds to finance the proposed acquisition of H. D. Smith and related fees and expenses, to redeem all of its 4 7/8% Senior Notes due November 15, 2019 and for general corporate purposes. Citigroup Global Markets Inc., J.P. Morgan Securities LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated acted as joint book-running managers; MUFG Securities Americas Inc., Scotia Capital (USA) Inc., U.S. Bancorp Investments, Inc., Wells Fargo Securities, LLC acted as senior co-managers, Credit Suisse Securities (USA) LLC, Mizuho Securities USA LLC, PNC Capital Markets LLC, TD Securities (USA) LLC, KeyBanc Capital Markets Inc. acted as co-managers; while Morgan, Lewis & Bockius LLP is acted as legal advisor to the company for the offering. Deal History: Pricing: On November 29, 2017, AmerisourceBergen priced an underwritten registered public offering of senior notes due 2047, for gross proceeds of USD500 million. The notes will bear an interest rate of 4.3% per annum and will mature on December 15, 2047. The company will issue the notes priced at 99.514% of principal amount, with spread of treasury rate plus 150 basis points and yield to maturity of 4.329%. Announced: On November 29, 2017, AmerisourceBergen announced the public offering of senior notes due 2047. Planned: On November 24, 2015, AmerisourceBergen intended to issue securities in a public offering. The company from time to time to may issue common stock, preferred stock, debt securities, depositary shares, warrants, purchase contracts and units in one or more offerings.</p>			
Deal Rationale			
The company intends to use the proceeds to finance the proposed acquisition of H. D. Smith and related fees and expenses, to redeem all of its 4 7/8% Senior Notes due November 15, 2019 and for general corporate purposes.			
Deal Information			
Deal Status	Completed		
Announced Date	29-Nov-2017		
Completed Date	04-Dec-2017		
Deal Financials			
Deal Value (US\$ m)	500		
Securities Type Offered	Senior Notes		
Interest Rate (%)	4.30		
Maturity Date	15-Dec-2047		
Companies Information			
Target Company Information			
Company Name	AmerisourceBergen Corp		
Business Description			
<p>AmerisourceBergen Corp (AmerisourceBergen) is a pharmaceutical sourcing and distribution services company that provides pharmaceutical products, business solutions and value-driving services that improve access to care. The company distributes a broad offering of brand-name, specialty brand-name, over-the-counter (OTC) healthcare products, generic pharmaceuticals, equipment, home healthcare supplies, outsourced compounded sterile preparations and related services. It serves numerous healthcare providers in the US and selected global markets, comprising independent and chain retail pharmacies, acute care hospitals and health systems, medical clinics, mail order pharmacies, medical and dialysis clinics, physician practices, long-term care and alternate site pharmacies, veterinarians and other customers. AmerisourceBergen is headquartered in Chesterbrook, Pennsylvania, the US.</p>			
Advisor Information			
Company Being Advised	Legal Advisor		

AmerisourceBergen Corp	Morgan, Lewis & Bockius LLP		
Company Being Advised	Book Runner		
AmerisourceBergen Corp	Merrill Lynch, Pierce, Fenner & Smith Inc		
	J.P. Morgan Securities LLC		
	Citigroup Global Markets Inc		
Company Being Advised	Under Writer		
AmerisourceBergen Corp	Mizuho Securities USA LLC		
	KeyBanc Capital Markets Inc		
	Wells Fargo Securities LLC		
	Scotia Capital (USA) Inc		
	U.S. Bancorp Investments Inc		
	TD Securities (USA) LLC		
	Credit Suisse Securities (USA) LLC		
	PNC Capital Markets LLC		
	MUFG Securities Americas Inc		
GlobalData			

AmerisourceBergen Raises USD750 Million in Public Offering of 3.45% Senior Notes Due 2027

AmerisourceBergen Raises USD750 Million in Public Offering of 3.45% Senior Notes Due 2027			
Deal Type	Debt Offering	Deal Sub Type	Public Offering
Deal in Brief			
<p>AmerisourceBergen Corp., a pharmaceutical services company, has completed the underwritten registered public offering of senior notes due 2027, for gross proceeds of USD750 million. The notes will bear an interest rate of 3.45% per annum and will mature on December 15, 2027. The company issued the notes priced at 99.755% of principal amount, with spread of treasury rate plus 110 basis points and yield to maturity of 3.479%. The interest on the notes is payable semi-annually on June 15 and December 15 of each year, beginning on June 15, 2018. The company may redeem the notes, in whole or in part, at any time from time to time prior to the date that is six months prior to the maturity date of the notes at a make-whole redemption price which redemption price may not be less than the principal amount of the notes to be redeemed and at any time on or after the date that is six months prior to the maturity date of the notes at 100% of the principal amount, in each case, plus accrued and unpaid interest, if any, to the date of redemption. Concurrently, the company has completed the underwritten registered public offering of senior notes due 2047, for gross proceeds of USD500 million. The notes will bear an interest rate of 4.3% per annum and will mature on December 15, 2047. The company intends to use the proceeds to finance the proposed acquisition of H. D. Smith and related fees and expenses, to redeem all of its 4 7/8% Senior Notes due November 15, 2019 and for general corporate purposes. Citigroup Global Markets Inc., J.P. Morgan Securities LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated acted as joint book-running managers; MUFG Securities Americas Inc., Scotia Capital (USA) Inc., U.S. Bancorp Investments, Inc., Wells Fargo Securities, LLC acted as senior co-managers, Credit Suisse Securities (USA) LLC, Mizuho Securities USA LLC, PNC Capital Markets LLC, TD Securities (USA) LLC, KeyBanc Capital Markets Inc. acted as co-managers; while Morgan, Lewis & Bockius LLP acted as legal advisor to the company for the offering. Deal History: Pricing: On November 29, 2017, AmerisourceBergen priced an underwritten registered public offering of senior notes due 2027, for gross proceeds of USD750 million. Announced: On November 29, 2017, AmerisourceBergen announced the public offering of senior notes due 2027. Planned: On November 24, 2015, AmerisourceBergen intended to issue securities in a public offering. The company from time to time may issue common stock, preferred stock, debt securities, depositary shares, warrants, purchase contracts and units in one or more offerings.</p>			
Deal Rationale			
The company intends to use the proceeds to finance the proposed acquisition of H. D. Smith and related fees and expenses, to redeem all of its 4 7/8% Senior Notes due November 15, 2019 and for general corporate purposes.			
Deal Information			
Deal Status	Completed		
Announced Date	29-Nov-2017		
Completed Date	04-Dec-2017		
Deal Financials			
Deal Value (US\$ m)	750		
Securities Type Offered	Senior Notes		
Interest Rate (%)	3.45		
Maturity Date	15-Dec-2027		
Companies Information			
Target Company Information			
Company Name	AmerisourceBergen Corp		
Business Description			
<p>AmerisourceBergen Corp (AmerisourceBergen) is a pharmaceutical sourcing and distribution services company that provides pharmaceutical products, business solutions and value-driving services that improve access to care. The company distributes a broad offering of brand-name, specialty brand-name, over-the-counter (OTC) healthcare products, generic pharmaceuticals, equipment, home healthcare supplies, outsourced compounded sterile preparations and related services. It serves numerous healthcare providers in the US and selected global markets, comprising independent and chain retail pharmacies, acute care hospitals and health systems, medical clinics, mail order pharmacies, medical and dialysis clinics, physician practices, long-term care and alternate site pharmacies, veterinarians and other customers. AmerisourceBergen is headquartered in Chesterbrook, Pennsylvania, the US.</p>			
Advisor Information			
Company Being Advised	Legal Advisor		
AmerisourceBergen Corp	Morgan, Lewis & Bockius LLP		
Company Being Advised	Book Runner		
AmerisourceBergen Corp	Merrill Lynch, Pierce, Fenner & Smith Inc		
	J.P. Morgan Securities LLC		
	Citigroup Global Markets Inc		
Company Being Advised	Under Writer		
AmerisourceBergen Corp	Mizuho Securities USA LLC		

	KeyBanc Capital Markets Inc		
	Wells Fargo Securities LLC		
	Scotia Capital (USA) Inc		
	U.S. Bancorp Investments Inc		
	TD Securities (USA) LLC		
	Credit Suisse Securities (USA) LLC		
	PNC Capital Markets LLC		
	MUFG Securities Americas Inc		
GlobalData			

Acquisition

Walgreens Boots Alliance May Acquire Remaining 74% Stake in AmerisourceBergen

Walgreens Boots Alliance May Acquire Remaining 74% Stake in AmerisourceBergen			
Deal Type	Acquisition	Deal Sub Type	Majority Acquisition
Deal in Brief			
Walgreens Boots Alliance Inc, a pharmacy-led, health and wellbeing enterprise, intends to acquire the remaining 74% stake in AmerisourceBergen Corp, a healthcare solutions company, as reported by Wall Street Journal. According to sources, Walgreens Boots Alliance already owns 26% stake in AmerisourceBergen. Walgreens Boots Alliance with the acquisition could help boost profitability at the drugstore giant and insulate it against external threats in an increasingly competitive health-care landscape.			
Deal Rationale			
Walgreens Boots Alliance with the acquisition could help boost profitability at the drugstore giant and insulate it against external threats in an increasingly competitive health-care landscape.			
Deal Information			
Deal Status	Rumor		
Rumor Date	Feb 12, 2018		
% Acquired	74		
Companies Information			
Acquirer Company Information			
Company Name	Walgreens Boots Alliance, Inc.		
Business Description			
Walgreens Boots Alliance, Inc. (Walgreens Boots Alliance) is a pharmacy-led health and wellbeing retail drugstore chain company. The company offers pharmacy products including prescription and non-prescription drugs, beauty and toiletries products and services through drugstores and online. Its retail and business brands includes Walgreens, Duane Reade, Boots and Alliance Healthcare. The company's global health and beauty brands include No7, Soap & Glory, Liz Earle, Sleek MakeUP and Botanics. It also offers outsourcing services such as direct deliveries to pharmacies, pre-wholesale and contract logistics through Alloga brand; and specialized healthcare services including dispensing services, clinical homecare, medicine preparation and clinical trial support through Alcura brand. It operates through its subsidiaries in the Americas, and Europe. Walgreens Boots Alliance is headquartered in Deerfield, Illinois, the US.			
Target Company Information			
Company Name	AmerisourceBergen Corp		
Business Description			
AmerisourceBergen Corp (AmerisourceBergen) is a pharmaceutical sourcing and distribution services company that provides pharmaceutical products, business solutions and value-driving services that improve access to care. The company distributes a broad offering of brand-name, specialty brand-name, over-the-counter (OTC) healthcare products, generic pharmaceuticals, equipment, home healthcare supplies, outsourced compounded sterile preparations and related services. It serves numerous healthcare providers in the US and selected global markets, comprising independent and chain retail pharmacies, acute care hospitals and health systems, medical clinics, mail order pharmacies, medical and dialysis clinics, physician practices, long-term care and alternate site pharmacies, veterinarians and other customers. AmerisourceBergen is headquartered in Chesterbrook, Pennsylvania, the US.			
GlobalData			

