AmerisourceBergen

Q4 FY2021 Financial Results

November 4, 2021



Cautionary note regarding forward-looking statements

Certain of the statements contained in this presentation are "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 (the "Securities Exchange Act"). Words such as "expect," "likely," "outlook," "forecast," "would," "could," "should," "can," "project," "intend," "plan," "continue," "sustain," "synergy," "on track," "believe," "seek," "estimate," "anticipate," "may," "possible," "assume," variations of such words, and similar expressions are intended to identify such forward-looking statements. These statements are based on management's current expectations and are subject to uncertainty and changes in circumstances and speak only as of the date hereof. These statements are not guarantees of future performance and are based on assumptions and estimates that could prove incorrect or could cause actual results to vary materially from those indicated. Among the factors that could cause actual results to differ materially from those projected, anticipated, or implied are the following: unfavorable trends in brand and generic pharmaceutical pricing, including in rate or frequency of price inflation or deflation; competition and industry consolidation of both customers and suppliers resulting in increasing pressure to reduce prices for our products and services; changes in the United States healthcare and regulatory environment, including changes that could impact prescription drug reimbursement under Medicare and Medicaid; increasing governmental regulations regarding the pharmaceutical supply channel; declining reimbursement rates for pharmaceuticals; continued federal and state government enforcement initiatives to detect and prevent suspicious orders of controlled substances and the diversion of controlled substances; continued prosecution or suit by federal, state and other governmental entities of alleged violations of laws and regulations regarding controlled substances, including due to failure to achieve a global resolution of the multi-district opioid litigation and other related state court litigation, and any related disputes, including shareholder derivative lawsuits; increased federal scrutiny and litigation, including qui tam litigation, for alleged violations of laws and regulations governing the marketing, sale, purchase and/or dispensing of pharmaceutical products or services, and associated reserves and costs; failure to comply with the Corporate Integrity Agreement; material adverse resolution of pending legal proceedings; the retention of key customer or supplier relationships under less favorable economics or the adverse resolution of any contract or other dispute with customers or suppliers; changes to customer or supplier payment terms, including as a result of the COVID-19 impact on such payment terms; the integration of the Alliance Healthcare businesses into the Company being more difficult, time consuming or costly than expected; the Company's or Alliance Healthcare's failure to achieve expected or targeted future financial and operating performance and results; the effects of disruption from the acquisition and related strategic transactions on the respective businesses of the Company and Alliance Healthcare and the fact that the acquisition and related strategic transactions may make it more difficult to establish or maintain relationships with employees, suppliers and other business partners; the acquisition of businesses, including the acquisition of the Alliance Healthcare businesses and related strategic transactions, that do not perform as expected, or that are difficult to integrate or control, or the inability to capture all of the anticipated synergies related thereto or to capture the anticipated synergies within the expected time period; risks associated with the strategic, long-term relationship between WBA and the Company, including with respect to the pharmaceutical distribution agreement and/or the global generic purchasing services arrangement; changes in tax laws or legislative initiatives that could adversely affect the Company's tax positions and/or the Company's tax liabilities or adverse resolution of challenges to the Company's tax positions; managing foreign expansion, including non-compliance with the U.S. Foreign Corrupt Practices Act, anti-bribery laws, economic sanctions and import laws and regulations; substantial defaults in payment, material reduction in purchases by or the loss, bankruptcy or insolvency of a major customer, including as a result of COVID-19; the loss, bankruptcy or insolvency of a major supplier, including as a result of COVID-19; financial market volatility and disruption; financial and other impacts of COVID-19 on our operations or business continuity; changes to the customer or supplier mix; malfunction, failure or breach of sophisticated information systems to operate as designed; risks generally associated with data privacy regulation and the international transfer of personal data; natural disasters or other unexpected events, such as additional pandemics, that affect the Company's operations; the impairment of goodwill or other intangible assets (including any additional impairments with respect to foreign operations), resulting in a charge to earnings; the acquisition of businesses that do not perform as expected, or that are difficult to integrate or control, or the inability to capture all of the anticipated synergies related thereto or to capture the anticipated synergies within the expected time period; the Company's ability to manage and complete divestitures; the disruption of the Company's cash flow and ability to return value to its stockholders in accordance with its past practices; interest rate and foreign currency exchange rate fluctuations; declining economic conditions in the United States and abroad; and other economic, business, competitive, legal, tax, regulatory and/or operational factors affecting the Company's business generally. Certain additional factors that management believes could cause actual outcomes and results to differ materially from those described in forward-looking statements are set forth (i) in Item 1A (Risk Factors), in the Company's Annual Report on Form 10-K for the fiscal year ended September 30, 2020 and elsewhere in that report and (ii) in other reports filed by the Company pursuant to the Securities Exchange Act. The Company undertakes no obligation to publicly update or revise any forward-looking statements, except as required by the federal securities laws.

