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CARDINAL HEALTH INC
Form 11-K
June 22, 2001

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

FORM 11-K

X ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES
----- EXCHANGE ACT OF 1934

For the period ended December 31, 2000

----- TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 1-11885

- A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

ALLEGIANCE RETIREMENT PLAN

- B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

Cardinal Health, Inc.
7000 Cardinal Place
Dublin, Ohio 43017
Telephone: 614-757-5000

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REQUIRED INFORMATION

Allegiance Retirement Plan (the "Plan") is subject to the Employee Retirement Income Security Act of 1974 ("ERISA"). Therefore, in lieu of the requirements of Items 1-3 of Form 11-K, the financial statements and schedules of the Plan for the period ended December 31, 2000, which have been prepared in accordance with the financial reporting requirements of ERISA, are attached hereto as Appendix 1 and incorporated herein by this reference.

SIGNATURE

The Plan

Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

ALLEGIANCE RETIREMENT PLAN

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By: Employee Benefits Policy Committee

/s/ Richard J. Miller

June 21, 2001

Richard J. Miller
Plan Committee Member

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ALLEGIANCE RETIREMENT PLAN

Financial Statements and Supplemental Schedule
As of December 31, 2000 and 1999
Together With Auditors' Report

Employer Identification Number 36-4095179
Plan Number 001

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ALLEGIANCE RETIREMENT PLAN

FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULE

DECEMBER 31, 2000 AND 1999

(EMPLOYER IDENTIFICATION NUMBER 36-4095179, PLAN NUMBER 001)

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December 31, 2000

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REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To the Administrative Committee of the
Allegiance Retirement Plan:

We have audited the accompanying statements of net assets available for benefits of the ALLEGIANCE RETIREMENT PLAN (the "Plan") as of December 31, 2000 and 1999, and the related statement of changes in net assets available for benefits for the year ended December 31, 2000. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2000 and 1999, and the changes in net assets available for benefits for the year ended December 31, 2000, in conformity with accounting principles generally accepted in the United States.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of assets held for investment purposes is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management.

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The supplemental schedule has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ Arthur Andersen LLP

Chicago, Illinois
June 4, 2001

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ALLEGIANCE RETIREMENT PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

AS OF DECEMBER 31, 2000 AND 1999

(EMPLOYER IDENTIFICATION NUMBER 36-4095179, PLAN NUMBER 001)

| | 2000 | 1999 |
|-----------------------------------|---------------|---------------|
| | ----- | ----- |
| INVESTMENTS (Note 4) | \$667,756,744 | \$563,320,653 |
| RECEIVABLES: | | |
| Employee contribution | 331,574 | 957,199 |
| Employer contribution | 14,845,890 | 15,017,227 |
| Dividends and interest | 441,834 | 837,306 |
| | ----- | ----- |
| Total receivables | 15,619,298 | 16,811,732 |
| | ===== | ===== |
| LIABILITIES: | | |
| Excess contributions payable | 236,479 | - |
| Accounts payable | - | 993,654 |
| Due to broker | - | 1,074,776 |
| | ----- | ----- |
| Total liabilities | 236,479 | 2,068,430 |
| | ----- | ----- |
| NET ASSETS AVAILABLE FOR BENEFITS | \$683,139,563 | \$578,063,955 |
| | ===== | ===== |

The accompanying notes are an integral part of these financial statements.

ALLEGIANCE RETIREMENT PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

FOR THE YEAR ENDED DECEMBER 31, 2000

(EMPLOYER IDENTIFICATION NUMBER 36-4095179, PLAN NUMBER 001)

ADDITIONS:

| | | |
|--|--|---------------|
| Investment income- | | |
| Net appreciation in fair value of investments (Note 4) | | \$114,025,011 |
| Interest and dividends | | 1,698,180 |
| Contributions- | | |
| Employee | | 27,019,868 |
| Employer | | 18,572,900 |
| | | ----- |
| Total additions | | 161,315,959 |
| | | ----- |

DEDUCTIONS:

| | | |
|-------------------------|--|------------|
| Benefit payments | | 54,306,486 |
| Administrative expenses | | 1,933,865 |
| | | ----- |
| Total deductions | | 56,240,351 |
| | | ----- |

NET INCREASE 105,075,608

NET ASSETS AVAILABLE FOR BENEFITS:

| | | |
|-------------------|--|---------------|
| Beginning of year | | 578,063,955 |
| | | ----- |
| End of year | | \$683,139,563 |
| | | ===== |

The accompanying notes are an integral part of this financial statement.