AmerisourceBergen Acquires PharMEDium Healthcare from Clayton, Dubilier & Rice for USD2.58 Billion

AmerisourceBergen Acquires PharMEDium Healthcare from Clayton, Dubilier & Rice for USD2.58 Billion			
Deal Type	Acquisition	Deal Sub Type	100% Acquisition
Deal in Brief			
<p>AmerisourceBergen Corporation, a provider of drug distribution and manufacturing related services, has completed the acquisition of PharMEDium Healthcare Holdings, Inc. (formerly CDRF Topco, Inc.), a provider of outsourced compounded sterile preparations (CSPs) to acute care hospitals, from Clayton, Dubilier & Rice, Inc., a private equity firm, for a purchase consideration of USD2.575 billion in cash, subject to certain adjustments and on a cash-free, debt-free basis. AmerisourceBergen has included a USD0.22 to USD0.26 net contribution from PharMEDium in its expectations for adjusted earnings per share in fiscal 2016 to be in the range of USD5.73 to USD5.9, and is expected to generate approximately USD30 million in synergies by fiscal 2018. Following the transaction, PharMEDium has become a part of AmerisourceBergen Drug Corporation, a division of AmerisourceBergen. PharMEDium Healthcare is the premier provider of customized outsourced CSPs that meet specific hospital and physician clinical needs and quality standards in formulations that are not otherwise commercially available. The company delivers sterile to sterile CSPs in a ready to use form with enhanced safety, labeling, sterility assurance, and extended expiration dating supported by appropriate studies that often exceeds what hospital pharmacies can accomplish on their own. PharMEDium maintains four compounding facilities, provides a broad range of 2,000 SKUs and serves over 3,000 hospital customers across all 50 states. This transaction enables AmerisourceBergen to strengthen its core business and meaningfully expand its innovative service offerings for health systems. Morgan Stanley & Co. LLC acted as financial advisor, and Cravath, Swaine & Moore LLP acted as legal counsel to AmerisourceBergen; J.P. Morgan Securities LLC and Credit Suisse (US) Private Banking acted as financial advisors, and Debevoise & Plimpton LLP and K&L Gates LLP acted as legal counsel to PharMEDium Healthcare for the transaction.</p> <p>Deal History: Announced: On October 6, 2015, AmerisourceBergen entered into a definitive agreement to acquire PharMEDium Healthcare from Clayton, Dubilier & Rice, for a purchase consideration of USD2.575 billion in cash, subject to certain adjustments and on a cash-free, debt-free basis.</p>			
Deal Rationale			
This transaction enables AmerisourceBergen to strengthen its core business and meaningfully expand its innovative service offerings for health systems.			
Deal Information			
Deal Status	Completed		
Announced Date	06-Oct-2015		
Completed Date	06-Nov-2015		
% Acquired	100		
Deal Financials			
Deal Value (US\$ m)	2,575		
Deal Payment			
Cash (US\$ m)	2,575		
Companies Information			
Acquirer Company Information			
Company Name	AmerisourceBergen Corp		
Business Description			
<p>AmerisourceBergen Corp (AmerisourceBergen) is a pharmaceutical sourcing and distribution services company that provides pharmaceutical products, business solutions and value-driving services that improve access to care. The company distributes a broad offering of brand-name, specialty brand-name, over-the-counter (OTC) healthcare products, generic pharmaceuticals, equipment, home healthcare supplies, outsourced compounded sterile preparations and related services. It serves numerous healthcare providers in the US and selected global markets, comprising independent and chain retail pharmacies, acute care hospitals and health systems, medical clinics, mail order pharmacies, medical and dialysis clinics, physician practices, long-term care and alternate site pharmacies, veterinarians and other customers. AmerisourceBergen is headquartered in Chesterbrook, Pennsylvania, the US.</p>			
Target Company Information			
Company Name	PharMEDium Healthcare Corp.	Parent	AmerisourceBergen Corp
Vendor Firm Information			
Firm Name	Clayton, Dubilier & Rice, LLC		
Business Description			
<p>Clayton, Dubilier & Rice, LLC (CD&R) is a US-based privately-held equity firm. The company manages private equity investments on behalf of institutional investors and financial institutions. CD&R's investors include financial institutions, university endowments, foundations, public pension funds, corporate pension funds, sovereign wealth funds, funds-of-funds and net worth investors. CD&R primarily invest in companies such as US food, Exova, Hertz, BCA, TruGreen, and Wilsonart. The company invests in consumer, technology, energy service, retail and healthcare-related sectors. The company operates in the US, Europe, and the UK. CD&R is headquartered in New York City, New York, the US.</p>			
Advisor Information			

Company Being Advised	Legal Advisor		
AmerisourceBergen Corp	Cravath, Swaine & Moore LLP		
PharMEDium Healthcare Corp.	Debevoise & Plimpton LLP		
	K&L Gates LLP		
Company Being Advised	Financial Advisor		
AmerisourceBergen Corp	Morgan Stanley & Co. LLC		
PharMEDium Healthcare Corp.	J.P. Morgan Securities LLC		
	Credit Suisse (US) Private Banking (Inactive)		
GlobalData			

Intelligent Hospital Systems Acquires AmerisourceBergen Technology

Intelligent Hospital Systems Acquires AmerisourceBergen Technology			
Deal Type	Acquisition	Deal Sub Type	100% Acquisition
Deal in Brief			
Intelligent Hospital Systems Inc. (IH Systems), a medical device company focused on the design and development of automated solutions for the hospital environment, has acquired AmerisourceBergen Technology Group (ABTG), a provider of workflow and scheduling software services to healthcare and pharmacy companies and a business unit of AmerisourceBergen Corporation. Following the acquisition, the combined businesses will form a new company that will operate under the name ARxIUM, which will have headquarters in Winnipeg, Manitoba, and Buffalo Grove, Illinois. IH Systems and ABTG are both recognized as leaders in developing proprietary technology to enhance pharmacy operations. IH Systems' RIVA technology is the only fully automated IV compounding system on the market today, while ABTG provides the industry's leading workflow and scheduling software. By integrating the two firms' products, resources and expertise into a seamless offering, ARxIUM will be able to provide customers the broadest range of pharmacy technology available. Over the past several years, IH Systems has pioneered a comprehensive workflow concept called Total Dose Solution (TDS), a fully customizable solution that encompasses planning and scheduling, workflow, and resource and production management. Within ARxIUM, the TDS offering will provide customers the opportunity to optimize operations with the convenience of working with a single vendor that can deliver all components of an end-to-end solution. This acquisition enables Intelligent Hospital Systems to expand its global footprint; and to create the most integrated pharmacy technology company in the industry, offering numerous best-in-category products and software solutions.			
Deal Rationale			
This acquisition enables Intelligent Hospital Systems to expand its global footprint; and to create the most integrated pharmacy technology company in the industry, offering numerous best-in-category products and software solutions.			
Deal Information			
Deal Status	Completed		
Completed Date	09-Mar-2015		
% Acquired	100		
Companies Information			
Acquirer Company Information			
Company Name	ARxIUM	Parent	Van Humbeck Family
Business Description			
ARxIUM, formerly Intelligent Hospital Systems Inc, a subsidiary of Van Humbeck Family, is a medical device company that designs and manufactures automated solutions for the hospital pharmacy. The company's products include RxWorks pro, workflow, inventory management, IV compounding system, high volume solutions, vial filling, packaging, automated dispensing cabinets, and carousel. Its RxWorks pro software allows the health system pharmacy to implement a system of integrated tools to manage the business of the pharmacy and automate inventory functions. ARxIUM also offers solutions such as consulting services, pharmacy consultancy, and application consultancy services. The company markets its products through distribution partners in South Korea, Australia, New Zealand, Hong Kong, Macau, Mexico, the Netherlands, Belgium, Luxembourg, Denmark, Sweden, Norway, Finland, the UK, China, Singapore, and Thailand, among other countries. It operates through its offices in Canada and the US. ARxIUM is headquartered in Winnipeg, Manitoba, Canada.			
Vendor Company Information			
Company Name	AmerisourceBergen Corp		
Business Description			
AmerisourceBergen Corp (AmerisourceBergen) is a pharmaceutical sourcing and distribution services company that provides pharmaceutical products, business solutions and value-driving services that improve access to care. The company distributes a broad offering of brand-name, specialty brand-name, over-the-counter (OTC) healthcare products, generic pharmaceuticals, equipment, home healthcare supplies, outsourced compounded sterile preparations and related services. It serves numerous healthcare providers in the US and selected global markets, comprising independent and chain retail pharmacies, acute care hospitals and health systems, medical clinics, mail order pharmacies, medical and dialysis clinics, physician practices, long-term care and alternate site pharmacies, veterinarians and other customers. AmerisourceBergen is headquartered in Chesterbrook, Pennsylvania, the US.			
Target Company Information			
Company Name	AmerisourceBergen Technology Group (Inactive)		
GlobalData			