GAAP / non-GAAP Reconciliation

In an effort to provide additional and useful information regarding AmerisourceBergen's financial results and other financial information as determined by generally accepted accounting principles (GAAP), certain materials presented during this event include non-GAAP information. A reconciliation of that information to GAAP and other related information is available in the supplemental material attached as an appendix to this presentation and posted on our website, investor.amerisourcebergen.com.



AmerisourceBergen
is united in our responsibility to create healthier futures.

AmerisourceBergen creates unparalleled access, efficiency, and reliability for human and animal health as a leading provider of pharmaceutical distribution services and differentiated value-added solutions for upstream and downstream partners.

AmerisourceBergen

Overview

Strong Q4 performance

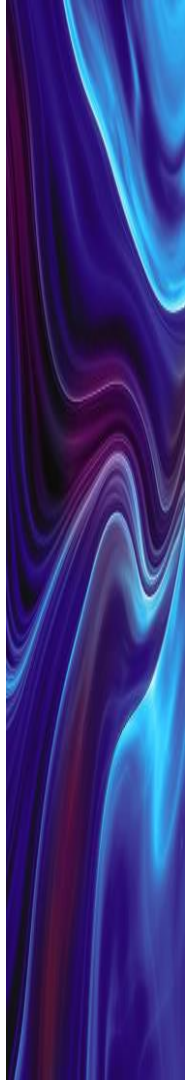
- Pharmaceutical distribution growth driven by solid performance across the business and specialty product sales
- Growth in Other driven by the Alliance Healthcare acquisition

Differentiated value proposition

- Industry-leading customer base
- Leadership in specialty distribution and commercialization services
- Best-in-class service and efficiency to support pharmaceutical innovation
- Legacy of corporate stewardship

Fiscal 2022 guidance and new reporting structure

- New reportable segments:
  - U.S. Healthcare Solutions
  - International Healthcare Solutions
- Guidance reflects growth in both segments



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Q4 FY2021 financial results

Consolidated results

	GAAP	Adjusted (non-GAAP)[1]
Revenue *% Change (Year-over-Year)*	$58.9B 19.6%	$58.9B 19.6%
Gross profit *% Change*	$2.1B 53.6%	$2.0B 51.3%
Operating expenses *% Change*	$1.5B NM	$1.3B 64.9%
Operating income *% Change*	$562M NM	$694M 31.0%
Interest expense, net *% Change*	$55M 57.3%	$55M 57.3%
Effective tax rate	21.2%	20.3%
Net income attributable to AmerisourceBergen *% Change*	$438M NM	$504M 29.4%
Diluted earnings per share *% Change*	$2.08 NM	$2.39 26.5%
Diluted shares outstanding *% Change*	210.8M 3.3%	210.8M 2.2%

[1]See tables at end of presentation for GAAP to non-GAAP reconciliations

NM = Not Meaningful

Note: For more information related to non-GAAP financial measures, refer to the section titled “Supplemental Information Regarding Non-GAAP Financial Measures” of the exhibit to the Company’s most recent Current Report on Form 8-K furnished under Item 2.02.