ALLEGIANCE RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULE

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DECEMBER 31, 2000 AND 1999

(EMPLOYER IDENTIFICATION NUMBER 36-4095179, PLAN NUMBER 001)

1. DESCRIPTION OF PLAN

The following brief description of the Allegiance Retirement Plan (the "Plan") is provided for general information purposes only. Participants should refer to the Plan agreement for more complete information.

GENERAL

The Plan was established effective October 1, 1996, for the benefit of eligible employees of Allegiance Corporation and its subsidiaries as defined in the Plan agreement (collectively referred to as the "Company"). The Plan is a defined contribution plan and is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended.

Effective January 1, 1999, the West Hudson & Company Inc. 401(k) Profit Sharing Plan ("West Hudson Plan") was merged into the Plan. Each participant in the West Hudson Plan became a participant in the Plan as of the effective date.

On February 3, 1999, Allegiance became a wholly owned subsidiary of Cardinal Health, Inc. Accordingly, each share held in the Allegiance Common Stock Fund was converted into .9338 of a share of Cardinal common stock. Cash paid in lieu of fractional shares was transferred into the Stable Income Fund.

ELIGIBILITY

All employees of the Company, as defined in the Plan agreement, are eligible to participate on the first of the month following one full calendar month of employment with the Company.

CONTRIBUTIONS

The Plan allows tax-deferred contributions in compliance with Section 401(k) of the Internal Revenue Code ("IRC"). Eligible participants make pretax contributions up to 12% of their eligible annual compensation subject to certain limitations under the IRC. Participants may also contribute amounts representing distributions from other qualified defined contribution plans. The Company matches the first three percent of eligible annual base compensation of the participant's contribution dollar for dollar.

In addition to the matching contribution, the Company will annually provide a fixed contribution equal to three percent of each participant's eligible annual base compensation. Participants should refer to the Plan agreement for eligibility requirements.

The Company also provides variable performance and transition contributions in accordance with the terms of the Plan agreement. The amount of the contribution is determined based on a formula defined in the Plan agreement and is made on an annual basis dependent upon

achievement of the Company's annual key performance goals. Participants should refer to the Plan agreement for eligibility requirements.

VESTING

Participant contributions and the earnings thereon are fully vested at all times. Vesting in all employer contributions and the earnings thereon is based on years of continuous service as defined in the Plan agreement.

INVESTMENT OPTIONS

Participants can direct their contributions and any related earnings into eight investment options offered by the Plan. Participants can change the investment options on a monthly basis.

PARTICIPANT ACCOUNTS

Each participant's account is credited with the participant's contribution and allocations of the Company's contributions and Plan earnings and charged with an allocation of administrative expenses. Allocations are based on participant earnings or account balance, as defined in the Plan agreement. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

FORFEITED ACCOUNTS

If a participant terminates employment prior to being fully vested, he/she forfeits the unvested portion of his/her account balance. Forfeited amounts are used to reduce future employer contributions. Total forfeitures for the year ended December 31, 2000 and 1999, were \$1,498,114 and \$828,711, respectively.

BENEFITS

Upon termination of service due to death, disability or retirement, a participant or his/her beneficiary (if termination is due to death) will receive an amount equal to the participant's vested interest in his or her account balance. The form of payment is a lump-sum distribution, annuity or other benefit payment option, as described in the Plan agreement.

PARTICIPANT LOANS

Participants may borrow from their accounts a minimum of \$500 and up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balance. Loan transactions are treated as transfers to (from) the investment fund from (to) the Participant Loan Fund. Loan terms range up to five years, or ten years if for the purchase of a principal residence. The loans are secured by the balance in the participant's account and bear interest at a rate commensurate with local prevailing rates as determined by the Plan administrator. Principal and interest are paid ratably through payroll deductions.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

METHOD OF ACCOUNTING

The financial statements of the Plan have been prepared on the accrual basis of accounting. Investment income is recognized when earned and

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expenses are recognized when incurred. Employer matching contributions are recorded in the period in which participants make the

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related employee contributions. Fixed and transition contributions are recorded in the period in which they were earned by participants.