AmerisourceBergen Corp - Key Competitors

AmerisourceBergen Corp, Key Competitors		
Name	Headquarters	Revenue (US\$ m)
Cardinal Health Inc	United States	136,809
FFF Enterprises Inc	United States	
Henry Schein Inc	United States	12,462
McKesson Corp	United States	208,357
MediPal Holdings Corp	Japan	28,391
United Parcel Service Inc	United States	65,872
Source: Annual Report, Company Website, Primary and Secondary Research		GlobalData

AmerisourceBergen Corp - Key Employees

AmerisourceBergen Corp, Key Employees				
Name	Job Title	Board Level	Since	Age
Steven H. Collis	Chairman, Chief Executive Officer, President	Executive Board	2016	56
Jane E. Henney, M.D.	Lead-independent Director	Non Executive Board	2016	70
Richard W. Gochnauer	Director	Non Executive Board	2008	68
Michael J. Long	Director	Non Executive Board	2006	59
Kathleen Hyle	Director	Non Executive Board	2010	59
Lon R. Greenberg	Director	Non Executive Board	2013	67
Henry W. McGee	Director	Non Executive Board	2004	64
Ornella Barra	Director	Non Executive Board	2015	64
Douglas R. Conant	Director	Non Executive Board	2013	66
D. Mark Durcan	Director	Non Executive Board	2015	56
Tim G. Guttman	Chief Financial Officer, Executive Vice President	Senior Management	2014	58
John G. Chou	Chief Legal & Business Officer, General Counsel	Senior Management	2017	59
Robert P. Mauch, Ph.D.	Executive Vice President, Group President, Pharmaceutical Distribution & Strategic Global Sourcing	Senior Management	2015	50
Gina K. Clark	Chief Administrative Officer, Chief Communications Officer, Executive Vice President	Senior Management	2014	60
Dale Danilewitz	Chief Information Officer, Executive Vice President	Senior Management	2014	55
James D. Frary	Executive Vice President AmerisourceBergen Group, AmerisourceBergen Specialty Group	Senior Management	2014	45
Peyton R. Howell	Executive Vice President, Health Systems & Specialty Care Solutions	Senior Management	2014	50
James F. Cleary, Jr.	Group President-Global Commercialization Services & Animal Health, Executive Vice President	Senior Management	2015	54
Lazarus Krikorian	Controller, Senior Vice President	Senior Management		
Sun Park	Executive Vice President-Strategy & Development	Senior Management	2016	41
Rich Tremonte	President-Strategic Sourcing	Global Senior Management		
Albert G. Morales	Chief Transformation Officer-	Senior Management		

	Frisco, Texas		
J.F. Quinn	Corporate President	Treasurer, Vice	Senior Management
Hyung Bak	Group General Counsel, Secretary, Senior Vice President		
Silvana Battaglia	Chief Human Resources Executive Vice President	Officer,	Senior Management 2019
Kathy Gaddes	Corporate Compliance Executive Vice President	Officer,	Senior Management 2019
Source: Annual Report, Company Website, Primary and Secondary Research			GlobalData

AmerisourceBergen Corp - Locations And Subsidiaries

Head Office

AmerisourceBergen Corp
1300 Morris Drive
Chesterbrook
PA
19087
United States
Tel: +1 610 7277000
Fax: +1 800 6405221

Other Locations & Subsidiaries

AmerisourceBergen Corp, Subsidiaries

MWI Veterinary Supply Inc
3041 West Pasadena Drive
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ID
83705
United States
Tel: +1 208 9558930
Url: www.mwivet.com

H. D. Smith
3063 Fiat Avenue
Springfield
IL
62703
United States
Tel: +1 217 7531688
Url: www.hdsmith.com

AutoMed Technologies Inc
United States

Amerisource Heritage Corp
DE
United States

AmerisourceBergen Specialty Group Inc
3101 Gaylord Parkway
Frisco
TX
75034
United States
Url: www.absg.com

ASD Specialty Healthcare, Inc.

PharMEDium Healthcare Corp.
Two Conway Park
150 North Field Drive, Suite 350
Lake Forest
IL
60045
United States
Tel: +1 800 523 7749
Fax: +1 847 234 1356
Url: www.pharmedium.com

AmerisourceBergen Drug Corp
1300 Morris Drive
Chesterbrook
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19087
United States
Tel: +1 610 7277000
Url: www.amerisourcebergendrug.com/abcdrug

AmerisourceBergen Consulting Services Inc
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28208
United States
Tel: +1 800 3575274

Amerisource Receivables Financial Corp
DE
United States

Amerisource Health Services Corp
DE
United States

The Lash Group Inc

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TX
75034
United States
Tel: +1 8007466273
Url: www.asdhealthcare.com

PharMEDium Healthcare Holdings, Inc.
Two Conway Park
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IL
United States
Tel: +1 800 523 7749
Fax: +1 847 234 1363
Url: www.pharmedium.com

World Courier Group S.a r.l.
Luxembourg

1800 Innovation Point
Fort Mill
SC
29715
United States
Tel: +1 800 3575274
Fax: +1 800 6405221
Url: www.lashgroup.com

BPL Group, LLC
DE
United States

AmerisourceBergen Holding Corp
1300 Morris Drive

Chesterbrook
DE
19087 5594
United States
Tel: +1 610 7277000

Source: Annual Report, Company Website, Primary and Secondary Research

GlobalData

Recent Developments

Strategy And Business Planning

Aug 29, 2018: ICS opens new third-party logistics pharmaceutical distribution center

ICS, a leader in innovative distribution services for pharmaceutical manufacturers and a part of AmerisourceBergen, announced the grand opening of its newest third-party logistics (3PL) pharmaceutical distribution center in Ohio.

The new facility, which will serve as the flagship location for ICS, will further strengthen the company's already robust end-to-end, integrated solutions for improving access to specialty medication, optimizing supply chain efficiency and enhancing patient care.

As the largest facility within the ICS network, the new 350,000 square-foot distribution center will feature advanced operations tools and technology, as well as state of the art logistics systems to accommodate products of all sizes, temperatures and storage needs. Additionally, the new facility is a certified Foreign Trade Zone Solution. This certification allows manufacturers to store products awaiting FDA approval in a duty-free environment, and ultimately accelerates time to market to ensure patients can receive new, life-saving treatments as soon as possible.

"With the continuous evolution of our industry, we too push ourselves to change – through investments and innovation – in order to meet the demands of today's customers and patients. By anticipating customer demands and investing in a state-of-the-art distribution center, along with our recent milestone as the first pharmaceutical 3PL provider with ISO 9001:2015 certification, ICS is reinforcing our commitment to provide an unmatched customer experience by improving access, enhancing efficiency and driving innovation in the delivery of healthcare," said Peter Belden, President of ICS.

With the increased emergence of high-value products, such as cell and gene therapies, there is a heightened demand for rigorous and customized storage solutions. The Ohio-based distribution center will enable ICS to meet the market's growing needs for specialty services, such as time-sensitive and ultra-frozen capabilities, and better position the company to continue meeting each customer's unique set of requirements.

With the addition of the newest facility in Ohio, ICS now has more than 925,000 square-feet of managed warehouse across four strategic locations within the United States. The expansion of ICS' footprint distinguishes the organization's ability to manage complex logistics and its dedication to improving the effectiveness of the supply chain for pharmaceutical products that require special handling.

Financial Announcements

Jan 31, 2019: AmerisourceBergen Reports Fiscal 2019 First Quarter Results

AmerisourceBergen Corporation reported that in its fiscal year 2019 first quarter ended December 31, 2018, revenue increased 12.2 percent to \$45.4 billion.

The Company narrowed its adjusted diluted EPS guidance for fiscal 2019 to \$6.65 to \$6.85. The Company does not provide forward-looking guidance on a GAAP basis, as discussed below in Fiscal Year 2019 Expectations.

"We are pleased with the strong start in the first quarter of fiscal 2019. The overall strength and performance of AmerisourceBergen's portfolio of core Pharmaceutical Distribution businesses delivered outstanding results to help offset the headwind from PharMEDium. We are extremely proud and recognize that this would not have been possible without the execution by our dedicated associates," said Steven H. Collis, Chairman, President and Chief Executive Officer of AmerisourceBergen.

"Our fiscal 2019 outlook remains strong, even as we narrowed fiscal 2019 guidance to reflect the extended delay in the reopening of PharMEDium's Memphis facility. AmerisourceBergen's strategic partnerships, leadership in Specialty distribution and services, and strong balance sheet position the company to continue to deliver growth, while we actively work to resolve the challenges at PharMEDium," Mr. Collis continued. "We remain confident in our ability to execute, evolve and transform our business to meet the complex needs of our customers, drive long-term value for our shareholders and ultimately enable access for patients. More than ever, we are united in our responsibility to create healthier futures."

Below, AmerisourceBergen presents descriptive summaries of the Company's GAAP quarterly results as well as its adjusted (non-GAAP) quarterly results. In the tables that follow, GAAP results and GAAP to non-GAAP reconciliations are presented. For more information related to non-GAAP financial measures, including our fiscal year 2019 expectations, please refer to the Supplemental Information Regarding non-GAAP Financial Measures following the tables.