AmerisourceBergen

Full Year FY2021 financial results

Consolidated results

	GAAP	Adjusted (non-GAAP)[1]
Revenue *% Change (Year-over-Year)*	$214.0B 12.7%	$214.0B 12.7%
Gross profit *% Change*	$6.9B 33.7%	$6.6B 25.9%
Operating expenses *% Change*	$4.6B NM	$3.9B 30.2%
Operating income *% Change*	$2.4B NM	$2.6B 20.1%
Interest expense, net *% Change*	$174M 26.2%	$174M 26.2%
Effective tax rate	30.5%	21.3%
Net income attributable to AmerisourceBergen *% Change*	$1.5B NM	$1.9B 18.3%
Diluted earnings per share *% Change*	$7.39 NM	$9.26 17.2%
Diluted shares outstanding *% Change*	208.5M 1.8%	208.5M 0.9%

[1]See tables at end of presentation for GAAP to non-GAAP reconciliations

NM = Not Meaningful

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AmerisourceBergen

Q4 FY2021 financial results

Pharmaceutical Distribution Services segment

	Q4 FY2021	Q4 FY2020
Revenue	$51.2B	$47.3B
Operating income	$472M	$426M
Percentages of revenue		
Gross profit	2.10%	2.05%
Operating expenses	1.18%	1.15%
Operating income	0.92%	0.90%

- Revenue increase of 8.4% driven by strong specialty product sales, including COVID-19 treatments, and overall market growth
- Operating income increase of 10.9% primarily due to strong performance across the pharmaceutical distribution business, including growth in sales of specialty products



Q4 FY2021 financial results

Other — Alliance Healthcare, MWI Animal Health, World Courier, and AmerisourceBergen Consulting Services

	Q4 FY2021	Q4 FY2020
Revenue	$7.7B	$2.0B
Operating income	$223M	$105M
Percentages of revenue		
Gross profit	12.09%	18.08%
Operating expenses	9.19%	12.83%
Operating income	2.90%	5.25%

- Other includes Alliance Healthcare, MWI Animal Health, World Courier, and AmerisourceBergen Consulting Services
- Revenue increase of 286.8% due to the acquisition of Alliance Healthcare and growth in the other operating segments
- Operating income increase of 113.6% due to Alliance Healthcare



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FY2022 guidance

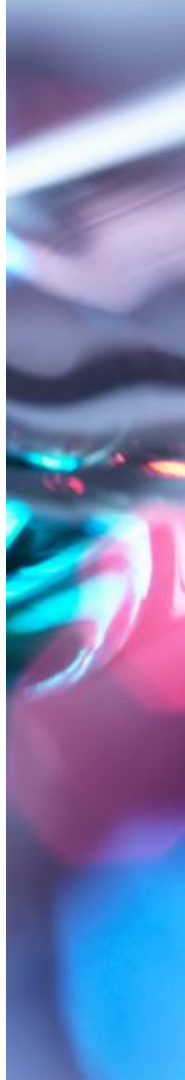
U.S. Healthcare Solutions consists of legacy Pharmaceutical Distribution Services segment[1], MWI Animal Health, Xcenda, Lash Group, & ICS 3PL

International Healthcare Solutions consists of Alliance Healthcare, World Courier, Innomar, Profarma[1] & Profarma Specialty

Revenue	**High-single to low-double digit percent growth**
U.S. Healthcare Solutions revenue	**$207 billion to $212 billion**
	represents growth of 2% to 5%
International Healthcare Solutions revenue	**$26 billion to $27 billion**
Adjusted operating income[2]	**Mid- to high-teens percent growth**
U.S. Healthcare Solutions operating income	**$2.325 billion to $2.4 billion**
	represents growth of 3% to 6%
International Healthcare Solutions operating income	**$685 million to $715 million**
Interest expense	**Mid-teens percent growth**
Adjusted effective tax rate[2]	**~21%-22%**
Diluted weighted average shares outstanding	**~212M**
Adjusted diluted earnings per share[2]	**$10.50 to $10.80**
	represents growth of 13% to 17%
Adjusted free cash flow[2]	**$2.0 to $2.5 billion**
Capital expenditures	**~$500M**

[1] Profarma had previously been included in the Pharmaceutical Distribution Services segment.