Net appreciation (depreciation) consists of realized gains and losses on sales of investments and unrealized appreciation or depreciation in the fair value of investments since the beginning of the reporting period. Realized gains and losses are recognized upon the disposition of investments by comparing the proceeds to the average cost. Average cost is calculated as the average of the fair market value of the disposed securities at the beginning of the year and the acquisition cost for those investments acquired during the year. In accordance with the policy of stating investments at fair market value, unrealized appreciation or depreciation of the market value of investments for the year, if any, is calculated as fair market value at the end of the year less fair market value at the beginning of the year, or if acquired during the year, acquisition cost.

INVESTMENT VALUATION AND INCOME RECOGNITION

Investments are valued at fair value as determined by quoted market prices. The Stable Income Fund is valued at contract value because the fund is invested in fully benefit-responsive investment contracts. Contract value represents the principal balance of the investment contracts plus accrued interest at stated contract rates, less withdrawals and administrative charges. The crediting interest rate and average yield of the investment contracts for the years ended December 31, 2000 and 1999, were approximately 6.6% and 7.0%, respectively. The recorded contract value of the investment contracts approximates fair market value as of December 31, 2000 and 1999.

USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires the Plan's management to make estimates and assumptions that affect the amounts reported in the financial statements and related notes to the financial statements. Changes in such estimates may affect amounts reported in future periods.

3. ADMINISTRATION OF THE PLAN

As of December 31, 2000, State Street Bank and Trust Company served as trustee and record keeper for the Plan under an agreement dated October 1, 1996. The Employee Benefits Policy Committee administers the Plan and has authority, responsibility and control over the management of the assets of the Plan. Members of the committee are appointed by the Human Resources and Compensation Committee of the Board of Directors of Cardinal Health, Inc. All investment management, trustee and administrative fees incurred in the administration of the Plan are paid from the assets of the Plan.

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4. INVESTMENTS

Investments that represented 5% or more of the Plan's net assets as of December 31, 2000 and 1999, are as follows:

| | 2000 | 1999 |
|---|---------------|---------------|
| Cardinal Stock Fund | \$186,494,414 | \$138,987,684 |
| S&P 500 Flagship Fund | 99,482,840 | 102,352,255 |
| Baron Asset Fund | 34,334,402 | - |
| Yield Enhanced Short-term Investment Fund | 52,742,793 | - |
| Short-term Investment Fund | 109,694,829 | - |

During 2000, the Plan's investments (including gains and losses on investments bought and sold as well as held during the year) appreciated in value by \$114,025,011 as follows:

| | |
|--------------------------|----------------|
| Mutual funds | \$ (9,698,081) |
| Common stocks | 134,724,932 |
| Corporate bonds | (988,048) |
| Common/collective trusts | (10,013,792) |
| | ----- |
| Total | \$114,025,011 |
| | ===== |

5. DISTRIBUTION PRIORITIES UPON TERMINATION OF THE PLAN

Although the Company has not expressed any intent to do so, the Company reserves the right to terminate the Plan at any time subject to the provisions of ERISA. In the event of termination of the Plan, the account balance of each participant will become fully vested and all assets, net of expenses, will be distributed to the participants or beneficiaries.

6. TAX STATUS

The Internal Revenue Service has determined and informed the Company by a letter dated February 24, 1998, that the Plan and related trust are designed in accordance with applicable sections of the IRC. Although the Plan has been amended since receiving the determination letter, the Plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC and ERISA.

7. RELATED-PARTY TRANSACTIONS

At December 31, 2000 and 1999, the Plan held units of participation in certain common/collective trust funds and short-term investment funds of State Street Bank and Trust Company, the Plan trustee. Fees paid by the Plan for these services amounted to \$1,017,343 for the year ended December 31, 2000. The Plan also held shares of Cardinal common stock, the Plan Sponsor, during 2000 and 1999. These transactions are allowable

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party-in-interest transactions under ERISA and the regulations promulgated thereunder.

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8. SUBSEQUENT EVENT

Effective January 1, 2001, substantially all of the participants and assets of the Plan were merged into the Cardinal Health Profit Sharing, Retirement and Savings Plan. However, the Allegiance union employees and their assets remain in the Allegiance Retirement Plan which is referred to as the Allegiance Retirement Plan for Union Employees as of January 1, 2001.

