

CARDINAL HEALTH INC  
 Form 4  
 May 18, 2006

**FORM 4**

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

OMB APPROVAL

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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 \*  
**WATKINS CAROLE S**

(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)  
**05/16/2006**

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)  
**EVP - Human Resources**

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) Code V Amount (D) Price                                |   |  |   |
| Common Shares                   |                                      |  |                                |   | 7,188   | D  |   |
| Common Shares                   |                                      |  |                                |   | 2,075   | I  | By 401(k) Plan  |
| Common Shares                   | 03/20/2006                           |  | G V                            | 35 D 11   | 2,459   | I  | By ESPP   |
| Common Shares                   | 05/16/2006                           |  | S                              | 175 D \$ 68.01  | 2,424   | I  | By ESPP   |

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

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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) | 8. Price or Value 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) <sup>(2)</sup>       | \$ 36.307  |                                      |  |                                |   | 03/02/2001   | 03/02/2008  | Common Shares   | 4,554                      |
| Option (right to buy) <sup>(2)</sup>       | \$ 43.14   |                                      |  |                                |   | 08/11/2001   | 08/11/2008  | Common Shares   | 2,025                      |
| Option (right to buy) <sup>(2)</sup>       | \$ 47.333  |                                      |  |                                |   | 03/01/2002   | 03/01/2009  | Common Shares   | 6,231                      |
| Option (right to buy) <sup>(3)</sup>       | \$ 31.167  |                                      |  |                                |   | 11/15/2002   | 11/15/2009  | Common Shares   | 13,181                     |
| Option (right to buy) <sup>(2)</sup>       | \$ 66.083  |                                      |  |                                |   | 11/20/2003   | 11/20/2010  | Common Shares   | 18,704                     |
| Option (right to buy) <sup>(2)</sup>       | \$ 68.1  |                                      |  |                                |   | 11/19/2004   | 11/19/2011  | Common Shares   | 25,771                     |
| Option (right to buy) <sup>(2)</sup>       | \$ 67.9  |                                      |  |                                |   | 11/18/2005   | 11/18/2012  | Common Shares   | 28,571                     |
| Option (right to buy) <sup>(2)</sup>       | \$ 67.9  |                                      |  |                                |   | 11/18/2005   | 02/18/2013  | Common Shares   | 5,259                      |
| Option                                     | \$ 61.38   |                                      |  |                                |   | 11/17/2006   | 11/17/2013  | Common  | 32,805                     |

|                                  |          |            |            |               |        |        |
|----------------------------------|----------|------------|------------|---------------|--------|--------|
| (right to buy) <u>(2)</u>        |          |            |            |               | Shares |        |
| Option (right to buy) <u>(2)</u> | \$ 44.15 | 08/23/2007 | 08/23/2014 | Common Shares |        | 43,500 |
| Option (right to buy) <u>(2)</u> | \$ 58.88 | <u>(4)</u> | 09/02/2012 | Common Shares |        | 25,817 |

## Reporting Owners

| Reporting Owner Name / Address                              | Relationships |           |                       |       |
|---|---------------|-----------|-----------------------|-------|
|   | Director      | 10% Owner | Officer               | Other |
| WATKINS CAROLE S<br>7000 CARDINAL PLACE<br>DUBLIN, OH 43017 |               |           | EVP - Human Resources |       |

## Signatures

Carole S.  
Watkins 05/17/2006

  \*\*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) Stock option granted pursuant to the Cardinal Health, Inc. Equity Incentive Plan.
- (3) Stock option granted pursuant to the Cardinal Health, Inc. Broadly-based Equity Incentive Plan.
- (4) 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. 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.