First Quarter GAAP Results

Revenue: In the first quarter of fiscal 2019, revenue was \$45.4 billion, up 12.2 percent compared to the same quarter in the previous fiscal year, reflecting a 12.3 percent increase in Pharmaceutical Distribution Services revenue and an 8.2 percent increase in revenue within Other. The significant increase in revenue growth of our Pharmaceutical Distribution Services segment is due primarily to growth of some of its largest customers, overall market growth, strong oncology product sales, the January 2018 acquisition of H. D. Smith and the January 2018 consolidation of Profarma. **Gross Profit:** Gross profit in the fiscal 2019 first quarter was \$1.3 billion, a 16.6 percent increase compared to the same period in the previous fiscal year. The increase was primarily due to a 10.8 percent increase in Pharmaceutical Distribution Services gross profit and a 1.4 percent increase in gross profit within Other. Pharmaceutical Distribution Services benefited from an increase in revenue, the January 2018 acquisition of H. D. Smith, and the January 2018 consolidation of Profarma, and was partially offset by a lower contribution from PharMEDium. Gross profit was also favorably impacted by gains from antitrust litigation settlements and the reversal of a previously-estimated assessment related to the New York State Opioid Stewardship Act, offset in part by PharMEDium remediation costs. Gross profit as a percentage of revenue was 2.86 percent, an increase of 11 basis points from the prior year quarter. **Operating Expenses:** In the first quarter of fiscal 2019, operating expenses were \$819.8 million, compared to \$693.7 million in the same period last fiscal year. The increase in operating expenses was due to an increase in operating expenses within Pharmaceutical Distribution Services primarily driven by the January 2018 acquisition of H. D. Smith and the January 2018 consolidation of Profarma. Operating expenses as a percentage of revenue in the fiscal 2019 first quarter was 1.81 percent, compared to 1.71 percent for the same period in the previous fiscal year. **Operating Income:** In the fiscal 2019 first quarter, operating income was \$477.8 million versus \$419.0 million in the prior year quarter as the increase in gross profit exceeded the increase in operating expenses. Operating income as a percentage of revenue increased 1 basis point to 1.05 percent in the fiscal 2019 first quarter compared to the previous fiscal year's first quarter. **Interest Expense, Net:** In the fiscal 2019 first quarter, net interest expense of \$42.2 million was up 17.6 percent versus the prior year quarter, primarily due to the debt issued to finance the H. D. Smith acquisition and the consolidation of Profarma's debt and related interest expense. **Effective Tax Rate:** The effective tax rate was 9.4 percent for the first quarter of fiscal 2019 and (140.1) percent in the prior year quarter. The effective tax rates for both periods were significantly lower than the Company's statutory tax rates due to the 2017 Tax Act. **Diluted Earnings Per Share:** Diluted earnings per share was \$1.84 in the first quarter of fiscal 2019 compared to \$3.90 in the previous fiscal year's first quarter. This decrease was primarily due to the significant income tax benefit recognized in the prior year period as a result of the 2017 Tax Act. **Diluted Shares Outstanding:** Diluted weighted average shares outstanding for the first quarter of fiscal 2019 were 214 million, a 3.1 percent decline versus the prior fiscal year first quarter, due primarily to share repurchases, net of stock option exercises.

Definition of Adjusted (non-GAAP) Results

The comments below compare adjusted results, which exclude:

Gain from antitrust litigation settlements LIFO expense / credit PharMEDium remediation costs New York State Opioid Stewardship Act Acquisition-related intangibles amortization Employee severance, litigation, and other Loss on early retirement of debt and One-time tax reform adjustments.

First Quarter Adjusted (non-GAAP) Results

Revenue: No adjustments were made to the GAAP presentation of revenue. In the first quarter of fiscal 2019, revenue was \$45.4 billion, up 12.2 percent compared to the same quarter in the previous fiscal year, reflecting a 12.3 percent increase in Pharmaceutical Distribution Services revenue and an 8.2 percent increase in revenue within Other. The significant increase in revenue growth of our Pharmaceutical Distribution Services segment is due primarily to growth of some of its largest customers, overall market growth, strong oncology product sales, the January 2018 acquisition of H. D. Smith and the January 2018 consolidation of Profarma. **Adjusted Gross Profit:** Adjusted gross profit in the fiscal 2019 first quarter was \$1.2 billion, which was up 8.1 percent when compared to the same period in the previous year, primarily due to the increase in adjusted gross profit in Pharmaceutical Distribution Services, which benefited from an increase in revenue, the January 2018 acquisition of H. D. Smith, and the January 2018 consolidation of Profarma, and was partially offset by a lower contribution from PharMEDium. Adjusted gross profit as a percentage of revenue was 2.65 percent, a decrease of 10 basis points from the prior year quarter. **Adjusted Operating Expenses:** In the first quarter of fiscal 2019, adjusted operating expenses were \$731.3 million, an increase of 17.1 percent compared to the same period in the last fiscal year, primarily due to the January 2018 acquisition of H. D. Smith and the January 2018 consolidation of Profarma. Adjusted operating expenses as a percentage of revenue in the fiscal 2019 first quarter was 1.61 percent, compared to 1.54 percent for the same period in the previous fiscal year. **Adjusted Operating Income:** In the fiscal 2019 first quarter, adjusted operating income of \$471.8 million decreased 3.3 percent from the prior year period due to a loss at PharMEDium. Adjusted operating income as a percentage of revenue decreased 17 basis points to 1.04 percent in the fiscal 2019 first quarter compared to the previous fiscal year's first quarter. **Interest Expense, Net:** No adjustments were made to the GAAP presentation of net interest expense. In the fiscal 2019 first quarter, net interest expense of \$42.2 million was up 17.6 percent versus the prior year quarter, primarily due to the debt issued to finance the H. D. Smith acquisition and the consolidation of Profarma's debt and related interest expense. **Adjusted Effective Tax Rate:** The adjusted effective tax rate for the first quarter of fiscal 2019 was 19.9 percent and 24.2 percent in the previous fiscal year's first quarter. The prior year adjusted effective tax rate did not benefit in full from the 2017 Tax Act, which was effective January 1, 2018. **Adjusted Diluted Earnings Per Share:** Adjusted diluted earnings per share was up 3.2 percent to \$1.60 in the first quarter of fiscal 2019 compared to \$1.55 in the previous fiscal year's first quarter, driven by the benefit from a lower share count. **Diluted Shares Outstanding:** No adjustments were made to the GAAP presentation of diluted shares outstanding. Diluted weighted average shares outstanding for the first quarter of fiscal 2019 were 214 million, a 3.1 percent decline versus the prior fiscal year first quarter, due primarily to share repurchases, net of stock option exercises. **Segment Discussion**

The Company's operations are comprised of the Pharmaceutical Distribution Services reportable segment and other operating segments that are not significant enough to require separate reportable segment disclosure and, therefore, have been included in Other for the purpose of reportable segment presentation. Other consists of operating segments that focus on global commercialization services and animal health and includes AmerisourceBergen Consulting Services (ABCS), World Courier and MWI Animal Health (MWI).

Pharmaceutical Distribution Services Segment

Pharmaceutical Distribution Services revenue was \$43.7 billion, an increase of 12.3 percent compared to the same quarter in the prior fiscal year. Segment operating income of \$373.2 million in the December quarter of fiscal 2019 was down 3.9 percent compared to the same period in the previous fiscal year, due to a loss at PharMEDium compared to a significant contribution in the prior year period.

Other

Revenue in Other was \$1.7 billion in the first quarter of fiscal 2019, an increase of 8.2 percent compared to the same period in the prior fiscal year, primarily due to the January 2018 consolidation of the specialty joint venture in Brazil, growth at World Courier and ABCS's growth in its Canadian operations. Operating income in Other decreased 1.3 percent to \$98.9 million in the first quarter of fiscal 2019. This decrease was primarily driven by a decline in operating income at MWI and the Lash consulting group within ABCS, and was partially offset by the increased contribution from World Courier.

Recent Company Highlights & Milestones

AmerisourceBergen announced the appointment of Silvana Battaglia to its executive team as Executive Vice President and Chief Human Resources Officer. Good Neighbor Pharmacy®, AmerisourceBergen's independent pharmacy network, was ranked 1 for "Best Customer Service" by Newsweek. The AmerisourceBergen Foundation announced its collaboration with more than 20 not-for-profit organizations over the past year to provide necessary funding to mitigate prescription drug misuse and abuse. As part of the Foundation's comprehensive approach, it has also distributed nearly one million drug deactivation resources through its Safe Disposal Support Program to 44 states and 140 organizations across the U.S. World Courier, a worldwide leader in specialty logistics, announced a multimillion dollar technology

transformation initiative to improve customer experience, quality assurance and operational efficiencies. Biosimilars Canada, an association representing Canada's biosimilar makers, announced that it had chosen AmerisourceBergen's Canadian operations business unit, Innomar Strategies, to be the preferred provider for the association's Patient Support Program (PSP) platform. AmerisourceBergen announced the installation of more than two megawatts of solar arrays at its California Distribution Facility. As the Company's most high-profile commitment to renewable energy to date and with a system capacity of nearly 2,300 kilowatts, the solar installation will reduce operating costs and offset more than 80 percent of the facility's annual electricity consumption from the grid. Lash Group, AmerisourceBergen's patient support services business, received a Leadership in Energy and Environmental Design (LEED) Gold Certification for its newest building in Fort Mill, South Carolina. AmerisourceBergen was named one of Philly.com's Top Workplaces for the sixth consecutive year. Fiscal Year 2019 Expectations

The Company does not provide forward-looking guidance on a GAAP basis as certain financial information, the probable significance of which cannot be determined, is not available and cannot be reasonably estimated. Please refer to the Supplemental Information Regarding Non-GAAP Financial Measures following the tables for additional information.

Fiscal Year 2019 Expectations on an Adjusted (non-GAAP) Basis

AmerisourceBergen has updated its fiscal year 2019 financial guidance based upon the Company's evaluation of business expectations at PharMEDium which reflect the assumption that its Memphis facility will not reopen in this fiscal year. Updated guidance also incorporates the higher than anticipated level of share repurchases in the first quarter of the fiscal year. The company now expects:

Adjusted Diluted EPS range narrowed to \$6.65 to \$6.85 from the previous range of \$6.65 to \$6.95. Additional expectations now include:

Adjusted operating income growth in the low-single digit percent range, down from low- to mid-single digit percent range

Pharmaceutical Distribution Services segment operating income growth in the low-single digit percent range, down from low- to mid-single digit percent range. Weighted average diluted shares are now expected to be approximately 215 million for the fiscal year, down from the previous expectation of 216 million.