[2]The Company does not provide forward-looking guidance on a GAAP basis as certain information, the probable significance of which cannot be determined, is not available and cannot be reasonably estimated. Please refer to the exhibit to the Company's most recent Current Report on Form 8-K furnished under Item 2.02 for more information.



AmerisourceBergen

Purpose fuels performance

Why we exist

We are united in our responsibility to create healthier futures

Our key strengths

- Best customer base
- Leader in specialty distribution and commercialization
- Innovation mindset
- Corporate stewardship

Our growth strategies

Customer focus
Further strengthen portfolio of solutions and customer relationships to lead with market leaders

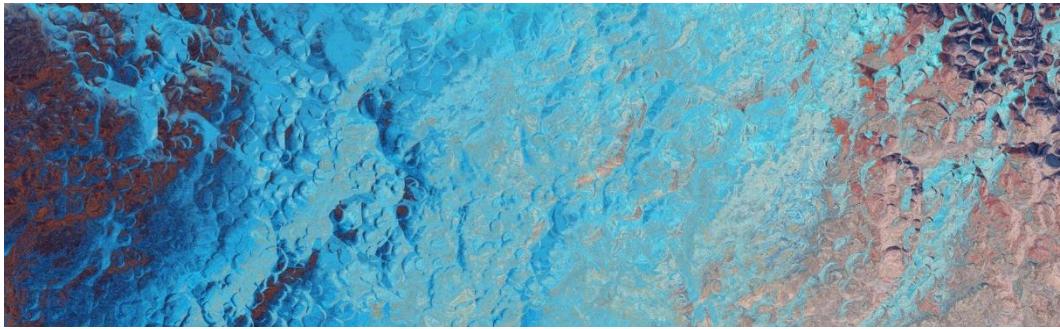
Expand on specialty leadership
Enhance capabilities to support both upstream partners and downstream customers

Execution and innovation
Continue to deliver best-in-class service, set efficiency standards, and develop innovative approaches

Contribute to Rx outcomes
Enable positive outcomes globally by facilitating market access and supporting Rx innovation

Our long-term, sustainable growth is supported by our diverse and inclusive teams and investments in our people and culture

Advancing environmental, social, and governance initiatives to create healthier futures around the world



Environmental

Adapting to a changing climate

- Reduced scope 1 and 2 greenhouse gas emissions by 10.5% in fiscal 2020 from fiscal 2019 levels
- 100+ disaster preparedness plans and climate risk assessments in place to ensure supply chain resiliency
- Transportation, packaging and operational efficiency focus
- Joined the Science Based Targets Initiative and UN Global Compact

Social

Investing in our people and communities

- COVID-19 response includes protecting our people, providing global solutions, and making philanthropic contributions
- Long-term diversity, equity, and inclusion strategy focused on people, culture, and community
- Committed to enhancing our resources and benefits to enable a high-performance culture

Governance

Embracing a culture of transparency, ethics, and integrity

- Published 5th corporate citizenship report, aligned with GRI, SASB, UN SDGs, and externally assured
- Board oversight of ESG strategy, which is embedded in business
- Chief Financial Officer and Chief Communications & Administration Officer serve as executive sponsors of company’s Global ESG Council

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Appendix

AMERISOURCEBERGEN CORPORATION
GAAP TO NON-GAAP RECONCILIATIONS
(in thousands, except per share data)
(unaudited)

