



**McKesson ANNOUNCES AGREEMENT TO PURCHASE THE
PHARMACEUTICAL DISTRIBUTION DIVISION OF
UDG HEALTHCARE PLC**

- *McKesson to acquire the pharmaceutical distribution division of UDG Healthcare plc for €408 million in cash.*
- *Acquisition will add a leader in pharmaceutical distribution across the Republic of Ireland and Northern Ireland to McKesson's European business.*
- *The acquisition is subject to UDG Healthcare shareholder approval and EU competition clearance.*

SAN FRANCISCO, September 18, 2015 -- McKesson Corporation (NYSE:MCK) a leading international healthcare services and information technology company, today announced an agreement to purchase the pharmaceutical distribution division of UDG Healthcare (UDG) based in Northern Ireland (United Drug Sangers) and the Republic of Ireland (United Drug).

Under the terms of the agreement McKesson will acquire: United Drug and United Drug Sangers, leading wholesale operations across the Republic of Ireland and Northern Ireland; TCP, a leading home healthcare provider in the Republic of Ireland; and MASTA, UDG's travel healthcare business based in the United Kingdom.

The transaction is subject to UDG shareholder approval and EU competition clearance, among other customary closing conditions and is expected to close in the first half of calendar year 2016.

More than 1,000 UDG employees will join McKesson as part of the acquisition. The acquired operations will be reported as part of McKesson's International Pharmaceutical Distribution and Services business under the leadership of Marc Owen, Chairman of the Management Board at Celesio AG, the European business within McKesson's Distribution Solutions segment.

Commenting on the proposed acquisition, Paul C. Julian, Executive Vice President and Group President for McKesson Distribution Solutions said: "We are extremely pleased to announce the execution of an agreement to add the pharmaceutical distribution business and other healthcare assets of UDG to McKesson's European business. At McKesson, we are committed to

providing our customers with more efficient delivery of healthcare products and services globally.”

Marc Owen, Chairman of the Management Board at Celesio AG, said: “The acquisition of UDG’s pharmaceutical distribution, home and travel healthcare businesses in Ireland and the UK, will strengthen our position in the industry. We have made this investment as part of our growth strategy which leverages the positive trajectory of the wider healthcare sector in Europe. This acquisition will also complement our broader portfolio of assets in both Ireland and the United Kingdom. We look forward to continuing UDG’s tradition of excellent customer service and to working with the UDG team.”

Today’s announcement follows McKesson’s recent agreement to acquire 281 pharmacies operated by Sainsbury’s in the United Kingdom. Both the UDG and Sainsbury’s acquisitions are expected to close in the first half of calendar year 2016. In the first 12 months following the close of both these acquisitions, McKesson expects the combined impact of these transactions to be between 10* to 14* cents accretive to its adjusted earnings per share. Both acquisitions are subject to merger control clearance and other closing conditions.

* Exchange rates: 1 Euro = US\$1.10; 1 GBP = US\$1.55

About McKesson Corporation

McKesson Corporation, currently ranked 11th on the FORTUNE 500, is a healthcare services and information technology company dedicated to making the business of healthcare run better. We partner with payers, hospitals, physician offices, pharmacies, pharmaceutical companies and others across the spectrum of care to build healthier organizations that deliver better care to patients in every setting. McKesson helps its customers improve their financial, operational, and clinical performance with solutions that include pharmaceutical and medical-surgical supply management, healthcare information technology, and business and clinical services. For more information, visit us at www.mckesson.com.

About the Celesio Group

Celesio is a leading international wholesale and retail company and provider of logistics and services to the pharmaceutical and healthcare sectors. The proactive and preventive approach ensures that patients receive the products and support that they require for optimum care. With more than 38,000 colleagues, Celesio operates in 14 countries around the world. Every day, the group serves over 2 million customers – at about 2,200 pharmacies of its own and over 4,300 participants in brand partnership schemes. With 134

wholesale branches, Celesio supplies 65,000 pharmacies and hospitals every day with up to 130,000 pharmaceutical products. The services benefit a patient pool of about 15 million per day.

McKesson Corporation, San Francisco, USA, is the majority shareholder in Celesio AG. The company acquired more than 75 percent of Celesio AG shares in February 2014. McKesson provides solutions that include pharmaceutical and medical-surgical supply management, healthcare information technology, and business and clinical services.

Risk Factors

This press release includes “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, as amended, that are subject to risks and uncertainties and other factors. All statements other than statements of historical fact are statements that could be deemed forward-looking statements, including statements regarding the ability to complete the transaction considering the various closing conditions; the expected benefits and costs of the transaction; any projections of earnings, revenues or other financial items; any statements of the plans, strategies and objectives of management for future operations; any statements regarding product or service development, extensions or integration; any statements of expectation or belief; any statements regarding general industry conditions and competition; any statements regarding economic conditions; and any statements of assumptions underlying any of the foregoing. Risks, uncertainties and assumptions include risks related to the timing or ultimate completion of the transaction, as the transaction is subject to certain closing conditions, including receipt of all necessary regulatory clearances and approval of UDG’s shareholders; the possibility that expected benefits may not materialize as expected; McKesson’s ability to successfully implement integration strategies; as well as the ability to ensure continued performance or market growth of UDG’s products and services. These risks, uncertainties and other factors, and the general risks associated with McKesson’s business described in the reports and other documents filed with the Securities and Exchange Commission, could cause actual results to differ materially from those referred to in the forward-looking statements. All forward-looking statements are based on information currently available to McKesson and are qualified in their entirety by this cautionary statement. Except as required by law, McKesson assumes no obligation to update any such forward-looking statements or other statements included in this press release.

Shareholders are encouraged to review SEC filings and more information about McKesson, which are located on the company’s website.

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