All other previously communicated aspects of the Company's fiscal year 2019 financial guidance and assumptions remain the same.

Aug 02, 2018: AmerisourceBergen posts fiscal 2018 Q3 results

AmerisourceBergen has reported that in their fiscal year 2018 third quarter ended June 30, 2018, revenue increased 11.5 percent to \$43.1 billion.

On the basis of U.S. generally accepted accounting principles (GAAP), diluted earnings per share (EPS) was \$1.25 for the June quarter of fiscal 2018, compared to \$0.23 in the prior year quarter. Adjusted diluted EPS, which is a non-GAAP measure that excludes items described below, increased 7.7 percent to \$1.54 in the fiscal third quarter.

The Company continues to expect adjusted diluted EPS for fiscal year 2018 to be near the bottom of its guidance range of \$6.45 to \$6.65, reflecting growth of 10 percent versus last fiscal year. The Company does not provide forward-looking guidance on a GAAP basis, as discussed below in Fiscal Year 2018 Expectations.

"AmerisourceBergen is continuing to execute, invest and innovate to support customer growth and create significant value for our manufacturer and provider partners. As an update on PharMEDium, we notified the FDA two weeks ago that we were resuming limited production at the Memphis facility and expect to commence commercial distribution this month. We continue to expect production in Memphis to increase gradually over time and be fully operational in fiscal 2019," said Steven H. Collis, Chairman, President and Chief Executive Officer of AmerisourceBergen.

"As we approach the end of fiscal 2018, we are confident that our strategic long-term partnerships, leadership in specialty distribution and services, innovative services and solutions and strong financial stewardship position us to continue to deliver long-term value to all of our stakeholders," Mr. Collis continued. "I am pleased with the performance in the third quarter and thank all of our associates for their ongoing execution, which continues to help AmerisourceBergen carry out its purpose as we are united in our responsibility to create healthier futures."

Third Quarter GAAP Results

Revenue: In the third quarter of fiscal 2018, revenue was \$43.1 billion, up 11.5 percent compared to the same quarter in the previous fiscal year, reflecting an 11.6 percent increase in Pharmaceutical Distribution Services revenue and an 8.8 percent increase in revenue within Other. **Gross Profit:** Gross profit in the fiscal 2018 third quarter was \$1.2 billion, a 12.2 percent increase compared to the same period in the previous fiscal year. The increase was primarily due to our revenue growth including the consolidation of Profarma and the acquisition of H. D. Smith. The current year quarter was favorably impacted by an increase in gains from antitrust litigation settlements and negatively impacted by a lower LIFO credit in comparison to the prior year period and a lower contribution from PharMEDium. Gross profit as a percentage of revenue was 2.81 percent, an increase of 2 basis points from the prior year quarter. **Operating Expenses:** In the third quarter of fiscal 2018, operating expenses were \$822.1 million, compared to \$909.5 million in the same period last fiscal year. Operating expenses as a percentage of revenue in the fiscal 2018 third quarter was 1.91 percent, compared to 2.35 percent for the same period in the previous fiscal year. The decline in operating expenses was due to a \$273.4 million litigation settlement in the prior year quarter, which was largely offset by increases in operating expenses due to the consolidation of Profarma and the specialty joint venture in Brazil, the acquisition of H. D. Smith and duplicate costs resulting from the implementation of new information technology systems. **Operating Income:** In the fiscal 2018 third quarter, operating income was \$389.2 million versus \$170.4 million in the prior year quarter primarily due to the increase in gross profit. Operating income as a percentage of revenue increased 46 basis points to 0.90 percent in the fiscal 2018 third quarter compared to the previous fiscal year's third quarter. **Interest Expense, Net:** In the fiscal 2018 third quarter, net interest expense of \$47.2 million was up 32.4 percent versus the prior year quarter, primarily due to the debt issued to finance the H. D. Smith acquisition and the consolidation of Profarma's debt and related interest expense. **Tax Rate:** The effective tax rate of 19.5 percent for the third quarter of fiscal 2018, down from 62.2 percent in the prior year quarter, primarily reflects the reduction in the U.S. federal income tax rate from 35% to 21%. The effective tax rate in the prior year quarter was negatively impacted by a non-deductible legal settlement charge. **Diluted Earnings Per Share:** Diluted earnings per share was \$1.25 in the third quarter of fiscal 2018 compared to \$0.23 in the previous fiscal year's third quarter. **Diluted Shares Outstanding:** Diluted weighted average shares outstanding for the third quarter of fiscal 2018 were 220.8 million, a 0.5 percent decline versus the prior fiscal year third quarter, due primarily to share repurchases, net of stock option exercises.

May 02, 2018: AmerisourceBergen Reports Fiscal 2018 Second Quarter Results

AmerisourceBergen Corporation reported that in its fiscal year 2018 second quarter ended March 31, 2018, revenue increased 10.5 percent to \$41.0 billion. On the basis of U.S. generally accepted accounting principles (GAAP), diluted earnings per share (EPS) was \$1.29 for the March quarter of fiscal 2018, compared to \$1.86 in the prior year quarter. Adjusted diluted EPS, which is a non-GAAP measure that excludes items described below, increased 9.6 percent to \$1.94 in the fiscal second quarter.

AmerisourceBergen now believes adjusted diluted EPS for fiscal year 2018 will be at the bottom of its guidance range of \$6.45 to \$6.65, reflecting growth of 10 percent versus last fiscal year. The Company does not provide forward-looking guidance on a GAAP basis, as discussed below in Fiscal Year 2018 Expectations.

"I am pleased with our performance in the March quarter as associates and businesses within AmerisourceBergen continue to execute. Our distribution businesses are creating significant value for our customers as we grow volumes and help support their businesses in a dynamic healthcare market," said Steven H. Collis, Chairman, President and Chief Executive Officer of AmerisourceBergen.

"Our updated outlook for fiscal 2018 reflects the strong performance of our Pharmaceutical Distribution Services segment, helping to offset a lower contribution from its PharMEDium business. We remain confident in the value, efficiency and safety PharMEDium provides the healthcare system and are committed to providing our customers with the highest quality products and services," Mr. Collis continued. "As we move further into fiscal 2018, we are excited to begin realizing the benefits of investments throughout AmerisourceBergen that further enhance the value and efficiency we offer to our provider customers and manufacturer partners. Our long-term relationships and unique portfolio of integrated pharmaceutical services enable AmerisourceBergen to continue living its purpose as we are united in our responsibility to create healthier futures."

In conjunction with incremental investments made in the second quarter of fiscal 2018 relating to Profarma and the specialty joint venture in Brazil, AmerisourceBergen began consolidating their operating results. Below, AmerisourceBergen presents descriptive summaries of the Company's GAAP quarterly results as well as its adjusted (Non-GAAP) quarterly results. In the tables that follow, GAAP results and GAAP to Non-GAAP reconciliations are presented. For more information related to Non-GAAP financial measures, including our fiscal year 2018 expectations, please refer to the Supplemental Information Regarding Non-GAAP Financial Measures following the tables.

Second Quarter GAAP Results

Revenue: In the second quarter of fiscal 2018, revenue was \$41.0 billion, up 10.5 percent compared to the same quarter in the previous fiscal year, reflecting a 10.4 percent increase in Pharmaceutical Distribution Services revenue and a 12.6 percent increase in revenue within Other. **Gross Profit:** Gross profit in the fiscal 2018 second quarter was \$1.3 billion, relatively flat compared to the same period in the previous fiscal year, due to the negative impact of PharMEDium's lower revenues and its facility remediation costs in the current year quarter and a LIFO credit that benefited the previous year period. There was no LIFO expense or credit in the fiscal 2018 second quarter. Gross profit as a percentage of revenue was 3.06 percent, a decrease of 32 basis points from the prior year quarter. **Operating Expenses:** In the second quarter of fiscal 2018, operating expenses were \$774.3 million, compared to \$631.4 million in the same period last fiscal year. The increase in operating expenses was primarily driven by the acquisition of H. D. Smith, consolidation of Profarma and the specialty joint venture in Brazil, operating additional distribution centers in the current year quarter and duplicate costs resulting from the implementation of new information technology systems, as well as increased costs to support our revenue growth. **Operating Income:** In the fiscal 2018 second quarter, operating income was \$481.4 million versus \$625.0 million in the prior year period. **Other Loss (Income):** In the fiscal 2018 second quarter, other loss included a \$30.0 million impairment on a non-customer note receivable related to a start-up venture. **Interest Expense, Net:** In the fiscal 2018 second quarter, net interest expense of \$48.6 million was up 30.4 percent versus the prior year quarter, primarily due to the new debt issued to finance the H. D. Smith acquisition. **Loss on Consolidation of Equity Investments:** In the fiscal 2018 second quarter, a loss of \$42.3 million was incurred primarily relating to the recognition of unrealized foreign currency translation losses in connection with the remeasurement of equity interests in Profarma and the specialty joint venture in Brazil. **Tax Rate:** The effective tax rate of 21.9 percent for the second quarter of fiscal 2018 primarily reflects the reduction in the U.S. federal income tax rate from 35% to 21% and the benefit from stock option exercises. **Diluted Earnings Per Share:** Diluted earnings per share was \$1.29 in the second quarter of fiscal 2018 compared to \$1.86 in the previous fiscal year's second quarter. **Diluted Shares Outstanding:** Diluted weighted average shares outstanding for the second quarter of fiscal 2018 were 222.3 million, a 0.5 percent increase versus the prior fiscal year second quarter, due primarily to stock option exercises, net of share repurchases. **Definition of Adjusted (Non-GAAP) Results**

The comments below compare adjusted results, which exclude:

Gain from antitrust litigation settlements
LIFO expense (credit)
PharMEDium remediation costs
Acquisition-related intangibles amortization
Employee severance, litigation, and other
Loss on consolidation of equity investments
Impairment on non-customer note receivable
Loss on early retirement of debt
and a one-time tax reform adjustment. In addition, we previously issued \$600 million of 1.15

percent senior notes that were repaid in May 2017 to fund our initial special share repurchase program to mitigate the dilutive effect of the Warrants. The interest expense incurred relating to this borrowing has been excluded from the Non-GAAP presentation.