	Three Months Ended September 30, 2021							
	Gross Profit	Operating Expenses	Operating Income	Income Before Income Taxes	Income Tax Expense	Net Loss (Income) Attributable to Noncontrolling Interests	Net Income Attributable to ABC	Diluted Earnings Per Share
GAAP	$ 2,069,411	$ 1,507,516	$ 561,895	$ 553,936	$ 117,488	$ 1,250	$ 437,698	$ 2.08
Gains from antitrust litigation settlements	(21,362)	—	(21,362)	(21,362)	(32,251)	—	10,889	0.05
LIFO credit	(42,463)	—	(42,463)	(42,463)	(40,529)	—	(1,934)	(0.01)
Acquisition-related intangibles amortization	—	(81,932)	81,932	81,932	43,830	(5,734)	32,368	0.15
Employee severance, litigation, and other [1]	—	(96,410)	96,410	96,410	50,802	—	45,608	0.22
Impairment of non-customer note receivable	—	—	—	14,000	—	—	14,000	0.07
Gain on remeasurement of equity investment	—	—	—	(64,721)	—	—	(64,721)	(0.31)
Goodwill impairment	—	(6,373)	6,373	6,373	—	—	6,373	0.03
Impairment of assets	—	(11,324)	11,324	11,324	—	—	11,324	0.05
Tax reform [2]	—	—	—	2,276	(9,784)	—	12,060	0.06
Adjusted Non-GAAP	$ 2,005,586	$ 1,311,477	$ 694,109	$ 637,705	$ 129,556	$ (4,484)	$ 503,665	$ 2.39
Adjusted Non-GAAP % change vs. prior year quarter	51.3 %	64.9 %	31.0 %	27.6 %	19.3 %		29.4 %	26.5 %

Percentages of Revenue:	GAAP	Adjusted Non-GAAP
Gross profit	3.51%	3.40%
Operating expenses	2.56%	2.23%
Operating income	0.95%	1.18%

1. Includes a $6.3 million legal expense accrual related to opioid litigation settlements.
2. Includes $9.8 million of expense relating to Swiss tax reform and a $2.3 million loss on the currency remeasurement of the related deferred tax assets, which is recorded within Other Income, Net.

Note: For more information related to non-GAAP financial measures, refer to the section titled “Supplemental Information Regarding Non-GAAP Financial Measures” of the exhibit to the Company’s most recent Current Report on Form 8-K furnished under Item 2.02

AMERISOURCEBERGEN CORPORATION
GAAP TO NON-GAAP RECONCILIATIONS
(in thousands, except per share data)
(unaudited)

	Three Months Ended September 30, 2020							
	Gross Profit	Operating Expenses	Operating (Loss) Income	(Loss) Income Before Income Taxes	Income Tax (Benefit) Expense	Net Income Attributable to Noncontrolling Interests	Net (Loss) Income Attributable to ABC	Diluted Earnings Per Share
GAAP	$ 1,346,847	$ 7,459,984	$ (6,113,137)	$ (6,143,457)	$ (1,298,952)	$ (1,567)	$ (4,846,072)	$ (23.74)
Gains from antitrust litigation settlements	(530)	—	(530)	(530)	112	—	(642)	—
LIFO credit	(35,773)	—	(35,773)	(35,773)	(8,989)	—	(26,784)	(0.13)
PharMEDium shutdown costs	—	2,200	(2,200)	(2,200)	(2,132)	—	(68)	—
New York State Opioid Stewardship Act	14,800	—	14,800	14,800	3,240	—	11,560	0.06
Acquisition-related intangibles amortization	—	(25,133)	25,133	25,133	3,213	(437)	21,483	0.10
Employee severance, litigation, and other [1]	—	(6,641,681)	6,641,681	6,641,681	1,081,721	—	5,559,960	27.20
Impairment of assets	—	—	—	—	(9,700)	—	9,700	0.05
Other	—	—	—	—	(268)	189	457	—
Certain discrete tax benefits [2]	—	—	—	—	(20,425)	—	20,425	0.10
Tax reform [3]	—	—	—	—	360,745	—	(360,745)	(1.75)
Adjusted Non-GAAP	$ 1,325,344	$ 795,370	$ 529,974	$ 499,654	$ 108,565	$ (1,815)	$ 389,274	$ 1.89

