

McKesson: Unlocking the Power of Data with SAP Analytics

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McKesson At A Glance

Delivering Better Health to All

Fortune 5
company



Founded in

1833



More than
15,000
*owned and banner
pharmacies*

\$199B

FY17 revenues



\$4.7B



FY17 operating cash flow

Delivering

1/3



*of all prescription medicine
in North America¹*

75,000+

employees worldwide



*Value
creation*

CHANGE
HEALTHCARE

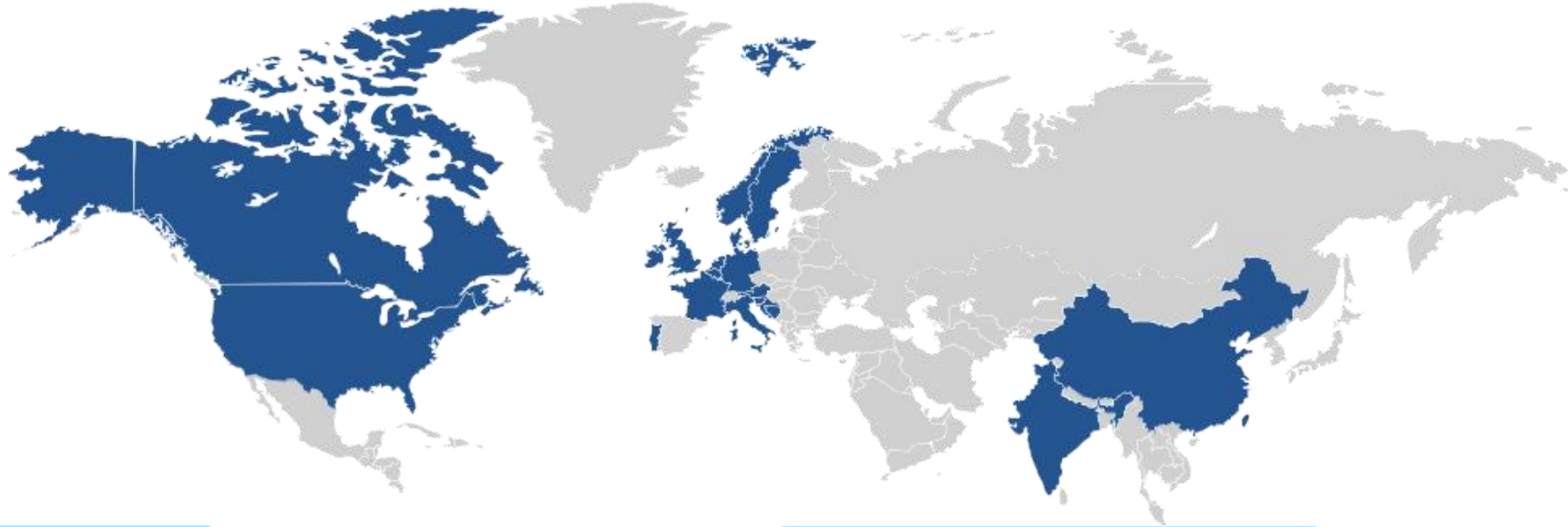
¹This information is an estimate derived from the use of information under license from the following QuintilesIMS information service: Market Prognosis North America for the period 2017-2021 (published March 2017).

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Financial data reported for Fiscal Year ended March 31, 2017. Operational and employee data reflected as of March 31, 2017

Global Healthcare Company



North America Pharmaceutical Distribution and Services

Pharmaceutical
distribution,
technology and
services in the U.S.
and Canada

Medical-Surgical Distribution and Services

Medical surgical
supplies distribution
and services
in the U.S.

International Pharmaceutical Distribution and Services

Celesio
pharmaceutical
distribution and
retail operations

Global Procurement & Sourcing

Enterprise-wide
sourcing
organization

Industry Landscape

Healthcare Continues to be a Dynamic and Growing Industry

5.4%

Total Market Sales CAGR
2016 to 2021¹

~4.5 Billion

Prescriptions Dispensed in 2016²



Generic Launches

\$103 Billion

of brand sales at risk from 2017 to 2021²

40-45

Innovative Medicines
to launch annually from 2017 to 2021²



5.6%

Generic CAGR 2016 to 2021¹

¹QuintilesIMS Market Prognosis 2017-2021: North America – USA, March 2017

²QuintilesIMS Institute Medicines Use and Spending in the U.S.: A Review of 2016 and Outlook to 2021 (May 2017); Generic launches exclude biosimilars

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McKesson Solutions

Comprehensive Solutions & Services Across the Supply Chain



Customer-First Focus

**Delivering Operational
Excellence**

Fostering Innovation

Driving Scale & Growth

Healthcare Industry Challenges



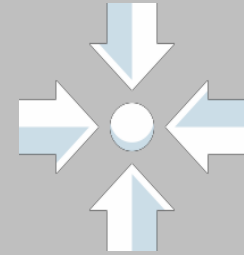
**Fewer expected
generic launches
compared to prior
years**



**Moderation of
brand and generic
pharmaceutical
pricing trends**



**Increase in
customer pricing
competitiveness**



**Impact of
customer
consolidation**

McK Solutions – Analytics and Reporting



- Inventory Management
- Ambulatory / Specialty Consultation
- Specialty Drug Access

- **Analytics and Reporting**
- Integration with Automation Vendors
- 340B Products and Services

McK Solutions – Analytics and Reporting

Q&A

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THANK YOU!

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