AmerisourceBergen®

To our Stockholders:

During fiscal 2019, AmerisourceBergen continued to execute its differentiated strategy and position the Company for long-term growth as a pharmaceutical-centric global healthcare solutions leader. Together, we accomplished many notable achievements. We received several high-profile awards and recognition during the year, including being ranked #10 on the *Fortune* 500 and Good Neighbor Pharmacy®—a national independent pharmacy network offered through AmerisourceBergen—being ranked #1 for "Best Customer Service" by *Newsweek*. In this dynamic market environment, AmerisourceBergen continues to drive innovation, advancing partnerships and creating solutions that improve product access, supply chain efficiency, and patient experience. Our 22,000 purpose-driven associates enable AmerisourceBergen to continue to create value for our stockholders, partners, customers, and ultimately, the patients they serve. As a company, we remain committed to further strengthening the collective engagement of our associates—becoming even more unified as we execute on our strategy and advancement of our culture.

Fostering a Purpose-Driven Culture

AmerisourceBergen's purpose provides the direction and guidance through which we evaluate everything that we do. Our purpose—**we are united in our responsibility to create healthier futures**—means that we recognize our responsibility to provide access to healthcare efficiently and effectively and to operate sustainably. Our purpose unites, motivates and empowers us to deliver value for all of our stakeholders, making a positive impact on our communities, our partners and the patients they serve. Our purpose exists in harmony with our growth strategy to ensure that we are a company that does well, while also being a good corporate citizen. This is a challenge and a commitment we have always accepted and one that we are well positioned to achieve. We are confident in our strategy, focused on execution, and dedicated to driving long-term value for all of our stakeholders, working as one unified and connected organization to improve product access and efficiency throughout the healthcare supply chain.

Creating Value for our Customers, Partners and Stockholders

Overall, AmerisourceBergen performed well in fiscal 2019. Our revenue increased 7% to $179.6 billion and, on the basis of U.S. generally accepted accounting principles, diluted earnings per share was $4.04. Adjusted diluted earnings per share increased 9% to $7.09 due to strong execution across our Pharmaceutical Distribution and Global Commercialization Services & Animal Health teams that delivered adjusted operating income growth, as well as due to a lower share count.[1] Our focus on core business execution and the delivery of best-in-class services and solutions for our partners in fiscal 2019, combined with our unique pharmaceutical-centric foundation of businesses, enabled us to achieve these results within an ever-evolving healthcare landscape.

In fiscal 2019, our Pharmaceutical Distribution Services segment delivered strong revenue growth of 7%. Despite challenges at PharMEDium, our core pharmaceutical distribution businesses achieved strong performance, delivering best-in-class services and solutions to a solid portfolio of customers, while maintaining strong execution across the various groups. Our teams utilize a customer-centric approach to address current market needs and to capitalize on new opportunities, which further differentiates AmerisourceBergen and drives our success. Finally, we successfully integrated H. D.

1 See Appendix A for more information regarding the non-GAAP financial measure adjusted diluted earnings per share.

Smith and realized the operational synergies of the acquisition more quickly than we expected, bolstering the strong performance of this segment.

Our continued strength in Specialty distribution and practice management services produced another year of double-digit growth for that business. Our position in key specialty areas—such as oncology, ophthalmology, and rheumatology—continues to create an advantage for our market-leading Specialty distribution franchise. In addition to growth in our provider customer base, we are benefiting from a robust pipeline of pharmaceutical manufacturer innovation, utilization trends and overall demographics.

In fiscal 2019, our Global Commercialization Services & Animal Health businesses delivered strong revenue growth of 9%. As a group, these businesses continued to unlock value through their focus on building strong partnerships with, and providing robust services for, manufacturers. MWI Animal Health's revenue grew 5%, delivering solid results as it continues to support growth and demand of its strong customer base, particularly with corporate accounts, where the business is successfully collaborating with key partners to create value commercially. MWI's highly efficient distribution network and strong demand creation capabilities provide pharmaceutical manufacturers with the capabilities required to advance animal health, while further expanding relationships with our customers. Additionally, our global commercialization businesses collectively grew revenue by 14%. Our portfolio of commercialization services businesses offer pharmaceutical manufacturers the critical global specialty and third-party logistics services, market access strategies, patient access and adherence solutions, and regulatory and compliance support needed to facilitate access to life-saving pharmaceuticals. These businesses provide differentiated services that continue to create value for manufacturers, especially as even more new, innovative therapies are expected to launch in the coming years. These businesses are also benefiting from investments in leading data and technology platforms across the group, like NOVA at World Courier and Fusion at Lash, which continue to drive efficiency and execution excellence. As manufacturers' essential commercialization partner, AmerisourceBergen has invested in forward-thinking and patient-centric solutions and remains committed to further enhancing the customer experience and advancing access and adherence outcomes for manufacturers.