Percentages of Revenue:	GAAP	Adjusted Non-GAAP
Gross profit	2.74%	2.69%
Operating expenses	15.15%	1.62%
Operating (loss) income	(12.41)%	1.08%

1. Includes a $6.6 billion legal expense accrual in connection with opioid lawsuits.
2. Represents an adjustment to discrete tax benefits previously recognized primarily attributable to the income tax deductions resulting from the permanent shutdown of the PharMEDium business.
3. Represents a tax benefit relating to Swiss tax reform.

Note: For more information related to non-GAAP financial measures, refer to the section titled “Supplemental Information Regarding Non-GAAP Financial Measures” of the exhibit to the Company’s most recent Current Report on Form 8-K furnished under Item 2.02.

AMERISOURCEBERGEN CORPORATION
GAAP TO NON-GAAP RECONCILIATIONS
(in thousands, except per share data)
(unaudited)

	Fiscal Year Ended September 30, 2021							
	Gross Profit	Operating Expenses	Operating Income	Income Before Income Taxes	Income Tax Expense	Net Income Attributable to Noncontrolling Interests	Net Income Attributable to ABC	Diluted Earnings Per Share
GAAP	$ 6,943,228	$ 4,589,031	$ 2,354,197	$ 2,221,859	$ 677,251	$ (4,676)	$ 1,539,932	$ 7.39
Gains from antitrust litigation settlements	(168,794)	—	(168,794)	(168,794)	(47,517)	—	(121,277)	(0.58)
LIFO credit	(203,028)	—	(203,028)	(203,028)	(57,154)	—	(145,874)	(0.70)
Acquisition-related intangibles amortization	—	(176,221)	176,221	176,221	46,873	(7,498)	121,850	0.58
Employee severance, litigation, and other [1]	—	(471,911)	471,911	471,911	87,304	—	384,607	1.84
Impairment of non-customer note receivable	—	—	—	14,000	—	—	14,000	0.07
Gain on remeasurement of equity investment	—	—	—	(64,721)	—	—	(64,721)	(0.31)
Goodwill impairment	—	(6,373)	6,373	6,373	—	—	6,373	0.03
Impairment of assets	—	(11,324)	11,324	11,324	—	—	11,324	0.05
Certain discrete tax benefits [2]	—	—	—	—	20,425	—	(20,425)	(0.10)
Tax reform [3]	—	—	—	3,362	(201,391)	—	204,753	0.98
Adjusted Non-GAAP	$ 6,571,406	$ 3,923,202	$ 2,648,204	$ 2,468,507	$ 525,791	$ (12,174)	$ 1,930,542	$ 9.26 [4]
Adjusted Non-GAAP % change vs. prior year	25.9 %	30.2 %	20.1 %	19.4 %	22.0 %		18.3 %	17.2 %

Percentages of Revenue:	GAAP	Adjusted Non-GAAP
Gross profit	3.24%	3.07%
Operating expenses	2.14%	1.83%
Operating income	1.10%	1.24%

1. Includes a $147.7 million legal expense accrual related to opioid litigation settlements.
2. Represents an adjustment of discrete tax benefits primarily attributable to the income tax deductions resulting from the permanent shutdown of the PharMEDium business.
3. Includes $127.6 million of expense relating to UK tax reform, $73.8 million of expense relating to Swiss tax reform, and a $3.4 million loss on the currency remeasurement of the related deferred tax assets, which is recorded within Other Income, Net.
4. The sum of the components does not equal the total due to rounding.

Note: For more information related to non-GAAP financial measures, refer to the section titled “Supplemental Information Regarding Non-GAAP Financial Measures” of the exhibit to the Company’s most recent Current Report on Form 8-K furnished under Item 2.02.

