



NEWS RELEASE

McKesson Corporation Announces Pricing and Upsizing of Tender Offer

7/22/2021

IRVING, Texas--(BUSINESS WIRE)-- McKesson Corporation (NYSE: MCK) (the "Company") today announced the determination of the Full Tender Offer Consideration, as shown in the table below, for its previously announced cash tender offer to purchase up to \$500,000,000 aggregate principal amount (the "Offer") of its outstanding 6.00% Notes due 2041 (the "6.00% Notes"), 4.883% Notes due 2044 (the "4.883% Notes"), 7.65% Debentures due 2027 (the "7.65% Debentures"), 4.750% Notes due 2029 (the "4.750% Notes"), 3.950% Notes due 2028 (the "3.950% Notes"), 2.85% Notes due 2023 (the "2.85% Notes") and 3.796% Notes due 2024 (the "3.796% Notes" and together with the 6.00% Notes, the 4.883% Notes, the 7.65% Debentures, the 4.750% Notes, the 3.950% Notes and the 2.85% Notes, the "Notes", and each, a "series" of Notes). The Company also announced that it has increased the aggregate principal amount of the Notes it will purchase pursuant to the Offer from \$500,000,000 to \$922,154,000 (as increased, the "Tender Cap") in order to accept all of the Notes that were validly tendered and not validly withdrawn at or prior to the Early Tender Time (as defined below). Except as described in this press release, all other terms of the Offer as described in the Offer Documents (as defined below) remain unchanged.

On July 8, 2021, the Company commenced the Offer in accordance with the terms and conditions set forth in the offer to purchase, dated July 8, 2021 (the "Offer to Purchase"), and the related letter of transmittal (the "Letter of Transmittal" and, together with the Offer to Purchase, the "Offer Documents"). Select terms of the Offer are described in the table below:

Title of Security	CUSIP / IN Numbers	Principal Amount Outstanding	Acceptance Priority	Principal Amount Tendered(1)	UST Reference Security	Reference Yield	Fixed Spread	Tender Offer Yield	Full Tender Offer Consideration (2)(3)(4)
6.00% Notes due 2041	US58155QAE3/581557 BC8/	\$286,078,000	1	\$66,483,000	2.250% UST due 5/15/2041	1.844%	120 bps	3.044%	\$1,425.81
4.883% Notes due 2044	US581557BC84/581557AM7/	\$411,425,000	2	\$156,583,000	2.250% UST due 5/15/2041	1.844%	112 bps	2.964%	\$1,309.93
7.65% Debentures due 2027	US581557AM75/581557 BN4/	\$166,596,000	3	\$16,788,000	0.875% UST due 6/30/2026	0.718%	75 bps	1.468%	\$1,331.47
4.750% Notes due 2029	US581557BN40/581557BJ3/	\$400,000,000	4	\$203,616,000	1.625% UST due 5/15/2031	1.273%	40 bps	1.673%	\$1,218.67
3.950% Notes due 2028	US581557BJ38/58155Q AG8/	\$600,000,000	5	\$256,749,000	1.625% UST due 5/15/2031	1.273%	10 bps	1.373%	\$1,155.35
2.85% Notes due 2023	US58155QAG82/581557 BE4/	\$400,000,000	6	\$40,005,000	0.125% UST due 6/30/2023	0.204%	30 bps	0.504%	\$1,032.56
3.796% Notes due 2024	US581557BE41	\$1,100,000,000	7	\$181,930,000	0.250% UST due 6/15/2024	0.359%	20 bps	0.559%	\$1,076.89

- (1) As of 5:00 p.m., New York City time, on July 21, 2021 (the “Early Tender Time”).
- (2) Per \$1,000 principal amount of the Notes.
- (3) Includes the Early Tender Payment. Holders will also receive Accrued Interest (defined below).
- (4) Based on the Early Settlement Date (defined below).