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SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES
AT END OF YEAR

AS OF DECEMBER 31, 2000

(EMPLOYER IDENTIFICATION NUMBER 36-4095179, PLAN NUMBER 001)

| IDENTITY AND PARTY INVOLVED | DESCRIPTION OF ASSET | INTEREST RATE | MATU DA |
|----------------------------------|---|---------------|------------|
| ----- | ----- | ----- | ----- |
| CASH EQUIVALENTS: | | | |
| *State Street Bank & Trust | Short-term investment fund | N/A | N/ |
| *State Street Bank & Trust | Yield-enhanced short-term investment fund | N/A | N/ |
| COMMON STOCKS: | | | |
| *Cardinal Health Inc. | Common stock | N/A | N/ |
| GUARANTEED INVESTMENT CONTRACTS: | | | |

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| | | | |
|--|-------------------------------|--------|--------|
| Allstate Life Insurance Company | Guaranteed insurance contract | 7.1700 | 11/02/ |
| Allstate Life Insurance Company | Guaranteed insurance contract | 6.9000 | 11/30/ |
| Allstate Life Insurance Company | Guaranteed insurance contract | 8.0200 | 08/3/ |
| Bank of America | Guaranteed insurance contract | 7.0600 | 02/1/ |
| | Wrapper | | |
| Bank of America | Guaranteed insurance contract | 7.1900 | 09/1/ |
| | Wrapper | | |
| CNA Insurance Companies | Guaranteed insurance contract | 6.3800 | 06/30/ |
| CNA Insurance Companies | Guaranteed insurance contract | 5.7100 | 03/31/ |
| GE Financial Assurance | Guaranteed insurance contract | 6.5500 | 03/31/ |
| GE Financial Assurance | Guaranteed insurance contract | 6.9000 | 08/31/ |
| JAC | Guaranteed insurance contract | 7.6300 | 08/31/ |
| John Hancock Mutual Life Insurance Company | Guaranteed insurance contract | 7.0500 | 12/31/ |
| John Hancock Mutual Life Insurance Company | Guaranteed insurance contract | 6.2300 | 02/29/ |
| John Hancock Mutual Life Insurance Company | Guaranteed insurance contract | 5.8100 | 09/30/ |

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| IDENTITY AND PARTY INVOLVED | DESCRIPTION OF ASSET | INTEREST RATE | MATURITY DATE |
|---|--|---------------|---------------|
| GUARANTEED INVESTMENT CONTRACTS (CONTINUED): | | | |
| Monumental Life Insurance Company | Guaranteed insurance contract | 6.9400 | 08/3/ |
| | Wrapper | | |
| Monumental Life Insurance Company | Guaranteed insurance contract | 5.8900 | 07/31/ |
| Principle Financial Group | Guaranteed insurance contract | 5.2300 | 11/02/ |
| Protective Life Insurance Company | Guaranteed insurance contract | 6.1200 | 07/31/ |
| The Travelers Insurance Company | Guaranteed insurance contract | 6.2900 | 11/1/ |
| The Travelers Insurance Company | Guaranteed insurance contract | 6.3700 | 12/1/ |
| The Travelers Insurance Company | Guaranteed insurance contract | 5.6800 | 12/2/ |
| The Travelers Insurance Company | Guaranteed insurance contract | 5.6700 | 01/15/ |
| Bankers Trust | Benefit Accessible Securities Investment Contract-SSB & Trust Short Term Investment Fund | N/A | N/ |
| | Federal Home Ln. MTG Corp. | 6.0000 | 07/1/ |
| | Federal Home Ln. MTG Corp. | 5.7500 | 07/1/ |
| | Federal Home Ln. MTG Corp. | 5.1250 | 10/1/ |
| | Federal Nat'l MTG Assn. | 5.6250 | 05/1/ |
| | Federal Nat'l MTG Assn. | 6.2500 | 11/1/ |
| | Chase Manhattan Auto Owner TR | 6.2100 | 12/1/ |
| | Citibank CR Cord Master Tr. I | 5.8750 | 03/1/ |
| | Daimler Chrysler Auto TR | 6.8200 | 09/0/ |
| | Ford CR Auto Owner TR | 6.8700 | 01/1/ |
| | Nomura Asset Secs Corp. | 7.5000 | 05/2/ |
| | Federal Home Ln. MTG PC GTD | 4.5000 | 11/1/ |

