CARDINAL HEALTH, INC.

Company Overview

Cardinal Health, Inc. (“Cardinal Health”, NYSE: CAH) is one of the largest global healthcare distribution and medical products companies, serving hospitals, pharmacies, physician offices, clinical laboratories, and ambulatory centers. The company operates through two major segments:

Pharmaceutical Distribution – provides branded, generic, and specialty pharmaceuticals, specialty logistics, 3PL services, nuclear pharmacy solutions, and data-driven supply-chain capabilities.

Medical Segment – provides Cardinal Health–branded medical and surgical products, including gloves, gowns, drapes, fluid management, OR accessories, compression products, laboratory equipment, PPE supplies, and at-home care medical devices.

The company is **headquartered in Dublin, Ohio**, and employs approximately **48,000 people worldwide** across distribution centers, logistics operations, field sales, and manufacturing.

Cardinal Health reported solid Q1 FY2026 results with revenue of **$59.1 billion**, +11% year over year, driven by strong specialty pharmaceutical demand, solid unit growth in branded and generic distribution, and continued stabilization in the Medical segment. Management reaffirmed full-year FY26 EPS guidance with expectations for improved Medical segment margins, ongoing cost optimization, and increased contribution from at-Home Solutions.

Cardinal Health continues to benefit from structural tailwinds in specialty pharma, physician-office distribution, and aging demographics, while executing on margin recovery and disciplined capital allocation.

1. Top 5 Competitors

- **McKesson Corporation** – largest U.S. pharmaceutical distributor
- **AmerisourceBergen (Cencora)** – major pharmaceutical distribution competitor
- **Owens & Minor** – medical product manufacturer and distributor
- **Medline Industries** – private competitor across medical supplies and logistics
- **Henry Schein** – distributor of medical, dental, and specialty care products

BRISTOL-MYERS SQUIBB CO.

2. Largest Institutional Shareholders

(Approximate ownership based on latest 13F filings and consolidated estimates.)

Shareholder	Approx. % Ownership	Shares (Millions)
Vanguard Group Inc.	~12.3%	~30M
BlackRock Inc.	~10.6%	~26M
State Street Corp.	~4.8%	~12M
Wellington Management	~3.1%	~8M
Fidelity (FMR)	~2.7%	~7M
T. Rowe Price Associates	~2.2%	~5M
Geode Capital Management	~1.8%	~4.5M
Northern Trust Corp.	~1.1%	~3M
JPMorgan Asset Management	~1.0%	~2.5M
Norges Bank Investment Management	~0.9%	~2M

Top 10 Institutional Ownership: ~40%
Total Institutional Ownership: ~85%*

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3. Management Team

- **Jason Hollar** — Chief Executive Officer
- **Aaron Alt** — Chief Financial Officer
- **Deborah Weigel** — CEO, Pharmaceutical Segment
- **Steve Mason** — CEO, Medical Segment
- **Jessica Mayer** — Chief Legal & Compliance Officer
- **Brian Rice** — Chief Information Officer
- **Michelle Greene** — Chief Human Resources Officer

Management continues to focus on supply-chain modernization, Medical segment turnaround, inventory optimization, and expansion of high-growth specialty therapies.

4. Revenue

Q1 FY2026 Financial Results:

- **Total Revenue**: $59.1 billion (+11% YoY)
- **Pharmaceutical Segment**: ~$54.3B (+12% YoY)
- **Medical Segment**: ~$4.8B (+2% YoY)
- **Adjusted Operating Earnings**:

– Pharmaceutical: +9% YoY
– Medical: returning to positive growth after several quarters of margin pressure

- **Adjusted EPS**: increased year over year, reflecting improved profitability and execution

FY2024 Revenue: ~$205 billion
FY2025 Revenue: ~$226 billion
FY2026E Revenue: $235–240 billion

Key revenue drivers:

- Specialty pharma unit expansion
- Continued generics program strength
- Nuclear and specialty logistics growth
- Medical products demand normalization
- Strategic focus on high-margin categories including PPE, compression, and patient recovery products

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5. Institutions with Buy Recommendations

A wide range of institutions maintain **Buy/Overweight** recommendations:

Argus Research — Buy
JPMorgan — Overweight
Bank of America — Buy
Wells Fargo — Overweight
Raymond James — Outperform
UBS — Buy
Refinitiv Consensus — Strong Buy / Outperform majority

Bullish factors cited:

- Strength in specialty pharma distribution
- Medical segment recovery
- Margin expansion driven by supply-chain optimization
- Strong free cash flow and capital-return capability
- Attractive valuation relative to peers

6. Analyst Sentiment Summary

- **Consensus Rating**: Buy
- **Average Analyst Target**: ~$135–$150
- **High Estimate**: ~$170
- **Low Estimate**: ~$115

Analyst themes:

- Structural long-term growth in pharmaceutical distribution
- Strong competitive position across specialty and hospital channels
- Ongoing Medical turnaround unlocking incremental earnings
- Consistent dividend growth and share repurchases
- Attractive defensive profile relative to market volatility

BCG Target Price: $218, reflecting long-term specialty distribution momentum, higher normalized Medical margins, and a premium assigned to CAH's supply-chain scale and cash-generation profile.

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7. Insider Buying and Selling (Last 24 Months)

- Insider activity has been **minimal**, with most transactions tied to RSU vesting, compensation-based stock awards, and tax withholding.
- Senior executives, including the CEO and CFO, executed small scheduled sales under established 10b5-1 plans.
- No meaningful open-market insider purchases were reported.
- No abnormal or non-routine insider selling behavior observed.

Insider sentiment is considered **neutral**, consistent with long-term compensation structures.