Second Quarter Adjusted (Non-GAAP) Results

Revenue: In the second quarter of fiscal 2018, revenue was \$41.0 billion, up 10.5 percent compared to the same quarter in the previous fiscal year, reflecting a 10.4 percent increase in Pharmaceutical Distribution Services revenue and a 12.6 percent increase in revenue within Other. **Adjusted Gross Profit:** Gross profit in the fiscal 2018 second quarter was \$1.3 billion, which was up 9.2 percent when compared to the same period in the previous year, primarily due to the increase in gross profit in Pharmaceutical Distribution Services, which includes the acquisition of H. D. Smith and the consolidation of Profarma. Gross profit as a percentage of revenue was 3.11 percent, a decrease of 4 basis points from the prior year quarter. **Adjusted Operating Expenses:** In the second quarter of fiscal 2018, operating expenses were \$691.5 million, an increase of 18.9% compared to the same period in the last fiscal year. Operating expenses as a percentage of revenue in the fiscal 2018 second quarter were 1.69 percent, compared to 1.57 percent for the same period in the previous fiscal year. The increase in operating expenses was driven by the acquisition of H. D. Smith, consolidation of Profarma and the specialty joint venture in Brazil, operating additional distribution centers in the current year quarter and duplicate costs resulting from the implementation of new information technology systems, as well as increased costs to support our revenue growth. **Adjusted Operating Income:** In the fiscal 2018 second quarter, operating income of \$586.3 million decreased 0.4 percent from the prior year period. Operating income as a percentage of revenue decreased 15 basis points to 1.43 percent in the fiscal 2018 second quarter compared to the previous fiscal year's second quarter. **Adjusted Interest Expense, Net:** In the fiscal 2018 second quarter, net interest expense of \$48.6 million was up 38.4 percent versus the prior year quarter, primarily due to the new debt issued to finance the H. D. Smith acquisition. **Adjusted Tax Rate:** The effective tax rate for the second quarter of fiscal 2018 was 20.7 percent, down from 30.1 percent in the previous fiscal year's second quarter, primarily driven by a reduction in the U.S. federal income tax rate from 35% to 21%. **Adjusted Diluted Earnings Per Share:** Diluted earnings per share was up 9.6 percent to \$1.94 in the second quarter of fiscal 2018 compared to \$1.77 in the previous fiscal year's second quarter, driven by the benefit from U.S. tax reform. **Diluted Shares Outstanding:** Diluted weighted average shares outstanding for the second quarter of fiscal 2018 were 222.3 million, a 0.5 percent increase versus the prior fiscal year second quarter due primarily to stock option exercises, net of share repurchases. **Segment Discussion**

The Company's operations are comprised of the Pharmaceutical Distribution Services reportable segment and other operating segments that are not significant enough to require separate reportable segment disclosure and, therefore, have been included in Other for the purpose of reportable segment presentation. Other consists of operating segments that focus on global commercialization services and animal health and includes AmerisourceBergen Consulting Services (ABCS), World Courier and MWI Animal Health (MWI).

Pharmaceutical Distribution Services Segment

Pharmaceutical Distribution Services revenue was \$39.5 billion, an increase of 10.4 percent compared to the same quarter in the prior fiscal year. Segment operating income of \$489.1 million in the March quarter of fiscal 2018 was up 0.9 percent compared to the same period in the previous fiscal year, primarily due to growth in revenues and gross profit, including the acquisition of H. D. Smith, largely offset by reduced sales at PharMEDium and the operating loss at Profarma.

Other

Revenue in Other was \$1.6 billion in the second quarter of fiscal 2018, an increase of 12.6 percent compared to the same period in the prior fiscal year, primarily due to the consolidation of the specialty joint venture in Brazil and revenue growth from MWI, ABCS's growth in its Canadian operations and World Courier. Operating income in Other decreased 6.3 percent to \$97.1 million in the second quarter of fiscal 2018. This decrease was primarily driven by performance at ABCS, specifically the Lash Group, and was partially offset by increased contributions from World Courier and MWI.

Recent Company Highlights & Milestones

Successfully completed on-boarding all of the 1,932 retail pharmacies acquired by Walgreens Boots Alliance through its phased acquisition of certain Rite Aid stores. Recorded our 17th consecutive quarter with 10 percent or greater revenue growth in Specialty distribution. World Courier opened four new offices in strategic markets worldwide to meet the growing demand for the specialty logistics services the company provides. The AmerisourceBergen Foundation announced the creation of its External Advisory Board and Opioid Grant Resource Program and the donation of 55,000 drug deactivation resources to communities nationwide to combat the opioid epidemic. ION Solutions hosted its Large Practice Program National Meeting in Washington, D.C. to bring together 500 of the nation's leading community oncology professionals, including physicians, administrators, pharmacists, and industry leaders, to evaluate the challenges facing the community segment and create the best paths forward. **Fiscal Year 2018 Expectations**

The Company does not provide forward-looking guidance on a GAAP basis as certain financial information, the probable significance of which cannot be determined, is not available and cannot be reasonably estimated. Please refer to the Supplemental Information Regarding Non-GAAP Financial Measures following the tables for additional information.

Fiscal Year 2018 Expectations on an Adjusted (Non-GAAP) Basis

Based upon the Company's performance in the first half of the fiscal year, evaluation of current business expectations and lower than previously anticipated operating income contributions from PharMEDium and the Lash Group, AmerisourceBergen has updated its fiscal year 2018 financial guidance. The higher operating expense growth expectation reflects the Company's current assumption that the PharMEDium remediation costs should be excluded from cost of goods sold instead of operating expenses. The Company expects:

Revenue growth in the range of 8 percent to 11 percent and Adjusted diluted earnings per share in the range of \$6.45 to \$6.65. Additional expectations now include:

Adjusted operating expenses to increase between 8 percent to 10 percent

Adjusted operating income growth to be flat

Pharmaceutical Distribution Services segment operating income growth to be flat

Other, which is comprised of businesses focused on Global Commercialization Services and Animal Health, operating income decline in the range of down 2 percent to 4 percent

Adjusted effective tax rate of between 22 percent and 23 percent

Adjusted free cash flow to be approximately \$1.35 billion to \$1.6 billion

Capital expenditures of approximately \$325 million and

Share repurchases will offset dilution from employee stock option exercises.

AmerisourceBergen also continues to operate under the following working assumptions regarding the pharmaceutical market:

Brand drug inflation to be in the range of 6 percent to 7 percent Generic drug deflation to be in the range of -7 percent to -9 percent Contributions from new generic launches similar to the prior year and No significant contributions from biosimilars.

Feb 06, 2018: AmerisourceBergen Reports Fiscal 2018 First Quarter Results

AmerisourceBergen Corporation, reported that in its fiscal year 2018 first quarter ended December 31, 2017, revenue increased 6.0 percent to \$40.5 billion. On the basis of U.S. generally accepted accounting principles (GAAP), diluted earnings per share (EPS) was \$3.90 for the December quarter of fiscal 2018, compared to \$1.11 in the prior year quarter. GAAP EPS for the December quarter of fiscal 2018 was favorably impacted by new U.S. tax reform legislation. Adjusted diluted EPS, which is a non-GAAP measure that excludes items described below, increased 14.0 percent to \$1.55 in the fiscal first quarter and also included a benefit from the Company's expected full fiscal year effective tax rate.

AmerisourceBergen is updating its outlook for fiscal year 2018. The Company does not provide forward-looking guidance on a GAAP basis, as discussed below in Fiscal Year 2018 Expectations. Adjusted diluted EPS guidance has been raised from the previous expectation of \$5.90 to \$6.15 to a range of \$6.45 to \$6.65, reflecting growth of 10 percent to 13 percent versus last fiscal year. The adjusted diluted EPS benefit from U.S. tax reform is expected to be approximately \$0.60 in fiscal 2018, offset by a lower than expected contribution from PharMEDium.

"In the first quarter of the fiscal year, we saw further market, pricing and competitive stability. AmerisourceBergen continued to lead the market in specialty product distribution and pharmaceutical services and our core pharmaceutical distribution businesses executed extremely well - growing volumes with key customers and segments - and continued to effectively manage operating expenses. We are proud of the work our associates have done and pleased with this strong start for the fiscal year,said Steven H. Collis, Chairman, President and Chief Executive Officer of AmerisourceBergen.

"Our updated outlook for fiscal 2018 reflects this performance and the expected benefit of U.S. tax reform, partially offset by a lower than expected contribution from PharMEDium. We remain confident in PharMEDium's ability to return to its long-term growth trajectory, and committed to providing our customers with the highest quality products and services as we continue to invest in AmerisourceBergen,Mr. Collis continued. "AmerisourceBergen's scale, proven ability to execute, strategic evolution and continued investment position the Company for long-term growth as we innovate and deliver value to our shareholders. We are living our corporate purpose and are united in our responsibility to create healthier futures.

Below, AmerisourceBergen presents descriptive summaries of the Company's GAAP quarterly results as well as its adjusted (Non-GAAP) quarterly results. In the tables that follow, GAAP results and GAAP to Non-GAAP reconciliations are presented. For more information related to Non-GAAP financial measures, including our fiscal year 2018 expectations, please refer to the Supplemental Information Regarding Non-GAAP Financial Measures following the tables.

