

WALTER ROBERT D
Form 4
April 11, 2005

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

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

(Print or Type Responses)

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

2. Issuer Name and Ticker or Trading Symbol
CARDINAL HEALTH INC [CAH]

5. Relationship of Reporting Person(s) to Issuer
(Check all applicable)

(Last) (First) (Middle)
7000 CARDINAL PLACE
(Street)

3. Date of Earliest Transaction
(Month/Day/Year)
04/11/2005

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

DUBLIN, OH 43017
(City) (State) (Zip)

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

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

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

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V Amount (A) or (D) Price			
Common Shares	04/11/2005		S(1)	65,000 (1)	\$ 55.5162 (2)	D	
Common Shares					2,389	I	By ESPP
Common Shares					192,350	I	By GRAT VIII
Common Shares					419,110	I	By GRAT IX
					500,000	I	

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Common Shares				By LLC <u>(3)</u>
Common Shares	591,803	I		By GRAT X
Common Shares	300,000	I		By LLC II <u>(3)</u>
Common Shares	700,000 <u>(4)</u>	I		By GRAT XI <u>(4)</u>

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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(9-02)

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

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title Amount or Number of Shares
Option (right to buy) <u>(5)</u>	\$ 17.74					03/04/1999 03/04/2006	Common Shares 89,207
Option (right to buy) <u>(5)</u>	\$ 27.053					03/03/2000 03/03/2007	Common Shares 100,409
Option (right to buy) <u>(5)</u>	\$ 27.14					07/21/2000 07/21/2007	Common Shares 45,000
Option (right to buy) <u>(5)</u>	\$ 36.307					03/02/2001 03/02/2008	Common Shares 96,402
Option (right to buy) <u>(5)</u>	\$ 43.14					08/11/2001 08/11/2008	Common Shares 135,000
Option (right to buy) <u>(5)</u>	\$ 47.333					03/01/2002 03/01/2009	Common Shares 187,500
Option (right to buy) <u>(5)</u>	\$ 31.167					<u>(6)</u> 11/15/2009	Common Shares 1,425,000

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Option (right to buy) <u>(5)</u>	\$ 66.083	11/20/2003	11/20/2010	Common Shares	272,384
Option (right to buy) <u>(5)</u>	\$ 68.1	01/15/2006	11/19/2011	Common Shares	440,529
Option (right to buy) <u>(5)</u> <u>(7)</u>	\$ 67.9	11/18/2005	11/18/2012	Common Shares	486,009
Option (right to buy) <u>(5)</u> <u>(7)</u>	\$ 61.38	11/17/2006	11/17/2013	Common Shares	507,086
Option (right to buy) <u>(5)</u> <u>(7)</u>	\$ 44.15	08/23/2007	08/23/2014	Common Shares	562,500
Stock Appreciation Right <u>(8)</u>	\$ 44.15	08/23/2007	08/23/2014	Common Shares	142,483

Reporting Owners

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

Signatures

Robert D. 04/11/2005
Walter

**Signature of Reporting Person Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

The sale reported on this Form 4 was effected pursuant to a 10b5-1 plan established by the reporting person on March 1, 2005, when the reporting person was not aware of material non-public information about the Company. The Company filed a Form 8-K on March 4, 2005, disclosing, among other things, an Item 8.01 Other Events disclosure that the reporting person entered into a 10b5-1 plan.

- Weighted average sale price from 56 different transactions with prices ranging from \$55.40 to \$55.65. The details of these transactions by sale price are as follows: 3,900 shares at \$55.40, 2,700 shares at \$55.42, 200 shares at \$55.44, 2,600 shares at \$55.46, 8,000 shares at \$55.47, 4,500 shares at \$55.48, 100 shares at \$55.49, 1,300 shares at \$55.50, 1,100 shares at \$55.51, 3,100 shares at \$55.52, 21,700 shares at \$55.53, 1,500 shares at \$55.54, 4,500 shares at \$55.55, 1,000 shares at \$55.59, 3,500 shares at \$55.60, 200 shares at \$55.61, 4,600 shares at \$55.62, and 500 shares at \$55.65.
- (3) The reporting person holds the controlling interest in, and is the sole manager of, the LLC.
 - (4) These 700,000 shares were transferred from direct beneficial ownership and contributed to a new grantor retained annuity trust (GRAT XI), of which the reporting person is the grantor and trustee, on 3/29/05.
 - (5) Stock option granted pursuant to the Cardinal Health, Inc. Equity Incentive Plan.
 - (6) Stock option vested in three equal annual installments beginning on 11/15/00. The Company has previously identified an issue with respect to this award granted in November 1999, and stated in its Form 10-K for the fiscal year ended June 30, 2004 that the option award was in excess of that permitted to be granted to a single individual during any fiscal year under the Company's Equity Incentive Plan, and

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that the Compensation Committee is currently exploring alternatives to substitute the remaining portion of the stock option granted to the reporting person in excess of the 562,500 shares with equivalent value.

- (7) Stock option granted pursuant to the reporting person's Employment Agreement with Cardinal Health dated November 20, 2001, as amended and restated as of February 1, 2004 (the "Employment Agreement").
- (8) Deferred Payment Stock Appreciation Right granted in partial fulfillment of the Company's obligations to the reporting person pursuant to the Employment Agreement.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.