In fiscal 2019, we returned $1 billion dollars to our stockholders through opportunistic share repurchases and dividends, and invested $310 million dollars in our businesses through capital expenditures. Our strategic approach to capital deployment enables us to maintain the appropriate balance between returning capital to stockholders and investing internally and through acquisitions to both sustain our business and further enhance our commercial value proposition.

Addressing the Opioid Epidemic and Resolving Related Litigation

AmerisourceBergen has been consistent in engaging and mobilizing to help address the opioid epidemic, both by partnering with key stakeholders and by helping bring solutions to the table. We continue to work diligently and alongside partners to combat drug diversion, while supporting real solutions to help address the crisis in the communities across the country that we call home, work in and serve.

In October, AmerisourceBergen, along with our peers, reached a settlement with two Ohio counties in the first track of the multi-district opioid litigation. We believe that settling the case is an important stepping-stone to achieving a global resolution and demonstrating that our industry is being constructive and thoughtful in how we can help address this crisis and try to resolve related litigation.

We expect settlement funds to be used in support of initiatives to combat the opioid epidemic, including treatment, rehabilitation, mental health and other important efforts. With the Ohio settlement agreed upon, AmerisourceBergen and the other parties continue the complex process of working toward a global resolution.

We take our role in the supply chain seriously. As we continue to work closely with stakeholders to evaluate next steps concerning these complex matters, AmerisourceBergen will remain responsible stewards of stockholders' capital. Together, our Board of Directors, management team, and associates are focused on developing meaningful solutions for this epidemic. AmerisourceBergen also remains committed to transparency and—as we are able—to providing stockholders and other stakeholders with information on our efforts and solutions to address the opioid epidemic and related litigation.

Building Long-Term and Sustainable Growth

Our strategy—focused on robust customer partnerships, leadership in Specialty distribution and commercialization services, delivering innovative services and solutions, and being successful financial and talent stewards—are pillars that differentiate and position AmerisourceBergen for long-term and sustainable growth.

In fiscal 2020 and beyond, we will continue to leverage our differentiated strategy, partnerships, and a strong balance sheet to grow our business and continue to create stockholder value. AmerisourceBergen is well positioned to deliver long-term value for all of our stakeholders as we continue to focus on innovation, execution, advancing our talent and culture, and living our purpose of being united in our responsibility to create healthier futures.

Thank you again for your interest and investment in AmerisourceBergen.

Sincerely,

Steven H. Collis
Chairman, President & Chief Executive Officer

Appendix A

SUPPLEMENTAL INFORMATION REGARDING NON-GAAP FINANCIAL MEASURES

To supplement the financial measures prepared in accordance with U.S. generally accepted accounting principles (GAAP), AmerisourceBergen uses certain non-GAAP financial measures. This letter uses the non-GAAP financial measure adjusted diluted earnings per share ("Adjusted Non-GAAP EPS"). Adjusted Non-GAAP EPS should be viewed in addition to, and not in lieu of, diluted earnings per share and other financial measures calculated in accordance with GAAP. This supplemental measure may vary from, and may not be comparable to, similarly titled measures by other companies.

Adjusted Non-GAAP EPS excludes the per share impact of adjustments including gain from antitrust litigation settlements; LIFO (credit) expense; PharMEDium remediation costs; (credit) costs related to the New York State Opioid Stewardship Act; a goodwill impairment charge; acquisition-related intangibles amortization; employee severance, litigation, and other; impairment of long-lived assets; gain on sale of an equity investment; the loss on consolidation of equity investments; the impairment on a non-customer note receivable; and the loss on early retirement of debt; in each case net of the tax effect calculated using the applicable effective tax rate for those items. In addition, the per share one-time impact of U.S. tax reform is excluded from Adjusted Non-GAAP EPS. Management believes that this non-GAAP financial measure is useful to investors because it eliminates the per share impact of the items that are outside the control of the Company or that we consider to not be indicative of our ongoing operating performance due to their inherent unusual, non-operating, unpredictable, non-recurring, or non-cash nature.

The following is a reconciliation of GAAP diluted earnings per share to Adjusted Non-GAAP EPS:

	FY 2019	FY 2018
GAAP	$ 4.04	$ 7.53
Gain from antitrust litigation settlements	(0.51)	(0.12)
LIFO (credit) expense	(0.08)	0.22
PharMEDium remediation costs	0.24	0.22
New York State Opioid Stewardship Act	(0.08)	0.07
Goodwill impairment charge	—	0.10
Acquisition-related intangibles amortization	0.55	0.56
Employee severance, litigation, and other	1.16	0.28
Impairment of long-lived assets	1.99	—
Gain on sale of an equity investment	(0.05)	—
Loss on consolidation of equity investments	—	0.19
Impairment of non-customer note receivable	—	0.14
Loss on early retirement of debt	—	0.08
Tax reform(1)	(0.17)	(2.78)
Adjusted Non-GAAP	$ 7.09	$ 6.49

(1) Includes the impact of applying a lower U.S. federal income tax rate to the Company's net deferred tax liabilities as of December 31, 2017, offset in part by a one-time transition tax on historical foreign earning and profits through December 31, 2017.