First Quarter GAAP Results

Revenue: In the first quarter of fiscal 2018, revenue was \$40.5 billion, up 6.0 percent compared to the same quarter in the previous fiscal year, reflecting a 5.8 percent increase in Pharmaceutical Distribution Services revenue and an 11.6 percent increase in revenue within Other.**Gross Profit:** Gross profit in the fiscal 2018 first quarter was \$1.1 billion, a 7.2 percent increase over the same period in the previous fiscal year, primarily due to the increase in gross profit in Pharmaceutical Distribution Services and the decrease in LIFO expense of \$28.3 million. Gross profit as a percentage of revenue was 2.75%, an increase of 3 basis points from the prior year quarter.**Operating Expenses:** In the first quarter of fiscal 2018, operating expenses were \$693.7 million, compared to \$637.7 million in the same period last fiscal year. The increase in operating expenses was primarily driven by operating additional distribution centers in the current quarter and duplicate costs resulting from the implementation of new information technology systems, as well as increased costs to support our revenue growth.**Operating Income:** In the fiscal 2018 first quarter, operating income was \$419.0 million versus \$400.0 million in the prior year period.**Interest Expense, Net:** In the fiscal 2018 first quarter, net interest expense of \$35.9 million was down 3.0 percent versus the prior year quarter.**Tax Rate:** The effective tax rate of (140.1)% for the first quarter of fiscal 2018 benefited from \$587.6 million of discrete tax benefits recognized and a reduction in the U.S. federal income tax rate from 35% to 21%, both resulting from U.S. tax reform.**Diluted Earnings Per Share:** Diluted earnings per share was \$3.90 in the first quarter of fiscal year 2018 compared to \$1.11 in the previous fiscal year's first quarter, primarily driven by the benefit from U.S. tax reform.**Diluted Shares Outstanding:** Diluted weighted average shares outstanding for the first quarter of fiscal year 2018 were 220.8 million, a 0.5 percent decline versus the prior fiscal year first quarter due primarily to share repurchases, net of stock option exercises.**Definition of Adjusted (Non-GAAP) Results**

The comments below compare adjusted results, which exclude:

Warrants expenseGain from antitrust litigation settlementsLIFO expenseAcquisition-related intangibles amortizationEmployee severance, litigation, and otherLoss on early retirement of debtand aOne-time tax reform adjustment.In addition, we previously issued \$600 million of 1.15 percent senior notes that were repaid in May 2017 to fund our initial special share repurchase program. The interest expense incurred relating to this borrowing has been excluded from the Non-GAAP presentation.

First Quarter Adjusted (Non-GAAP) Results

Revenue: In the first quarter of fiscal 2018, revenue was \$40.5 billion, up 6.0 percent compared to the same quarter in the previous fiscal year, reflecting a 5.8 percent increase in Pharmaceutical Distribution Services revenue and an 11.6 percent increase in revenue within Other. **Adjusted Gross Profit:** Gross profit in the fiscal 2018 first quarter was \$1.1 billion, which was up 4.5 percent when compared to the same period in the previous year, primarily due to the increase in gross profit in Pharmaceutical Distribution Services. Gross profit as a percentage of revenue was 2.75 percent, a decrease of 4 basis points from the prior year quarter. **Adjusted Operating Expenses:** In the first quarter of fiscal 2018, operating expenses were \$624.6 million, an increase of 8.0% compared to the same period in the last fiscal year. Operating expenses as a percentage of revenue in the fiscal 2018 first quarter were 1.54 percent, compared to 1.52 percent for the same period in the previous fiscal year. The increase in operating expenses was primarily driven by operating additional distribution centers in the current quarter and duplicate costs resulting from the implementation of new information technology systems, as well as increased costs to support our revenue growth. **Adjusted Operating Income:** In the fiscal 2018 first quarter, operating income of \$488.1 million increased 0.4 percent from the prior year period. Operating income as a percentage of revenue decreased 6 basis points to 1.21 percent in the fiscal 2018 first quarter compared to the previous fiscal year's first quarter. **Adjusted Interest Expense, Net:** In the fiscal 2018 first quarter, net interest expense of \$35.9 million was up 3.0 percent from the prior year quarter. **Adjusted Tax Rate:** The effective tax rate for the first quarter of fiscal 2018 was 24.2 percent, down from 33.1 percent in the previous fiscal year's first quarter, primarily driven by a reduction in the U.S. federal income tax rate from 35% to 21%, as a result of U.S. tax reform. **Adjusted Diluted Earnings Per Share:** Diluted earnings per share was up 14.0 percent to \$1.55 in the first quarter of fiscal year 2018 compared to \$1.36 in the previous fiscal year's first quarter, driven primarily by a \$0.15 benefit from U.S. tax reform. **Diluted Shares Outstanding:** Diluted weighted average shares outstanding for the first quarter of fiscal year 2018 were 220.8 million, a 0.5 percent decline versus the prior fiscal year first quarter due primarily to share repurchases, net of stock option exercises. **Segment Discussion**

The Company's operations are comprised of the Pharmaceutical Distribution Services reportable segment and other operating segments that are not significant enough to require separate reportable segment disclosure and, therefore, have been included in Other for the purpose of reportable segment presentation. Other consists of operating segments that focus on global commercialization services and animal health and includes AmerisourceBergen Consulting Services (ABCS), World Courier and MWI Animal Health (MWI).

Pharmaceutical Distribution Services Segment

Pharmaceutical Distribution Services revenue was \$38.9 billion, an increase of 5.8 percent compared to the same quarter in the prior fiscal year. Segment operating income of \$388.2 million in the December quarter of fiscal 2018 was up 2.4 percent compared to the same period in the previous fiscal year. The segment was impacted by reduced production at PharMEDium's Memphis 503B outsourcing facility, where, following inspections by the U.S. Food and Drug Administration, operations were voluntarily suspended in December so that the company could execute certain remedial measures.

Other

Revenue in Other was \$1.5 billion in the first quarter of fiscal 2018, an increase of 11.6 percent compared to the same period in the prior fiscal year as all three business units contributed to revenue growth in the quarter. Operating income in Other decreased 6.4 percent to \$100.3 million in the first quarter of fiscal 2018. This decrease was primarily driven by performance at ABCS, specifically the Lash Group, and MWI and was partially offset by the contribution from World Courier.

Recent Company Highlights & Milestones

Completed the acquisition of H. D. Smith, the largest independent pharmaceutical wholesaler in the U.S., which enhances and expands our strategic scale, strengthens our support to community pharmacy and drives long-term, durable value. Recorded our 16th consecutive quarter with 10 percent or greater revenue growth in Specialty distribution. Now servicing more than 600 retail pharmacies acquired by Walgreens Boots Alliance through its phased acquisition of certain Rite Aid stores. Opened a 6th new distribution center in Newburgh, NY with state-of-the-art automation as part of our commitment to creating the most efficient healthcare and pharmaceutical network. Good Neighbor Pharmacy, AmerisourceBergen's independent pharmacy network, was ranked "Highest in Customer Satisfaction with Chain Drug Store Pharmacies" in the J.D. Power 2017 U.S. Pharmacy Study. World Courier had a record-setting quarter in both shipments and billable weight. Additionally, the business achieved Good Distribution Practice certification across its global network of 140-plus offices. MWI acquired Northeast Veterinary Supply Co., an independent, regional distributor of veterinary pharmaceuticals and medical supplies servicing primarily the northeast region of the U.S. The Lash Group successfully migrated its first customers onto its innovative Fusion technology ecosystem with positive user feedback. Fusion was also featured in The Center Watch Monthly's 2018 Top Innovators. This onboarding process is advancing, but at a slower pace than originally anticipated. The AmerisourceBergen Foundation launched a municipal support program that aims to promote the safe disposal of opioids by providing communities nationwide with resources to deactivate expired or unused prescription medications. US Bioservices, AmerisourceBergen's independent specialty pharmacy, had a record breaking year for new business wins in 2017, further expanding its portfolio of critical specialty therapies. **Fiscal Year 2018 Expectations**

The Company does not provide forward-looking guidance on a GAAP basis as certain financial information, the probable significance of which cannot be determined, is not available and cannot be reasonably estimated. Please refer to the Supplemental Information Regarding Non-GAAP Financial Measures following the tables for additional information. Fiscal Year 2018 Expectations on an Adjusted (Non-GAAP) Basis Based upon the Company's expectations for U.S. tax reform and evaluation of current business expectations, including the formal recognition of operating expenses associated with our now completed acquisition of H. D. Smith and lower than originally anticipated operating income contributions from PharMEDium and the Lash Group, AmerisourceBergen has updated its fiscal year 2018 financial guidance. The Company expects: Revenue growth in the range of 8 percent to 11 percent and Adjusted diluted earnings per share now to be in the range of \$6.45 to \$6.65. Additional expectations now include: Adjusted operating expenses to increase between 6 percent to 8 percent Adjusted operating income growth in the range of 1 percent to 4 percent Pharmaceutical Distribution Services segment operating income growth in the range of 1 percent to 4 percent Other, which is comprised of businesses focused on Global Commercialization Services and Animal Health, operating income growth in the range of flat to 2 percent Adjusted effective tax rate of between 23 percent and 24 percent Adjusted free cash flow to be approximately \$1.35 billion to \$1.6 billion Capital expenditures of approximately \$325 million and Share repurchases will offset dilution from employee stock option exercises. AmerisourceBergen also continues to operate under the following working assumptions regarding the pharmaceutical market: Brand drug inflation to be in the range of 6 percent to 7 percent Generic drug deflation to be in the range of -7 percent to -9 percent Contributions from new generic launches similar to the prior year and No significant contributions from biosimilars.

Corporate Communications

Jan 09, 2019: AmerisourceBergen appoints new chief human resources officer

AmerisourceBergen, a global healthcare solutions leader, announced the appointment of Silvana Battaglia to its executive team as Executive Vice President and Chief Human Resources Officer.

In this role, Battaglia will be responsible for leading a progressive global human resources department where talent and culture form a foundation for business success. Battaglia will lead all aspects of human resources across the enterprise.

"At AmerisourceBergen, we value our associates as the most important key to our success in shaping healthcare delivery. Silvana brings an impressive history and a proven ability to align human resources strategy with business objectives in large organizations experiencing growth and transformation. Her understanding of global business, passion for enhancing the associate experience and emphasis on fostering a diverse and inclusive workforce will be key in helping to fuel the next era of growth and opportunity for our business," said Gina Clark, EVP and Chief Communication & Administration Officer at AmerisourceBergen.