All Notes validly tendered and not validly withdrawn at or prior to the Early Tender Time will be accepted for purchase. Pursuant to the terms of the Offer, the amount of Notes that will be accepted for purchase is subject to the Tender Cap. Accordingly, because the Tender Cap has been reached in respect of tenders made at or prior to the Early Tender Time, no Notes of any series tendered after the Early Tender Time (regardless of acceptance priority level) will be accepted for purchase. As set forth in the Offer to Purchase, holders who validly tendered and did not validly withdraw their Notes at or prior to the Early Tender Time are eligible to receive the Full Tender Offer Consideration, which includes the Early Tender Payment. In addition, holders that validly tender Notes that are accepted for purchase by the Company will receive accrued and unpaid interest from, and including, the last interest payment date for their tendered Notes to, but not including, the settlement date for such Notes, in each case rounded to the nearest cent (“Accrued Interest”).

The conditions to the Offer specified in the Offer to Purchase have been satisfied. Pursuant to the terms of the Offer, the Company has exercised its Early Settlement Right. Payment of the Full Tender Offer Consideration to holders of Notes that were accepted for purchase on the Early Acceptance Date is expected to be made on July 23, 2021 (the “Early Settlement Date”).

The Withdrawal Deadline for the Offer was 5:00 p.m., New York City time, on July 21, 2021, and has not been extended for any series of Notes. The Offer will expire at 11:59 p.m., New York City time, on August 4, 2021, unless extended or earlier terminated by the Company, with respect to any or all series of Notes.

Capitalized terms used in this press release and not defined herein have the meanings given to them in the Offer to Purchase.

Barclays Capital Inc. and Citigroup Global Markets Inc. are acting as lead dealer managers for the Offer and Wells Fargo Securities, LLC is acting as co-dealer manager for the Offer. For additional information regarding the terms of the Offer, please contact: Barclays Capital Inc. toll-free at (212) 528-7581 or collect at (800) 438-3242 or Citigroup Global Markets Inc. toll-free at (800) 558-3745 or collect at (212) 723-6106. Requests for the Offer Documents may be directed to Global Bondholder Services Corporation, which is acting as the Tender Agent and Information Agent for the Offer, at (866)-924-2200 (toll-free) or by email at contact@gbsc-usa.com.

THIS PRESS RELEASE IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT AN OFFER OR SOLICITATION TO PURCHASE NOTES. THE OFFER IS BEING MADE SOLELY PURSUANT TO THE OFFER DOCUMENTS, WHICH SET FORTH THE COMPLETE TERMS OF THE OFFER THAT HOLDERS OF THE NOTES SHOULD CAREFULLY READ PRIOR TO MAKING ANY DECISION.

THE OFFER DOCUMENTS DO NOT CONSTITUTE AN OFFER OR SOLICITATION TO PURCHASE NOTES IN ANY JURISDICTION IN WHICH, OR TO OR FROM ANY PERSON TO OR FROM WHOM, IT IS UNLAWFUL TO MAKE SUCH OFFER OR SOLICITATION UNDER APPLICABLE SECURITIES OR BLUE SKY LAWS. IN ANY JURISDICTION IN WHICH THE SECURITIES, BLUE SKY OR OTHER LAWS REQUIRE THE OFFER TO BE MADE BY A LICENSED BROKER OR DEALER, THE OFFER WILL BE DEEMED TO BE MADE ON BEHALF OF THE COMPANY BY ONE OR MORE OF THE DEALER MANAGERS, IF ANY OF THE DEALER MANAGERS ARE LICENSED BROKERS OR DEALERS UNDER THE LAWS OF SUCH JURISDICTION,

OR BY ONE OR MORE REGISTERED BROKERS OR DEALERS THAT ARE LICENSED UNDER THE LAWS OF SUCH JURISDICTION.

About McKesson Corporation

McKesson Corporation is a global leader in healthcare supply chain management solutions, retail pharmacy, community oncology and specialty care, and healthcare information solutions. McKesson partners with pharmaceutical manufacturers, providers, pharmacies, governments and other organizations in healthcare to help provide the right medicines, medical products and healthcare services to the right patients at the right time, safely and cost-effectively. United by our ICARE shared principles, our employees work every day to innovate and deliver opportunities that make our customers and partners more successful - all for the better health of patients.

McKesson has been named a **"Most Admired Company"** in the healthcare wholesaler category by FORTUNE, a **"Best Place to Work"** by the Human Rights Campaign Foundation, and a top **military-friendly company** by Military Friendly. For more information, visit www.mckesson.com.

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