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| | | |
|----------------------------------|--------|------|
| Federal Home Ln. MTG Corp | 6.0000 | 12/1 |
| Federal Home Ln. MTG Corp GTD | 6.0000 | 04/1 |
| Federal Home Ln. MTG PC GTD | 3.5000 | 12/1 |
| Federal Home Ln. MTG PC GTD | 6.0000 | 11/1 |
| Federal Home Ln. MTG Corp | 6.0000 | 02/1 |
| Federal Home Ln. MTG PC GTD | 6.5000 | 11/1 |

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| IDENTITY AND PARTY INVOLVED | DESCRIPTION OF ASSET | INTEREST RATE | MATU DA |
|---|-------------------------------------|------------------|------------|
| ----- | ----- | ----- | ----- |
| GUARANTEED INVESTMENT CONTRACTS (CONTINUED): | Benefit Accessible Securities | | |
| | Investment Contract (continued)- | | |
| Bankers Trust | Federal Home Ln. MTG PC GTD | 6.5000 | 07/1 |
| | Federal Nat'l MTG Assn. | 6.5000 | 04/1 |
| | Federal Nat'l MTG Assn. | 6.0000 | 03/2 |
| | Federal Nat'l MTG Assn. | 6.5000 | 12/2 |
| | Federal Nat'l MTG Assn. GTD | 6.5000 | 04/1 |
| | Duke Cap Corp. | 7.5000 | 10/0 |
| | AMB PPTY L P | 7.1000 | 06/3 |
| | Associates Corp North Amer. | 6.2500 | 11/0 |
| | BankBoston Na MTn | 6.3750 | 03/2 |
| | Bear Stearns Cos Inc. | 6.2500 | 07/1 |
| | Capital One Bk MTN Book Entry | 6.3750 | 02/1 |
| | Case Cr. Corp. | 6.7500 | 10/2 |
| | Chase Manhattan Corp. New | 6.0000 | 11/0 |
| | Donaldson Lufkin & Jenrette Inc. | 6.8750 | 11/0 |
| | Firstbank P R | 7.6250 | 12/2 |
| | Ford MTR CR Co. | 5.8000 | 01/1 |
| | Green Tree Fin'l Corp. | 6.0800 | 03/0 |
| | Household Fin. Corp. | 5.8750 | 09/2 |
| | Lehman Brothers Inc. | 6.6250 | 02/1 |
| | Lehman Brothers Inc. | 6.5000 | 04/1 |
| | Conagra Inc. | 7.0000 | 10/0 |
| | Coca Cola Enterprises | 5.7500 | 11/0 |
| | Ford MTR Co Del. | 6.3750 | 02/0 |
| | Lockheed Martin Corp. | 7.7000 | 06/1 |
| | Philip Morris COS Inc. | 6.3750 | 02/0 |
| | Pioneer Nat. Res. Co. | 6.5000 | 01/1 |
| | Pulte Corp. | 7.0000 | 12/1 |
| | Raytheon Co. | 6.7500 | 08/1 |
| | Raytheon Co. | 6.1500 | 11/0 |
| | Sears Roebuck Accep Corp. | 6.2500 | 05/0 |
| | TCI Communications | 6.8750 | 02/1 |
| | TRW Inc. | 7.1250 | 06/0 |
| | Time Warner Inc. | 6.6250 | 05/1 |
| | YPF Sociedad Anonima | 7.5000 | 10/2 |
| | FMNA Pool | 5.5000 | 05/0 |

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| | | |
|------------------------|--------|------|
| FMNA Pool | 6.0000 | 12/0 |
| FMNA Pool | 5.5000 | 04/0 |
| FMNA Pool | 6.0000 | 05/0 |
| AFC Home Equity Ln. TR | 6.0000 | 01/2 |
| NWA Tr. | 8.2600 | 03/1 |
| NWA Tr. | 9.3600 | 03/1 |
| U.S. Treasury notes | 5.6250 | 05/1 |
| Chilgener S A | 6.5000 | 01/1 |

