

CARDINAL HEALTH INC
Form 4
January 17, 2006

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

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

(Last) (First) (Middle)

7000 CARDINAL PLACE

(Street)

DUBLIN, OH 43017

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol

CARDINAL HEALTH INC [CAH]

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

01/15/2006

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

Chairman and CEO

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)			
				(A) or (D)	Price					
Common Shares	12/08/2005		G	V	46,000	D	Ⓛ	1,638,021	D	
Common Shares	01/11/2006		G	V	4,420	D	Ⓛ	1,633,601	D	
Common Shares	01/15/2006		F ⁽²⁾		3,842	D	\$ 69.67	1,629,759	D	
Common Shares								2,826	I	By ESPP
Common Shares								357,217	I	By GRAT IX

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Common Shares	470,000	I	By LLC <u>(3)</u>
Common Shares	608,603	I	By GRAT X
Common Shares	300,000	I	By LLC II <u>(3)</u>
Common Shares	700,000	I	By GRAT XI

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

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SEC 1474
(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>(4)</u>	\$ 27.053					03/03/2000 03/03/2007	Common Shares 100,409
Option (right to buy) <u>(4)</u>	\$ 27.14					07/21/2000 07/21/2007	Common Shares 45,000
Option (right to buy) <u>(4)</u>	\$ 36.307					03/02/2001 03/02/2008	Common Shares 96,402
Option (right to buy) <u>(4)</u>	\$ 43.14					08/11/2001 08/11/2008	Common Shares 135,000
Option (right to buy) <u>(4)</u>	\$ 47.333					03/01/2002 03/01/2009	Common Shares 187,500
Option (right to buy) <u>(4)</u>	\$ 31.167					<u>(5)</u> 11/15/2009	Common Shares 562,500
Option (right to buy) <u>(4)</u>	\$ 66.083					11/20/2003 11/20/2010	Common Shares 272,384
	\$ 68.1					01/15/2006 11/19/2011	Common Shares 440,529

Option (right to buy) <u>(4)</u>				Common Shares	
Option (right to buy) <u>(4)</u>	\$ 67.9	11/18/2005	11/18/2012	Common Shares	486,009
Option (right to buy) <u>(4)</u>	\$ 61.38	11/17/2006	11/17/2013	Common Shares	507,086
Option (right to buy) <u>(4)</u>	\$ 44.15	08/23/2007	08/23/2014	Common Shares	562,500
Stock Appreciation Right <u>(6)</u>	\$ 44.15	08/23/2007	08/23/2014	Common Shares	142,483
Stock Appreciation Right <u>(7)</u>	\$ 31.167	08/03/2005	<u>(8)</u>	Common Shares	862,500
Option (right to buy) <u>(4)</u>	\$ 58.88	<u>(9)</u>	09/02/2012	Common Shares	379,759

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. 01/17/2006
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).

(1) Bona fide gift.

(2) Represents a reduction in shares underlying restricted share units to satisfy the tax withholding obligations of the Company with respect to the vesting of 150,000 restricted share units.

(3) The reporting person holds the controlling interest in, and is the sole manager of, the LLC.

(4) Stock option granted pursuant to the Cardinal Health, Inc. Equity Incentive Plan.

(5) Stock option vested in three equal annual installments beginning on 11/15/00.

(6) Deferred Payment Stock Appreciation Right granted in partial fulfillment of the Company's obligations to the reporting person pursuant to the Employment Agreement.

(7) 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

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portion has subsequently been determined to be null and void.

- (8) 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.
- (9) Stock option vests in four equal annual installments beginning on 9/2/2006.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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