CARDINAL HEALTH INC

Form 4

August 05, 2005

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB Number:

3235-0287

Expires:

5. Relationship of Reporting Person(s) to

(Check all applicable)

Issuer

January 31, 2005

Estimated average burden hours per

response... 0.5

OMB APPROVAL

if no longer subject to Section 16. Form 4 or

Check this box

Form 5 obligations may continue. See Instruction

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

2. Issuer Name and Ticker or Trading

CARDINAL HEALTH INC [CAH]

Symbol

1(b).

(Print or Type Responses)

WALTER ROBERT D

1. Name and Address of Reporting Person *

| | (Last) | (First) | (Middle) | 3. Date of | Earliest Tra | nsaction | | | | |
|----------------------------|--------------------------------------|------------------------------|-------------------|---|---|--|---------------|--|---|---|
| 7000 CARDINAL PLACE | | | | (Month/Day/Year) 08/03/2005 4. If Amendment, Date Original Filed(Month/Day/Year) | | | | X Director 10% Owner X Officer (give title Other (specify below) | | |
| (Street) DUBLIN, OH 43017 | | | | | | | | | 6. Individual or Joint/Group Filing(Check Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting | |
| | Beblin, o. | 11 15017 | | | | | | Person | | |
| | (City) | (State) | (Zip) | Table | I - Non-De | erivative S | Securities A | cquired, Disposed | of, or Beneficia | lly Owned |
| | 1.Title of Security (Instr. 3) | 2. Transaction (Month/Day/Yo | ear) Execu any | eemed ation Date, if ah/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securit onAcquired Disposed (Instr. 3, | (A) or 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) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
| | Common Shares | | | | | | | 1,594,824 | D | |
| | Common Shares | | | | | | | 2,826 | I | By ESPP |
| | Common Shares | | | | | | | 419,110 | I | By GRAT IX |
| | Common Shares | | | | | | | 500,000 | I | By LLC (1) |
| | Common Shares | | | | | | | 591,803 | I | By GRAT X |

| Common Shares | 300,000 | I | By LLC II |
|------------------|---------|---|---------------|
| Common Shares | 700,000 | I | By GRAT XI |

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.

SEC 1474

(9-02)

i i bi i i e i b e i i o i i

| 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. Transactic Code (Instr. 8) | 5. onNumber of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | | e | 7. Title and A Underlying S (Instr. 3 and | Securities |
|---|---|--------------------------------------|---|--|---|---------------------|--------------------|---|----------------------------------|
| | | | | Code V | (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Option (right to buy) (2) | \$ 17.74 | | | | | 03/04/1999 | 03/04/2006 | Common Shares | 89,207 |
| Option (right to buy) (2) | \$ 27.053 | | | | | 03/03/2000 | 03/03/2007 | Common Shares | 100,409 |
| Option (right to buy) (2) | \$ 27.14 | | | | | 07/21/2000 | 07/21/2007 | Common Shares | 45,000 |
| Option (right to buy) (2) | \$ 36.307 | | | | | 03/02/2001 | 03/02/2008 | Common Shares | 96,402 |
| Option (right to buy) (2) | \$ 43.14 | | | | | 08/11/2001 | 08/11/2008 | Common Shares | 135,000 |
| Option (right to buy) (2) | \$ 47.333 | | | | | 03/01/2002 | 03/01/2009 | Common Shares | 187,500 |
| Option (right to buy) (2) | \$ 31.167 | | | | | <u>(3)</u> | 11/15/2009 | Common Shares | 562,500 (9) |
| Option (right to buy) (2) | \$ 66.083 | | | | | 11/20/2003 | 11/20/2010 | Common Shares | 272,384 |
| Option (right to buy) (2) | \$ 68.1 | | | | | 01/15/2006 | 11/19/2011 | Common Shares | 440,529 |
| | \$ 67.9 | | | | | 11/18/2005 | 11/18/2012 | | 486,009 |

| Option (right to buy) (2) (4) | | | | | | | Common Shares | |
|------------------------------------|-----------|------------|---|---|------------|------------|------------------|---------|
| Option (right to buy) (2) (4) | \$ 61.38 | | | | 11/17/2006 | 11/17/2013 | Common Shares | 507,086 |
| Option (right to buy) (2) (4) | \$ 44.15 | | | | 08/23/2007 | 08/23/2014 | Common Shares | 562,500 |
| Stock Appreciation Right (5) | \$ 44.15 | | | | 08/23/2007 | 08/23/2014 | Common Shares | 142,483 |
| Stock Appreciation Right (6) | \$ 31.167 | 08/03/2005 | A | 1 | 08/03/2005 | <u>(7)</u> | Common Shares | 862,500 |

Reporting Owners

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

Signatures

Robert D.
Walter

**Signature of Reporting Person

Robert D.

08/05/2005

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).
- (1) The reporting person holds the controlling interest in, and is the sole manager of, the LLC.
- (2) Stock option granted pursuant to the Cardinal Health, Inc. Equity Incentive Plan (the "Equity Incentive Plan").
- (3) Stock option vested in three equal annual installments beginning on 11/15/00.
- (4) 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").
- (5) Deferred Payment Stock Appreciation Right granted in partial fulfillment of the Company's obligations to the reporting person pursuant to the Employment Agreement.
- Deferred Payment Stock Appreciation Right granted to compensate the reporting person for the portion of the option to purchase 1,425,000 common shares originally granted to the reporting person on November 15, 1999 (the "November 1999 Option"), which portion has subsequently been determined to be null and void.
- (7) Expires on the earlier of (x) November 15, 2009 (the expiration date of the November 1999 Option) or (y) six months after the reporting person's termination of employment.
- (8) Deferred Payment Stock Appreciation Right granted without payment by grantee.
- Reflects a reduction of 862,500 shares, the excess portion of the November 1999 Option, which portion has subsequently been determined to be null and void.

Reporting Owners 3

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.