AMERISOURCEBERGEN CORPORATION
GAAP TO NON-GAAP RECONCILIATIONS
(in thousands, except per share data)
(unaudited)

	Fiscal Year Ended September 30, 2020							
	Gross Profit	Operating Expenses	Operating (Loss) Income	(Loss) Income Before Income Taxes	Income Tax (Benefit) Expense	Net Income Attributable to Noncontrolling Interests	Net (Loss) Income Attributable to ABC	Diluted Earnings Per Share
GAAP	$ 5,191,884	$ 10,327,238	$ (5,135,354)	$ (5,293,831)	$ (1,894,273)	$ (9,158)	$ (3,408,716)	$ (16.65)
Gains from antitrust litigation settlements	(9,076)	—	(9,076)	(9,076)	(1,988)	—	(7,088)	(0.03)
LIFO expense	7,422	—	7,422	7,422	1,625	—	5,797	0.03
PharMEDium shutdown and remediation costs	12,556	(46,815)	59,371	59,371	12,996	—	46,375	0.22
New York State Opioid Stewardship Act	14,800	—	14,800	14,800	3,240	—	11,560	0.06
Acquisition-related intangibles amortization	—	(110,478)	110,478	110,478	24,184	(1,745)	84,549	0.41
Employee severance, litigation, and other [1]	—	(6,807,307)	6,807,307	6,807,307	1,122,417	—	5,684,890	27.66
Impairment of assets	—	(361,652)	361,652	361,652	79,165	—	282,487	1.37
Contingent consideration adjustment	—	12,153	(12,153)	(12,153)	(2,660)	5,867	(3,626)	(0.02)
Loss on early retirement of debt	—	—	—	22,175	4,854	—	17,321	0.08
Certain discrete tax benefits [2]	—	—	—	—	720,590	—	(720,590)	(3.49)
Tax reform [3]	—	—	—	—	360,745	—	(360,745)	(1.75)
Adjusted Non-GAAP	$ 5,217,586	$ 3,013,139	$ 2,204,447	$ 2,068,145	$ 430,895	$ (5,036)	$ 1,632,214	$ 7.90 [4]

Percentages of Revenue:	GAAP	Adjusted Non-GAAP
Gross profit	2.73%	2.75%
Operating expenses	5.44%	1.59%
Operating (loss) income	(2.70)%	1.16%

1. Includes a $6.6 billion legal expense accrual in connection with opioid lawsuits.
2. Represents discrete tax benefits primarily attributable to the income tax deductions resulting from the permanent shutdown of the PharMEDium business.
3. Represents a tax benefit relating to Swiss tax reform.
4. The sum of the components does not equal the total due to rounding.

Note: For more information related to non-GAAP financial measures, refer to the section titled “Supplemental Information Regarding Non-GAAP Financial Measures” of the exhibit to the Company’s most recent Current Report on Form 8-K furnished under Item 2.02.

AMERISOURCEBERGEN CORPORATION
RECONCILIATION OF DILUTED WEIGHTED AVERAGE COMMON SHARES OUTSTANDING (GAAP TO NON-GAAP)
(in thousands)
(unaudited)

	Three Months Ended September 30,		Fiscal Year Ended September 30,	
	2021	2020	2021	2020
Basic shares outstanding	207,900	204,094	205,919	204,783
Stock option and restricted stock unit dilution	2,910	—	2,546	—
GAAP diluted shares outstanding	210,810	204,094	208,465	204,783
Stock option and restricted stock unit dilution [1]	—	2,262	—	1,839
Non-GAAP diluted shares outstanding	210,810	206,356	208,465	206,622

1. For the non-GAAP presentation, diluted weighted average common shares outstanding has been adjusted to include the impact of the stock options and restricted stock units that were anti-dilutive for the GAAP presentation.

Note: For more information related to non-GAAP financial measures, refer to the section titled “Supplemental Information Regarding Non-GAAP Financial Measures” of the exhibit to the Company’s most recent Current Report on Form 8-K furnished under Item 2.02.

AmerisourceBergen

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