CARDINAL HEALTH INC

Form 4

August 19, 2008

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

2. Issuer Name and Ticker or Trading

OMB 3235-0287 Number:

OMB APPROVAL

Expires:

January 31, 2005

0.5

Estimated average burden hours per

5. Relationship of Reporting Person(s) to

Issuer

response...

Check this box if no longer subject to Section 16. Form 4 or Form 5

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

Symbol

1(b).

(Print or Type Responses)

WATKINS CAROLE S

1. Name and Address of Reporting Person *

See Instruction

William of the 22 o		CARDINAL HEALTH INC [CAH]					(Check all applicable)					
(Last) (First) (Middle) 7000 CARDINAL PLACE		3. Date of Earliest Transaction (Month/Day/Year) 08/15/2008					Director 10% Owner Officer (give title Other (specify below)					
				4. If Amendment, Date Original Filed(Month/Day/Year)					6. Individual or Joint/Group Filing(Check Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting			
						Person						
(City)	(State) (Zip) Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned											
1.Title of Security (Instr. 3)	2. Transaction Da (Month/Day/Year	Execution any	med n Date, if Day/Year)	Code (Instr. 8)	4. Secur for(A) or D (Instr. 3.	(A)	d of (D)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)			
Common Shares	08/15/2008			F(1)	79	D	55.56 (2)	16,032	D			
Common Shares	08/15/2008			F(3)	510	D	\$ 55.56 (2)	15,522	D			
Common Shares	08/15/2008			A	6,173	A	\$ 56.13 (4)	21,695	D			
Common Shares								2,109	I	By 401(k) Plan (5)		

Common Shares

3,234

Ι

By ESPP (6)

SEC 1474

(9-02)

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.

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

1. Title of	2.	3. Transaction Date	3A. Deemed	4.	5.	6. Date Exer	cisable and	7. Title and A	Amount of	8. Price
Derivative	Conversion	(Month/Day/Year)	Execution Date, if		ionNumber	-	Expiration Date		Underlying Securities	
Security	or Exercise		any	Code	of	(Month/Day	/Year)	(Instr. 3 and	4)	Securit
(Instr. 3)	Price of		(Month/Day/Year)	(Instr. 8)						(Instr. :
	Derivative				Securities					
	Security				Acquire	d				
					(A) or					
					Disposed					
					of (D)					
					(Instr. 3,					
					4, and 5)				
									Amount	
						Date	Expiration	TT'-1	or	
						Exercisable	Date	Title	Number	
				Code V	/ (A) (D)			of Shares	
0 4:										
Option						(0)		Common		
(right to	\$ 56.13	08/15/2008		A	1	(8)	08/15/2015	Shares	29,870	<u>(9)</u>
buy) <u>(7)</u>								Silaics		

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

WATKINS CAROLE S 7000 CARDINAL PLACE **DUBLIN, OH 43017**

Chief HR Officer

Signatures

Carole S.

Watkins 08/19/2008 **Signature of Date Reporting Person

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).
- Represents witholding of shares to satisfy tax withholding obligations of reporting person in connection with the vesting of 1,614 (1) restricted share units.

Reporting Owners 2

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- (2) Reflects closing price on prior business day.
- (3) Represents withholding of shares to satisfy tax withholding obligations of reporting person in connection with the vesting of 1,594 restricted share units.
- (4) Restricted share unit award granted under the Cardinal Health, Inc. 2005 Long-Term Incentive Plan, as amended. Award granted without payment by grantee and vests in three equal annual installments beginning on 8/15/2009.
- (5) Between December 17, 2007 and August 18, 2008, the reporting person acquired 19 shares of Cardinal Health stock under the Company's 401(k) plan.
- (6) Includes 160 and 287 shares acquired during the ESPP offering periods that ended on June 30, 2007 and December 31, 2007, respectively.
- (7) Stock option granted pursuant to the Cardinal Health, Inc. 2005 Long-Term Incentive Plan, as amended.
- (8) Stock option vests in three equal annual installments beginning on 8/15/2009.
- (9) Stock option granted without payment by grantee.

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.