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| IDENTITY AND PARTY INVOLVED | DESCRIPTION OF ASSET | INTEREST RATE | MATURITY DATE |
|---|-------------------------------------|---------------|---------------|
| GUARANTEED INVESTMENT CONTRACTS (CONTINUED): | Benefit Accessible Securities | | |
| Bankers Trust | Investment Contract (continued)- | | |
| | Enersis S A | 7.4000 | 12/0 |
| | Korea Elec Pwr. Corp. | 7.7500 | 04/0 |
| | South Africa Rep. Wrapper | 8.5000 | 06/2 |
| | Federal Home Ln. Bank | 6.7500 | 05/0 |
| | Federal Farm CR BKS BDS | 6.8750 | 05/0 |
| | Federal Farm CR BKS BDS | 6.7500 | 09/0 |
| | Federal Home Ln. MTG. Corp. | 7.0000 | 07/1 |
| | Federal Home Ln. MTG. Corp. | 6.8750 | 09/1 |
| | Federal Nat'l Mtg. Assn. | 6.2500 | 05/1 |
| | Federal Nat'l Mtg. Assn. | 7.2500 | 01/1 |
| | Green Tree Fin'l Corp. | 5.7600 | 11/0 |
| | Alcoa Inc. | 7.3750 | 08/0 |
| | Boeing Cap Corp. | 6.3500 | 07/2 |
| | Hertz Corp. | 8.2500 | 06/0 |
| | Archstone Cmnty | 6.3700 | 10/1 |
| | Bank of America | 7.5000 | 10/1 |
| | Citigroup Inc. | 7.5000 | 10/0 |
| | Case Cr Medium Term | 5.9300 | 02/2 |
| | Phillips Pete Co. | 8.7500 | 05/2 |
| | Sears Roebuck | 6.1200 | 12/1 |
| | Ingersoll Rand | 6.0150 | 02/1 |
| | Int'l Lease Fin. | 5.4000 | 01/2 |
| | International Paper | 9.0500 | 02/0 |
| | FNMA Pool | 7.5000 | 08/0 |
| | FNMA Pool | 6.5000 | 10/0 |
| | FNMA Pool | 7.5000 | 11/0 |
| | FNMA Pool | 6.5000 | 10/0 |
| | GNMA Pool | 0.0000 | N/ |
| | New York NY | 6.6500 | 08/0 |
| | U.S. Treasury Bonds | 7.5000 | 11/1 |
| | U.S. Treasury notes | 6.6250 | 06/3 |
| | U.S. Treasury notes | 6.0000 | 08/1 |
| | U.S. Treasury notes | 6.5000 | 05/3 |
| | U.S. Treasury notes | 6.5000 | 02/1 |
| | U.S. Treasury notes | 6.2500 | 08/3 |
| | U.S. Treasury notes | 5.8750 | 09/3 |
| | Wrapper | | |

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| | | | |
|--------------------------------------|--|--------|------|
| Morgan Guarantee Company of New York | Federal Home LN Bank | 6.4300 | 07/1 |
| Chase Manhattan Bank | Wrapper Ford Cr. Auto Owner Tr - 1999-DASSET Bkd NT CL A-5 | 6.5200 | 09/1 |

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| IDENTITY AND PARTY INVOLVED | DESCRIPTION OF ASSET | INTEREST RATE | MATU DA |
|--|---|---------------|------------|
| GUARANTEED INVESTMENT CONTRACTS (CONTINUED) : | | | |
| Chase Manhattan Bank | Benefit Accessible Securities Investment Contract (continued)- American Express Master Trust Wrapper | 7.0400 | 04/1 |
| Chase Manhattan Bank | CitiBank Credit CD Master Trust Wrapper | 7.0200 | 01/0 |
| Rabobank-New York Branch | Fleet CR Card Master TR II - SER 1999-C CL A Wrapper | 6.9000 | 04/1 |
| Warburg Dillon Reed | Federal Nat'l Mtg' Assn' GTD - REMIC TR 1999-34 CL-PA Wrapper | 6.0000 | 07/2 |
| CDC Financial Products Inc. | Arcadia Automobile Receivables TR - 1999-C Auto Receivables BKD NT Wrapper | 7.2000 | 06/1 |
| CDC Financial Products Inc. | Fed'l Home Loan Mtge. Corp. | 6.2660 | 06/0 |
| COMMINGLED INVESTMENTS: | | | |
| Janus Overseas/International Fund | Overseas Fund | N/A | N/ |
| SSGA S&P 500 Fund | Flagship S&P 500 Index Fund | | |
| Baron Asset Fund | International Equity Fund | | |
| OTHER: | | | |
| SSGA S & P 500 Index futures | S & P 500 Index future | | |
| *LOANS: | | | |
| Various participants | Participant loans (interest rates range from 7.0% to 12.0%) | | |
| | Total investments | | |

*Party in interest.

The accompanying notes are an integral part of this schedule.

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