Battaglia brings with her more than two decades of experience running international human resources organizations for Fortune 500 companies, helping to successfully shape company design, diversity and inclusion, workforce planning and more. Most recently at Aramark, Battaglia set strategic direction, designed and implemented solutions to improve employee engagement across 22 countries and developed workforce strategies to enable business growth and increase competitiveness. Throughout her tenure, Battaglia has developed expertise in developing high-performing employees, shaping company culture and driving organizational effectiveness.

Battaglia will be based out of AmerisourceBergen's Conshohocken, Pa. office and is reporting to Gina Clark. She is succeeding Kathy Gaddes, who has taken on the role of EVP and Corporate Compliance Officer at AmerisourceBergen.

Sep 10, 2018: AmerisourceBergen Announces Financial Leadership Change

AmerisourceBergen Corporation announced that Tim G. Guttman, Executive Vice President and Chief Financial Officer, has decided to retire from the Company.

James F. Cleary, Jr., Executive Vice President and Group President, Global Commercialization Services and Animal Health, will succeed Guttman as Executive Vice President and Chief Financial Officer. Guttman will step down as Chief Financial Officer on November 9, 2018 and continue in an advisory capacity further into fiscal year 2019 to ensure a smooth transition. All previously communicated aspects of the Company's fiscal year 2018 financial guidance and assumptions remain the same.

"Tim has exemplified financial stewardship and humble leadership throughout his 16 years with the company. I have great respect for Tim's energy, dedication and focus on financial performance," said Steven H. Collis, Chairman, President and Chief Executive Officer of AmerisourceBergen. "During his nearly seven-year tenure as CFO, Tim has been a key partner to me, and the rest of the executive lead team, supporting the company in delivering a strong track record of financial results, growth and total shareholder return."

Cleary joined AmerisourceBergen in February 2015 following the Company's acquisition of MWI Veterinary Supply, where he served as chief executive officer for over a decade, leading MWI through its initial public offering, many years of growth and ultimate sale to AmerisourceBergen. Following the acquisition, Cleary served as Executive Vice President & President, AmerisourceBergen Animal Health for over two years until taking on responsibility for AmerisourceBergen's pharmaceutical commercialization solutions for manufacturers and animal health as Executive Vice President & Group President, Global Commercialization Services & Animal Health in June 2017.

"Jim brings more than 20 years of strong leadership and operational experience and an in-depth knowledge of our business to his new role as CFO," Mr. Collis continued. "I feel fortunate to be able to have such an experienced executive transitioning into the CFO role. His proven track record of management and execution make him an excellent leader to help AmerisourceBergen continue to grow as a leading healthcare solutions provider and drive shareholder return."

Other Significant Developments

Dec 10, 2018: Michigan Healthcare professionals joins ION solutions GPO network & selects oncology supply as exclusive specialty distributor

AmerisourceBergen, a global healthcare solutions leader, announced that Michigan Healthcare Professionals (MHP) has selected ION Solutions for GPO contracting and Oncology Supply for exclusive specialty distribution. This marks a 6-year strategic relationship focused on supporting patient outcomes and driving economic competitiveness.

With more than 400 physicians, MHP is a large-specialty group spanning numerous specialties. MHP's community oncology practice consists of 24 physicians, including radiation oncologists and surgeons, staffing 11 different sites of care that span the entire metro-Detroit area. As an Oncology Care Model practice, MHP provides high-quality, efficient, coordinated, appropriate and cost-effective healthcare. MHP has two retail pharmacies and offers, fast, safe and free delivery anywhere in Michigan within 24 hours. MHP participates in TACO, the Medicare Shared Savings Program Accountable Care Organization.

"As the largest physician service organization and GPO specializing in the support of independent oncology practices, we pride ourselves in the strength and caliber of our membership, and MHP certainly adds to both," said Barry Fortner, Ph.D., Senior Vice President & President of Specialty Physician Services at AmerisourceBergen. "We look forward to leveraging the full power of our ION GPO and AmerisourceBergen's integrated service and technology offerings to support MHP as the practice builds on the exceptional work they're already doing to create efficiencies, deliver positive clinical outcomes and enhance the patient experience."

Through this new agreement, MHP will have a dedicated account team that acts as an extension of the practice and actively consults on contract performance, purchasing activities, and creating operational efficiencies. MHP will have access to Oncology Supply's robust inventory of specialty and full-line oral, infusible and injectable products.

"The strongest differentiator for ION Solutions and Oncology Supply is the VIP level of service that we receive," said Dr. Jeffrey Margolis, President of Michigan Healthcare Professionals. "Justin Doyle, John Johns and the team from ION Solutions and Oncology Supply is incredibly hands-on and they anticipate our needs before we even ask. When we implement a new technology or solution, the team sees it through to the very end to ensure a seamless execution. It's clear that we are more than a transaction or sales volume to them. It's a real relationship."

MHP can leverage ION's suite of technology solutions and will utilize the Nucleus® inventory management system to accurately track and manage product, improve practice efficiency and reduce carrying costs. Through IntelliDoseTxM, a cloud-based chemotherapy treatment management module, MHP will be able to manage treatment plans, have computerized physician order entry, enable nurse charting, capture all charges for each chemotherapy encounter and integrate this data with their electronic health record. As a network member, MHP will also have full access to the Precision Medicine Center, ION's centralized library of precision medicine testing recommendations and resources.

Other services and solutions available to ION network members include pharmacy dispensing, clinical quality consulting, business optimization programs, value-based care services and analytics tools like InfoDive®, a web-based business intelligence solution that allows practices to quickly and easily analyze internal and comparative data in the areas of coding, productivity, marketing, revenue collection and more.

MHP will also have access to ION's ongoing educational conference series. ION hosts nine annual conferences for its members; these events are designed to facilitate peer-to-peer learning and networking and strengthen the community of independent oncologists. Each conference features expert speakers, clinical reviews and best practices for business operations.

May 17, 2018: Centers for Medicare and Medicaid Services Approves IntrinsicQ Specialty Solutions as a Qualified Clinical Data Registry

IntrinsicQ Specialty Solutions, a part of AmerisourceBergen, has been approved by the Centers for Medicare and Medicaid Services (CMS) to participate in the Merit-Based Incentive Payment System (MIPS) program as a Qualified Clinical Data Registry (QCDR) for the 2018 calendar year.

As part of this program, IntrinsicQ Specialty Solutions can submit quality metrics on behalf of providers as part of MIPS or other value-based reimbursement models. IntrinsicQ Specialty Solutions' approval as a QCDR highlights the company's commitment to bringing solutions to market that help practices grow, manage through change and provide the highest quality patient care.

As a CMS-approved QCDR, IntrinsicQ Specialty Solutions can now complete the collection and submission of quality measure data on behalf of Eligible Professionals (EPs) directly from an electronic health record (EHR) system. EPs who satisfactorily meet certain measures can submit their data through the QCDR and earn a payment adjustment based on evidence-based, quality data. This process mitigates the reporting burden on the practice, which allows more time for providing care.

"As the healthcare industry shifts toward value-based care models, accurate and timely data reporting is essential for providers to remain viable, but it also creates a burden on staff," said Susan Weidner, senior vice president at IntrinsicQ Specialty Solutions. "We are proud to be one of the leading organizations that can help providers overcome this barrier and receive accurate reimbursement for the high-quality care they provide."

To support the MIPS QCDR program, IntrinsicQ Specialty Solutions' Quality Reporting Engagement Group will oversee the process to compile and submit the provider's data via the QCDR. This includes an automated data exchange from a provider's EHR, calculation of each measure as relevant to the provider type, file generation and submission to CMS. This group is certified in Annual Quality and Resource Use Reports (QRUR) and comprised of HIPAA Compliance Officers and a MACRA-certified project manager. The team has conducted more than 125 successful CMS audits with a 100 percent success rate, approximately 6,000 successful MU attestations and more than 4,000 successful PQRS submissions.

The QCDR reporting option is different from a traditional registry or an EMR system because it is not limited to Medicare patient data; it operates across all payers. In addition, the QCDR can host "non-MIPS" measures approved by CMS for reporting, which are more relevant to the specialty associated with the eligible clinician, and therefore, professionals achieve a better performance rating.

Appendix

The data and analysis within this report is driven by GlobalData.

GlobalData gives you the key information to drive sales, investment and deal making activity in your business.

Our coverage includes 200,000 + reports on 185,000+ companies (including 150,000+ private) across 200+ countries and 29 industries. The key industries include Alternative Energy, Oil & Gas, Clean Technology, Technology and Telecommunication, Pharmaceutical and Healthcare, Power, Financial Services, Chemical and Metal & Mining.

Methodology

GlobalData company reports are based on a core set of research techniques which ensure the best possible level of quality and accuracy of data. The key sources used include:

- Company Websites
- Company Annual Reports
- SEC Filings
- Press Releases
- Proprietary Databases

Notes

- Financial information for the company is taken from the most recently published annual reports or SEC filings
- The financial and operational data reported for the company is as per the industry defined standards
- Currencies are converted at current rates, with average annual rates taken for historic conversions

Deals includes all announced deals from 2011 onwards, deal values are included wherever disclosed.

About GlobalData

GlobalData is one of the world's leading providers of company operational data and strategic analysis, providing detailed information on tens of thousands of companies globally. Our highly qualified team of Analysts, Researchers, and Solution Consultants use proprietary data sources and various tools and techniques to gather, analyze and represent the latest and the most reliable information essential for businesses to sustain a competitive edge. Data is continuously updated and revised by large teams of research experts, so that it always reflects the latest events and information. With a large dedicated research and analysis capability, GlobalData employs rigorous primary and secondary research techniques in developing unique data sets and research material for this series and its other reports. GlobalData offers comprehensive geographic coverage across world's most important sectors, focusing particularly on energy and healthcare.

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